

ENHANCING TRANSPARENCY AND ACCOUNTABILITY: **AN OVERVIEW OF BENEFICIAL OWNERSHIP IN INDONESIA**

The Ministry of Law of the Republic of Indonesia
Directorate General of Legal Administrative Affairs

Jakarta, September 24th, 2025

Introduction

PROTECT THE BUSINESS

Knowing who the actual business controllers or behind-the-scenes actors of a corporation are important for business environment.

LAW ENFORCEMENT

Transparency of BO will prevent the practice of money laundering, terrorism financing, corruption, and other legal violations.

INTERNATIONAL COMMITMENT

Fulfill international commitment on preventing money laundering and terrorism financing

BENEFICIAL OWNERSHIP IN INDONESIA

A Beneficial Owner is **an individual** who **can appoint or dismiss** directors, commissioners, managers, or supervisors of a Corporation, **has the ability to control** the Corporation, is entitled to and/or **receives benefits** from the Corporation either directly or indirectly, is the **actual owner** of the funds or shares of the Corporation, and/or meets the criteria as stipulated in this Presidential Regulation.

Presidential Regulation No.13 of 2018 on the Implementation of the Principle of Identifying Beneficial Owners of Corporations for the Purposes of Preventing and Eradicating Money Laundering and Terrorism Financing

Regulatory Milestone



2005

Double taxation avoidance for foreign BO (DG-Taxation Decree No.SE- 04/PJ.34/2005)



2010

“Corporate Controlling Personnel” for ML investigation (Law No. 8 of 2010)



2017

The involvement of reporting party/profession to identify & verify BO (MLHR Regulation No. 9 of 2017 on KYC Principle for Notaries)



2025

Enhancing the accuracy of the BO data through multiple verifications (MoL Regulation No. 2 of 2025 on Verification and Supervision of Corporate Beneficial Ownership)



2023

BO can be held liable for all types of criminal investigation by corporation (Law No. 1 of 2023 on New Criminal Code)



2018

BO mandatory disclosure for corporations (Presidential Regulation No. 13 of 2018 on BO for AML/CFT)

The Implementation

LIMITED LIABILITY COMPANY

FOUNDATION

ASSOCIATION

COOPERATIVE

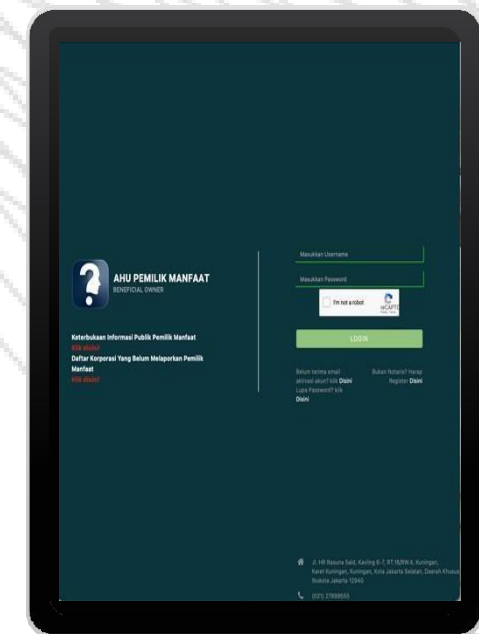
LIMITED PARTNERSHIP (CV)

FIRM

SOLE PROPRIETORSHIP



ahu.go.id



bo.ahu.go.id

Corporations report BO through a notary via the BO reporting application or during incorporation/amendment access

**) Since 2018, BO reporting has been mandatory under Presidential Regulation No. 13 of 2018.*

BENEFICIAL OWNER CRITERIA

Q LIMITED LIABILITY COMPANY X

- Holds more than 25% of shares;
- Holds more than 25% of voting rights;
- Receives more than 25% of the company's annual profit;
- Has the authority to appoint/replace/dismiss Directors and Commissioners;
- Receives other benefits from the company;
- Is the actual owner of funds or shares in the company.

Q FOUNDATION X

- Provides more than 25% of initial assets;
- Has the authority to appoint or dismiss the Supervisory Board, Management, and Executive Board;
- Has the authority to control or influence the Foundation without formal appointment;
- Receives benefits from the Foundation;
- Is the actual owner of funds or assets of the Foundation or other parties.

Q ASSOCIATION X

- Provides more than 25% of funding sources;
- Receives more than 25% of the Association's profit or benefit from its activities;
- Has the authority to appoint or dismiss the management;
- Has the authority to control or influence the Association;
- Receives benefits from the Association;
- Is the actual owner of funds or assets of the Association.

Q COOPERATIVE X

- Receives more than 25% of business surplus or profit;
- Has direct or indirect authority to appoint/dismiss the supervisory and management boards;
- Has authority or power to control/influence the Cooperative;
- Receives benefits from the Cooperative;
- Is the actual owner of funds or assets of the Cooperative.

Q LIMITED PARTNERSHIP (CV) X

- Contributes capital and/or receives more than 25% of the partnership's annual profit;
- Has the authority to appoint or dismiss the active partner;
- Has the authority to control or influence the partnership without being an active partner;
- Receives benefits from the partnership;
- Is the actual owner of funds or assets contributed.

Q FIRM X

- Contributes more than 25% of capital;
- Receives more than 25% of annual profit or business surplus;
- Has the authority to appoint or dismiss partners;
- Has the authority to control or influence the partnership;
- Receives benefits from the partnership;
- Is the actual owner of funds or capital.

THE MINISTRY OF LAW AS CORPORATE REGISTER



MOLHR serves as the Indonesian Corporate Register. The MOLHR manages BO data for all types of corporations in Indonesia electronically. Hence, since 2018, MOLHR has also managed BO information.

Multiple law enforcement agencies (LEAs) and other competent authorities (CAs) can access MOLHR's BO data very quickly, anytime, and anywhere through data integration. Additionally, MOLHRs' BO data is also widely accessible to the public.

The Accuracy of BO Data



- Indonesia ensures the accuracy of BO data on corporations through the obligation of BO identification by corporate internals, and through due diligence by Notaries.
- The Ministry of Law has cooperation with the Ministry of Home Affairs (Directorate General of Population and Civil Registration). Since January 2024, every BO data report will be synchronized with the National ID Number.
- The Ministry of Law also continues to strengthen data-sharing cooperation with relevant ministries and agencies to improve the quality of BO data.
- Verifications through BO questionnaire based on ML/TF risk assessment.

Data Sharing Mechanism

DATA INTERCONNECTION

The Corporation Data (including BO) can be accessed through data interconnection.

USER ACCOUNT

Ministry of Law gives user account LEAs or CAs to our database.

CONVENTIONAL CORRESPONDENCE

LEAs & CAs may also request corporation data through correspondence.

BO DATA-SHARING COOPERATION



KEMENTERIAN KEUANGAN
REPUBLIK INDONESIA

MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA



KEMENTERIAN PERTANIAN
MINISTRY OF AGRICULTURE OF
THE REPUBLIC OF INDONESIA



KEMENKOPUKM
Kementerian Koperasi dan UKM Republik Indonesia

MINISTRY OF COOPERATIVES AND SMALL AND MEDIUM
ENTERPRISES OF THE REPUBLIC OF INDONESIA



**KEMENTERIAN AGRARIA DAN
TATA RUANG/BADAN
PERTANAHAN NASIONAL**

MINISTRY OF AGRARIAN AFFAIRS AND SPATIAL
PLANNING OF THE REPUBLIC OF INDONESIA



**KEMENTERIAN ENERGI DAN
SUMBER DAYA MINERAL**
MINISTRY OF AGRICULTURE OF THE
REPUBLIC OF INDONESIA



**KEMENTERIAN INVESTASI
DAN HILIRISASI/BKPM**

INVESTMENT COORDINATING BOARD



POLRI
KEPOLISIAN NEGARA REPUBLIK INDONESIA
INDONESIAN NATIONAL POLICE



KEMENTERIAN PERHUBUNGAN
MINISTRY OF TRANSPORTATION



LKPP
Lembaga Kebijakan
Pengadaan Barang/Jasa Pemerintah

NATIONAL PUBLIC PROCUREMENT AGENCY

The New Regulation on BO Verification

Ministry of Law Regulation No. 2 of 2025 on Verification and Supervision of Corporate Beneficial Ownership

MULTIPLE VERIFICATION

The new regulation will **emphasize the multiple verifications of the BO** by Corporation, Notary, the Corporate Register, and other Competent Authorities.

RISK ASSESSMENT

Verification is conducted **based on ML/TF risk assessment**.

QUESTIONNAIRE COMPLETION

The **BO questionnaire is filled by the Corporation/Notary** during the establishment & amendment of the corporation, as well as during BO data updates.

DATA ANALYSIS

Data analysis is **conducted to determine the consistency of the reported BO data** and from the questionnaire. If necessary, an **in-depth examination (on-site)** maybe conducted.

SANCTION

Sanctions are imposed on corporations that fail to report the BO. Including warnings, blacklisting, and blocking.

Dissuasive Sanction

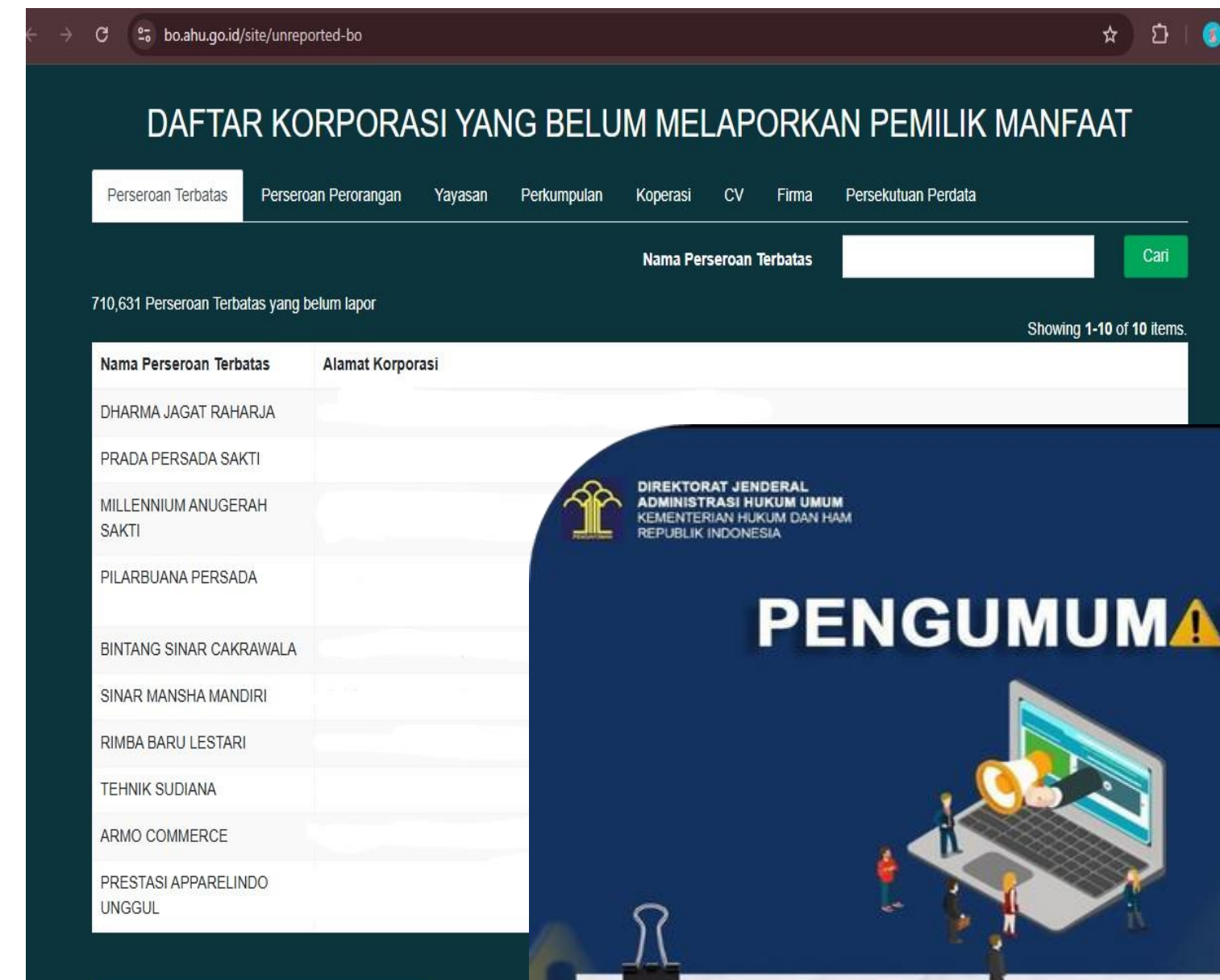
BLACK LIST

Since December 2022, the Ministry of Law through the Directorate General of Legal Administrative Affairs (Ditjen AHU) has issued a "Black List" for corporations that have not reported their BO.

<https://bo.ahu.go.id/site/unreported-bo>

BLOCKING

Since February 2023, Corporations that have not yet reported their BO within 3 months since establishment will be blocked by the electronic system of the Directorate General of Legal Administrative Affairs (Ditjen AHU) at the Ministry of Law.



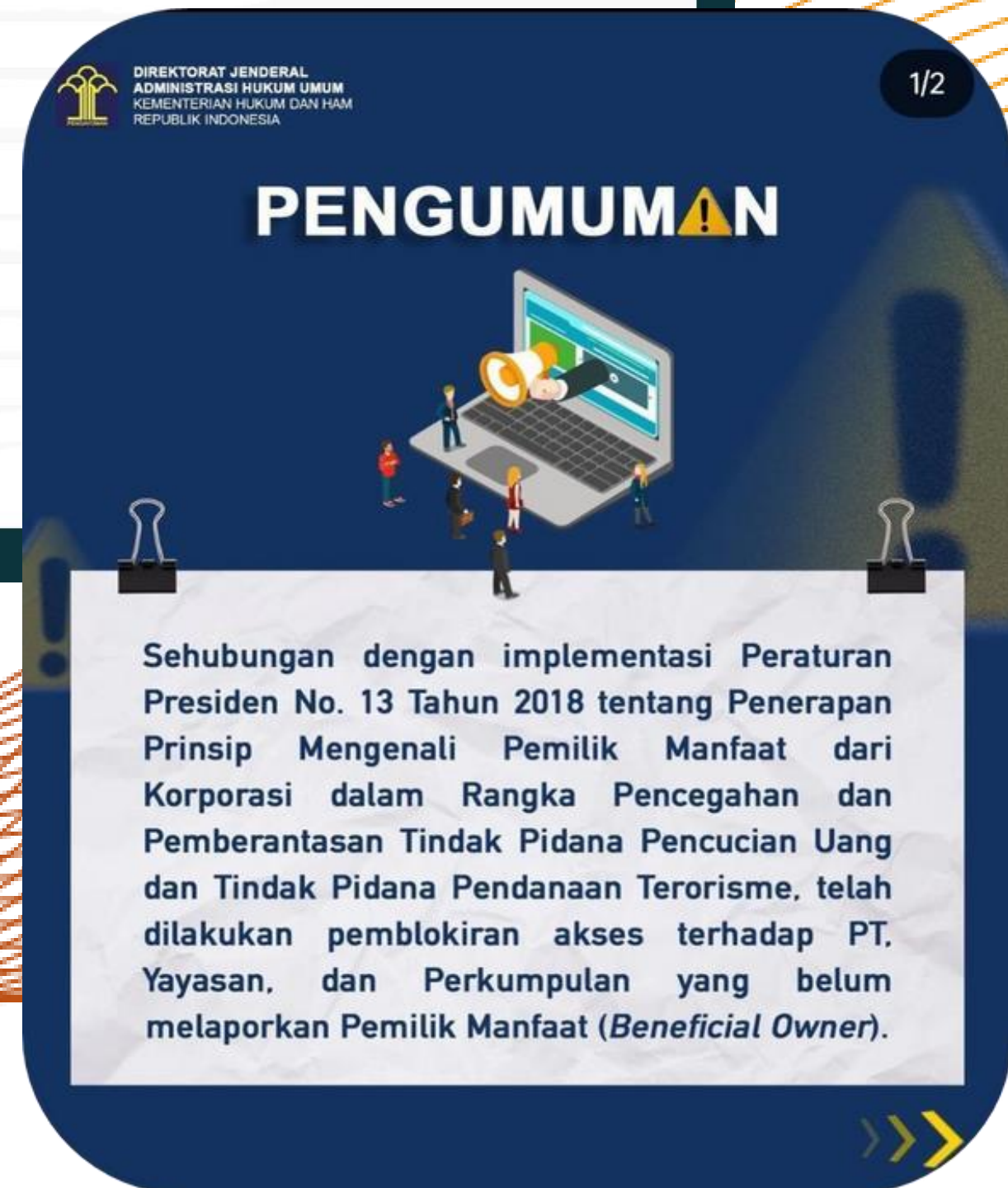
DAFTAR KORPORASI YANG BELUM MELAPORKAN PEMILIK MANFAAT

Perseroan Terbatas Perseroan Perorangan Yayasan Perkumpulan Koperasi CV Firma Persekutuan Perdata

Nama Perseroan Terbatas Cari

710,631 Perseroan Terbatas yang belum lapor Showing 1-10 of 10 items.

Nama Perseroan Terbatas	Alamat Korporasi
DHARMA JAGAT RAHARJA	
PRADA PERSADA SAKTI	
MILLENNIUM ANUGERAH SAKTI	
PILARBUANA PERSADA	
BINTANG SINAR CAKRAWALA	
SINAR MANSHA MANDIRI	
RIMBA BARU LESTARI	
TEHNIK SUDIANA	
ARMO COMMERCE	
PRESTASI APPARELINDO UNGGUL	

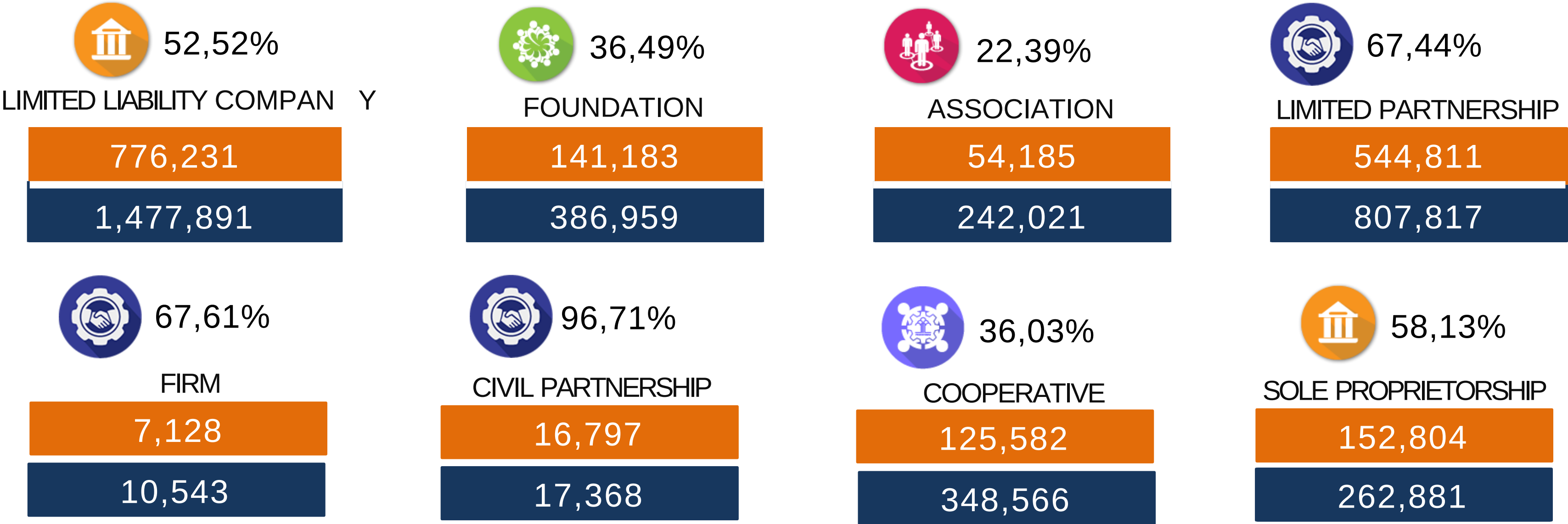


DIREKTORAT JENDERAL ADMINISTRASI HUKUM UMUM KEMENTERIAN HUKUM DAN HAM REPUBLIK INDONESIA

PENGUMUMAN

Sehubungan dengan implementasi Peraturan Presiden No. 13 Tahun 2018 tentang Penerapan Prinsip Mengenali Pemilik Manfaat dari Korporasi dalam Rangka Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang dan Tindak Pidana Pendanaan Terorisme, telah dilakukan pemblokiran akses terhadap PT, Yayasan, dan Perkumpulan yang belum melaporkan Pemilik Manfaat (*Beneficial Owner*).

SUMMARY OF BO REPORTING as of August 2025



Notes:

Number of corporations that have reported BO
Total number of corporations

Total: **1,818,721** corporations
have reported the BO data

Challenges

PUBLIC UNDERSTANDING

Since BO was introduced in 2018, the understanding of BO in Indonesia remains low. Business agency sometimes consider BO declaration against ease of doing business principle.

DATA INACCURACIES

Due to various factors, including a lack of understanding of BO and the misconception that Indonesia is a civil law country that does not recognize nominees, many people fill out BO information similar to Director.

INVALID SUBMISSION

Previously, we allowed the corporation and its representative to submit BO to our system, so there is a lack of responsibility in the submissions. We often find that BO data in a corporation is randomly submitted and irresponsibly altered.

LEGAL RESPONSIBILITY

Previously, the Indonesian legal system did not specifically attribute criminal responsibility to BO in cases of corporate wrongdoing; instead, it primarily held Legal Owners (such as Directors) accountable for any violations. However, under the new Criminal Code (Law No. 1 of 2023), BOs can now also be held criminally liable.

Upcoming Plan

MORE VERIFICATION

Ministry of Law will implement robust BO verification for corporation based on risk assessment using online questionnaire. If necessary, we may conduct on-site supervision.

MORE INTEGRATION

The electronic BO data of the Ministry of Law will be integrated with more competent authorities to ensure the accuracy of the BO data from various institutions.

MORE OUTREACH

To improve public understanding, Ministry of Law will continue to conduct outreach regarding BO in Indonesia.

THANK YOU