CLIENT UPDATE

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Understanding the Legal Framework of Golden Visa: A New Immigration Policy

A Golden Visa, as defined by the Organization for Economic Co-operation and Development (OECD), is a government-issued residency or citizenship permit granted in exchange for a substantial financial investment. As of 2022, over sixty countries had implemented such investment-based Immigration program. The European Union has successfully earned approximately EUR 25 billion from Foreign Direct Investment by implementing this scheme in its member states over ten years.

On Thursday, July 25, 2024, the President of the Republic of Indonesia, Joko Widodo, launched the Golden Visa, expecting Indonesia to be preferred destination for global talent and investments. This visa is a privilege reserved for high caliber foreign nationals, encouraging more of them to invest in Indonesia and contribute to the nation's economic development. The basis of this Immigration program is rooted in the Minister of Law and Human Rights of the Republic of Indonesia Regulation Number 22 of 2023 governing Visa and Residence Permit ("**MoLHR Regulation 22/23**") jo the Minister of Law and Human Rights of the Republic of Indonesia Regulation Number 11 of 2024 on the amendment of MoLHR Regulation 22/23 ("**MoLHR Regulation 11/24**"). Pursuant to Article 184 MoLHR Regulation 22/23, a Golden Visa constitutes a categorization of limited stay visas, limited stay permits, permanent stay permits, and re-entry permits for a specified period.

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As outlined, Indonesia's Golden Visa program is anticipated to stimulate substantial foreign investment, generate employment opportunities, and foster economic growth. This effort has the potential to boost Indonesia's international reputation as a hospitable environment for business. The Indonesia's Golden Visa is issued to foreign nationals who met the requirements set forth the MoLHR Regulation 22/23 jo MoLHR Regulation 11/24. The following table provides guarantee requirements for prospective investors and investment options under Indonesia's Golden Visa scheme:

Purpose of stay	Period of stay	Minimum of investment value	Remarks
A private investor planning to set up a company in Indonesia.	Five years	USD 2.500.000	The investment fund must be injected into the company within ninety days as of the issuance date of the visa.
	Ten years	USD 5.000.000	
A private investor with no intention to incorporate a company in Indonesia.	Five years	USD 350.000	The investment can be made in one of the following forms: (i) Indonesian government bonds or (ii) shares in a public listed company in Indonesia or (iii) mutual funds from a listed company in Indonesia. *For the ten-years period, the Immigration Office requires additional documentations, which are ownership of multi-story housings or apartments with a minimum value of USD 1.000.000.
	Ten years*	USD 700.000	
An individual who will be appointed as the Board of Directors or Commissioners of a company being set up in Indonesia as a branch or subsidiary of a foreign company.	Five years	USD 25.000.000	Proof of turnover/value of certain sales in overseas companies reflected in the parent company's financial audit report from an international public accounting firm.
	Ten years	USD 50.000.000	
Former Indonesian citizens who intend to stay without a sponsor.	One year	USD 15.000	The investment can be made in one of the following forms: (i) Indonesian government bonds or (ii) shares in a public listed company in Indonesia or (iii) mutual funds from a listed company in Indonesia.
	Five years	USD 35.000	
Foreign nationals who are descendants of former Indonesian citizens up to the second degree who intend to stay without a sponsor.	Five years	USD 50.000	The investment can be made in one of the following forms: (i) Indonesian government bonds or (ii) shares in a public listed company in Indonesia or (iii) mutual funds from a listed company in Indonesia.
	Ten years	USD 100.000	
Foreign nationals who intend to have a second home (visa) in Indonesia.	Five years	USD 130.000 or equivalent	The investment can be made in one of the following forms: (i) deposit funds in a state-owned bank account or (ii) the ownership of multi-story housings or (iii) apartments in

			Indonesia with a minimum value of USD 1.000.000 or equivalent.
Foreign nationals who have special skills and intend to stay in Indonesia.	Five or Ten years	Not required to make any investment	Submission of evidence proving that they: (i) are willing to offer services to the Indonesian government or any entity as requested by the government; (ii) have special skills or graduated from one of the top 100 global universities within three years prior to filing the application, with a grade point average of 3.5 or equivalent; and (iii) received an invitation or reference letter from the Indonesian government.
International public figures or world leaders who intend to stay without a sponsor.	Five years	USD 25.000.000	A statement of commitment to establish a company in Indonesia.
	Ten years	USD 50.000.000	
Elderly foreign individuals who intend to stay without a sponsor (up to 60 years old).	One year	USD 3.000	Obliged to submit the proof of earning. **For five years period: deposit funds in a state-owned bank account minimum USD 50.000.

Foreigners holding a Golden Visas are subject to an Immigration Guarantee evaluation to verify that they continue to meet the eligibility for maintaining their golden visa status. An evaluation of Immigration guarantees is conducted annually by the Director-General of Immigration, the Head of the Immigration Office, or a designated immigration officer for any stay permit that requires the fulfilment of specific conditions. The evaluation of immigration guarantees for stay permits that require the fulfilment of commitments, as outlined in MoLHR Regulation 22/23, consists of the following:

a) proof of company legitimacy;
b) proof of latest bank statement;
c) amendment of the company's articles of association
d) latest property tax receipts;
e) latest financial report;
f) latest corporate tax;
g) proof of recent income;
h) latest bond letter;
i) latest share ownership records; and
j) Any other supporting evidence that demonstrates the foreign individual's purpose for staying in Indonesian territory.

To conclude, Indonesia's Golden Visa offers exclusive privileges to foreign investors, including streamlined visa procedures, multiple-entry permits, extended stay durations, property ownership rights, and expedited citizenship applications. The golden visa provides an opportunity to leverage the country's economic environment through starting or developing businesses. By introducing the Golden Visa program, Indonesia aligns itself with other Southeast Asian nations that have implemented similar initiatives to attract foreign investment and stimulate economic expansion.

ABOUT TRILEXICA

TRILEXICA is a firm that resulted from a merger of two established boutique law firms in 2023, Trifida at Law and Legalexica. With the merger, TRILEXICA successfully combines solid track records from the previous two firms and forms a global-oriented and full-service law firm providing wide-range expertise in M&A, capital markets, banking& finance, good corporate governance, commercial dispute (including disputes in the financial services and capital markets sector) and fraud investigation. We are mainly focusing our legal service on financial services, technology, media and telecommunication, transportation, and renewable energies sectors. Each of the 8 partners in TRILEXICA has a PQE of more than 12 years in the legal industry.

We were named '2021 and 2022 Top 100 Indonesian Law Firm' , '2021 and 2022 Rising Star Law Firm', '2021 and 2022 Mid-Size Full-Service Law Firm' and '2022 In-House Counsel Choice – Most Recommended Law Firm' by Hukum Online. These awards recognize our milestones as a recognised mid-size law firm. We were also rewarded the '2023 Project Finance Deal of the Year' and 'the 2023 Firm to Watch'by Asian Legal Business (ALB).
