Did You Know?

Bonded Zone

A Bonded Zone/Kawasan Berikat (KB) is a type of Bonded Storage Place/Tempat Penimbunan Berikat (TPB) used to store imported goods and/or goods originating from other Indonesian customs areas/Tempat Lain Dalam Daerah Pabean (TLDDP) for processing or assembly before being exported or cleared for domestic use.

Processing activities are defined as the act of processing goods/materials with or without auxiliary materials into finished products with higher added value, including changes to their nature and function. Meanwhile, assembly activities are defined as the act of combining and/or completing the production results of the respective bonded zone as the main product with finished goods.



Based on the Minister of Finance Regulation Number 65 of 2021 regarding Bonded Zones and the Director General of Customs and Excise Regulation Number 9 of 2021 regarding Bonded Zone Procedures, **the definitions of a Bonded Zone Organizer and a Bonded Zone Entrepreneur** are as follows:

Bonded Zone Organizer	Bonded Zone Entrepreneur
A legal entity that performs activities of providing and managing the zone for Bonded Zone business activities.	A legal entity that performs activities of both organizing and operating the Bonded Zone.

Both Bonded Zone Operators and Bonded Zone Companies are generally required to meet the physical and administrative requirements stipulated under the applicable laws and regulations.

Licensing Requirements for Bonded Zone Organizer

Physical Requirements

- The location must be accessible from public roads and passable by container transport vehicles and/or other water-based container transport facilities.
- Clear boundaries in the form of natural barriers or artificial barriers such as separation fences from other buildings, places, or zones.
- Used for industrial processing of raw materials into production results.

Administrative Requirements

- Business Identification Number (NIB).
- Trade business license, zone management business license, industrial business license, or other licenses related to zone organization.
- Valid KSWP (Taxpayer Compliance Confirmation) results according to the application.
- Proof of ownership or control of the zone, place, or building with clear boundaries, including the location map/site and the site plan/layout to be used as a bonded zone.
- Certified as a Taxable Entrepreneur/Pengusaha Kena Pajak (PKP) and has submitted the Corporate Income Tax Return (SPT PPh) for the last tax year.

Licensing Requirements for Bonded Zone Entrepreneur

Physical Requirements

- The location must be accessible from public roads and passable by container transport vehicles and/or other water-based container transport facilities.
- Clear boundaries in the form of natural barriers or artificial barriers such as separation fences from other buildings, places, or zones.
- Used for industrial processing of raw materials into production results.

Administrative Requirements

- Business Identification Number (NIB).
- Trade business license, zone management business license, industrial business license, or other licenses related to zone organization.
- Valid KSWP (Taxpayer Compliance Confirmation) results according to the application.
- Proof of ownership or control of the zone, place, or building with clear boundaries, including the location map/site and the site plan/layout to be used as a bonded zone.
- Certified as a Taxable Entrepreneur/Pengusaha Kena Pajak (PKP) and has submitted the Corporate Income Tax Return (SPT PPh) for the last tax year.
- Obtain a recommendation from the Bonded Zone Organizer.

Bonded Zone locations can be situated in Industrial Estates or Cultivation Areas in accordance with the established Regional Spatial Planning (RTRW).

The existence of Bonded Zones is expected to increase the competitiveness of the domestic industry, optimize ease of doing business for reputable bonded zone traders, and provide legal certainty for Bonded Zone Entrepreneurs.

For more information about MSIG Indonesia's insurance products, please visit our official website at **www.msig.co.id** or call our contact center at **1500 674 (MSI)** to find comprehensive information and interactive services.

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