

**THE PROCEDURES FOR ESTABLISHING A FOREIGN INVESTMENT
COMPANY IN INDONESIA (A STUDY ABOUT INVESTMENT
PROVISIONS IN THE ASEAN ECONOMIC COMMUNITY “AEC” ERA)
UNDERGRADUATE THESIS**



**This undergraduate thesis is submitted as one of the requirements to obtain the
degree of Bachelor of Laws at the Faculty of Law
Universitas Muhammadiyah Yogyakarta**

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2016

DECLARATION PAGE

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

I hereby declare that the undergraduate thesis under the title “**The Procedures for Establishing a Foreign Investment Company in Indonesia (A Study About Investment Provisions in The Asean Economic Community “AEC” Era)**”, its content is truly the work of my own and I did not do plagiarism or quotation in ways that are inconsistent with the prevailing ethic in the scientific community. On this statement, I am ready to bear the risk/any sanctions imposed to me in accordance with applicable regulations, if in the future found a breach of scientific ethics, I am willing to accept the sanctions.

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Shofia Chairunnisa
Shofia Chairunnisa

MOTTO

“whoever treads a path seeking knowledge, Allah will make easy for him the path to Paradise.”

(Reported by IbnMajah and others, fulfilling the conditions of Imam al Bukhari and Imam Muslim)

“Your story may not have such a happy beginning, but that does not make you who you are. It is the test of your story, who you choose to be.”

(Soothsayer)

Smart impresses me, strength of character impresses me. But most of all, I am impressed by kindness. Kindness, I think, comes from learning hard lessons well, from falling and picking yourself up. It comes from surviving failure and loss. It implies an understanding of the human condition, forgives its many flaws and quirks. When I see that in someone, it fills me with admiration.

(Generasi Pencerah)

Writing is one way to get to know yourself and to practice transforming your dreams into clear, worded, goals.

(Maudy Ayunda)

Everyday a deer awakens knowing it must outrun the fastest lion or be hunted to death. Everyday a lion awakens knowing it must outrun the slowest deer or starve to death. In this lifetime, it doesn't matter whether you are a deer or a lion when the sun rises, you should be running at your best.

(Anonymous)

DEDICATION

This Undergraduate Thesis dedicate to:

My Lord, Allah AWT

Prophet Muhammad SAW

Families:

My Father: Imam Achyat

My Mother: Ala Shofiyati

My Brother: Wildan Nurohman

My Sister: Rif'atir Rizqiyah

All Lecturers, IPOLianS and My Best Partner

FOREWORD

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Author

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3. Regulation of the Head No. 5 of 2013 on the Investment Coordinating Board
4. Law No. 40 of 2007 on Limited Liability Companies
5. Presidential Decree No. 27 of 2009 on One-Stop Services
6. Regulation of the Minister of the Interior Number 27 of 2009
7. Presidential Regulation No. 97 of 2014 on Organization of Integrated One Stop Service (New Regulation)

LIST OF ABBREVIATIONS

ACIA	ASEAN Comprehensive Investment Agreement
AEC	ASEAN Economic Community
AFAS	ASEAN Framework Agreement on Services
AFTA	ASEAN Free Trade Agreement
AIC	ASEAN Industrial Complementation
AIGA	ASEAN Investment Guarantee Agreement
AIJV	ASEAN Industrial Joint Ventures
AIP	ASEAN Industrial Projects
ASW	ASEAN Single Window
ATIGA	ASEAN Trade in Goods Agreement
PKP	<i>Pengusaha Kena Pajak</i> (taxable entrepreneur confirmation)
BKPM	<i>Badan Koordinasi Penanaman Modal</i> (Investment Coordinating Board)

BPPT	<i>Badan Penanaman Modal dan Pelayanan Perijinan Terpadu</i> (agency for integrated licensing services)
CMIM	Chiang Mai Initiative Multilateralization
DNI	<i>Daftar Negatif Investasi</i>
IAI	Initiative for ASEAN Integration
ISDS	Investor–State Dispute Settlement
MNCs	Multi National Corporations
MNEs	Small Medium Enterprises and Multinational Enterprises
MOLHR	Ministry of Law and Human Rights
NPWP	<i>Nomor Pokok Wajib Pajak</i> (Tax Identification Number)
NSWI	National Single Windows for Investment
PMA	<i>Penanaman Modal Asing</i> (Foreign Investment)
PT	<i>Perseroan Terbatas</i> (Limited Liability Company)
TDP	<i>Tanda Daftar Perusahaan</i> (Company Registration Certificate)