

REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS
OF THE REPUBLIC OF INDONESIA
NUMBER 10 OF 2018
ON
IMPLEMENTATION OF TELECOMMUNICATIONS AND INFORMATICS
UNIVERSAL SERVICE OBLIGATION

BY THE GRACE OF THE ONE AND ALMIGHTY GOD

MINISTER OF COMMUNICATIONS AND INFORMATICS
OF THE REPUBLIC OF INDONESIA,

- Considering :
- a. that telecommunications and informatics play a strategic role in strengthening unity and integrity of the nation, supporting and promoting economic activities, strengthening national resilience, and providing protection from natural disasters and emergency situations;
 - b. that the existing telecommunications and informatics facilities and infrastructure have not completely met the needs for telecommunications and informatics of the people in the disadvantaged areas, remote areas, newly-administered areas, border areas, and economically unfeasible areas;
 - c. that the universal service obligation may support the provisions of telecommunications and informatics facilities and infrastructure and ecosystem to sustainably help meet the needs of the people;
 - d. that the provisions in Regulation of Minister of Communications and Informatics Number 25 of 2015 on Telecommunications Universal Service Obligation is no longer relevant to the current needs and development, so that it shall be superseded with a new Ministerial Regulation;
 - e. that according to the considerations as referred to in letter a to letter d, it is necessary to stipulate a Regulation of Minister of Communications and Informatics on Implementation of Telecommunications and Informatics Universal Service Obligation;

- Noting : 1. Law Number 36 of 1999 on Telecommunications (State Gazette of the Republic of Indonesia Year 1999 Number 154, Supplement to State Gazette of the Republic of Indonesia Number 3881);
2. Law Number 11 of 2008 on Information and Electronic Transaction (State Gazette of the Republic of Indonesia Year 2008 Number 58, Supplement to State Gazette of the Republic of Indonesia Number 4843) as was last amended by Law Number 19 of 2016 on Amendment to Law Number 11 of 2008 on Information and Electronic Transaction (State Gazette of the Republic of Indonesia Year 2016 Number 251, Supplement to State Gazette of the Republic of Indonesia Number 5952);
3. Government Regulation Number 52 of 2000 on Telecommunications Operations (State Gazette of the Republic of Indonesia Year 2000 Number 107, Supplement to State Gazette of the Republic of Indonesia Number 3980);
4. Government Regulation Number 23 of 2005 on Financial Management of Public Service Body (State Gazette of the Republic of Indonesia Year 2005 Number 48, Supplement to State Gazette of the Republic of Indonesia Number 4502);
5. Government Regulation Number 82 of 2012 on Operations of Electronic System and Transaction (State Gazette of the Republic of Indonesia Year 2012 Number 189, Supplement to State Gazette of the Republic of Indonesia Number 5348);
6. Presidential Regulation Number 96 of 2014 on Indonesia Broadband Plan 2014-2019 (State Gazette of the Republic of Indonesia Year 2014 Number 220);
7. Presidential Regulation Number 7 of 2015 on Organizations of State Ministries;
8. Presidential Regulation Number 54 of 2015 on Ministry of Communications and Informatics (State Gazette of the Republic of Indonesia Year 2015 Number 54);
9. Presidential Regulation Number 131 of 2015 on Determination of Disadvantaged Areas Year 2015-

- 2019 (State Gazette of the Republic of Indonesia Year 2015 Number 259);
10. Presidential Regulation Number 82 of 2016 on National Strategy of Inclusive Finance (State Gazette of the Republic of Indonesia Year 2016 Number 185);
 11. Presidential Regulation Number 74 of 2017 on Roadmap of Electronic-based National Trading System (Roadmap of E-Commerce) Year 2017-2019 (State Gazette of the Republic of Indonesia Year 2017 Number 176);
 12. Regulation of Head of National Border Management Authority Number 1 of 2015 on Master Plan of State Border Management Year 2015-2019 (Official Gazette of the Republic of Indonesia Year 2015 Number 589);
 13. Regulation of Minister of Finance Number 111 of 2016 on Procedures for Transfer of State Properties (Official Gazette of the Republic of Indonesia Year 2016 Number 1018);
 14. Regulation of Minister of Finance Number 136/PMK.05/2016 on Asset Management of Public Service Body (Official Gazette of the Republic of Indonesia Year 2016 Number 1018);
 15. Regulation of Minister of Communications and Informatics Number 3 of 2018 on Organization and Work Procedure of Telecommunications and Information Accessibility Body (Official Gazette of the Republic of Indonesia Year 2018 Number 739);

HAS DECIDED:

To establish : REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS ON IMPLEMENTATION OF TELECOMMUNICATIONS AND INFORMATICS UNIVERSAL SERVICE OBLIGATION.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Ministerial Regulation, the following terms have the following meanings:

1. Telecommunications means any emission, transmission, and or reception of information in the forms of signs, signals, writing, images, voice, and sound through wire, optic, radio or other electromagnetic systems;
2. Information and Communication Technology Infrastructure, hereinafter referred to as ICT Infrastructure, means facilities and infrastructure needed for the provisions of services of telecommunications, Internet and/or information dissemination.
3. Provisions of Information and Communication Technology Ecosystem, hereinafter referred to as Provisions of ICT Ecosystem, means an activity to support the utilization of ICT facilities and infrastructure by conducting various efforts of community empowerment and regional development.
4. Telecommunications and Informatics Universal Service Obligation, hereinafter referred to as Telecommunications and Informatics USO, means obligations to provide universal services of telecommunications, Internet, and/or information dissemination.
5. Minister means the Minister who oversees government affairs in the field of communications and informatics.
6. Telecommunications and Information Accessibility Body, hereinafter referred to as BAKTI, is a non-echelon organizational unit at Ministry of Communications and Informatics that implements financial management system of Public Service Body.
7. BAKTI Board of Supervisors, hereinafter referred to as Board of Supervisors, means an organizational structure of BAKTI in charge of supervising and providing counsel to the managing officers of BAKTI in the course of managing BAKTI.
8. President Director is the Leader of BAKTI.

Article 2

Implementation of Telecommunications and Informatics USO shall be conducted with the following principles:

- a. efficiency;
- b. effectiveness;
- c. transparency;
- d. justice;
- e. benefit;
- f. non-discrimination;

- g. accountability;
- h. professionalism; and
- i. free from corruption, collusion, and nepotism.

Article 3

- (1) Scope of implementation of Telecommunications and Informatics USO shall include Provision Programs for ICT Infrastructure, ICT Ecosystem, and digital economy ecosystem.
- (2) The Provision Programs for ICT Infrastructure, ICT Ecosystem, and digital economy ecosystem as referred to in paragraph (1) shall be determined by President Director.
- (3) The Telecommunications and Informatics USO as referred to in paragraph (1) shall be implemented in telecommunications and informatics universal service areas, which comprise:
 - a. disadvantaged, outer remote, newly-administered and/or border areas in accordance with the provisions of the laws and regulations;
 - b. economically unfeasible areas; and/or
 - c. other areas requiring telecommunications and informatics facilities and infrastructure.
- (4) The authority to determine areas as referred to in paragraph (3) letter b and letter c shall be executed by President Director after obtaining a written approval from the Minister.
- (5) Telecommunications and Informatics USO shall be implemented based on priority scale while taking into account the availability of Telecommunications and Informatics USO fund.

CHAPTER II FINANCING AND USE OF TELECOMMUNICATIONS AND INFORMATICS UNIVERSAL SERVICE OBLIGATION FUND

Article 4

- (1) The Telecommunications and Informatics USO as referred to in Article 3 paragraph (1) and the supporting management activities shall be implemented based on financing from:
 - a. Telecommunications and Informatics USO contribution; and
 - b. other legal sources in accordance with the provisions of the laws and regulations.

- (2) The financing from Telecommunications and Informatics USO contribution as referred to in paragraph (1) letter a shall be used to run the Provision Programs for ICT Infrastructure and ICT Ecosystem.
- (3) The financing from other legal sources, as referred to in paragraph (1) letter b shall be used to run Provision Programs for ICT Infrastructure, ICT Ecosystem, digital economy ecosystem, and other activities insofar as relating to the duties and functions of the Ministry.

CHAPTER III
MANAGEMENT OF TELECOMMUNICATIONS AND INFORMATICS USO

Part One
Planning

Article 5

- (1) Program planning under the implementation of Telecommunications and Informatics USO shall be formulated in:
 - a. a participative manner by providing opportunities to submit program proposals to working units at Ministry of Communications and Informatics, Ministries/Institutions, Regional Governments, Telecommunications Operators, civil societies, and/or civil organizations;
 - b. a synergic manner by involving relevant parties to guarantee the utilization and success of the programs;
 - c. a gradual and sustainable manner in construction and development; and/or
 - d. grouping of areas based on priority scale.
- (2) Implementation Program of Telecommunications and Informatics USO shall be formulated based on:
 - a. National Long-Term Development Plan, National Mid-Term Development Plan, and Strategic Plan of Ministry of Communications and Informatics completed with a feasibility study on the requirement of the provisions of ICT Infrastructure and ICT Ecosystem.
 - b. inputs submitted by working units at Ministry of Communications and Informatics; and/or
 - c. inputs submitted by Ministries/Institutions, Regional Governments, Telecommunications Operators, and civil societies and/or civil organizations.

Article 6

- (1) Ministries/Institutions, Regional Governments, Telecommunications Operators, civil societies and/or civil organizations may propose an implementation program of Telecommunications and Informatics USO to the President Director with a copy of the proposal to the Minister in the form of content list.
- (2) The proposals for program implementation of Telecommunications and Informatics USO as referred to in paragraph (1) shall be supported by:
 - a. heads of Ministries/Institutions for proposals submitted by Ministries/Institutions;
 - b. Governors/Regents/Mayors for proposals submitted by regional governments;
 - c. relevant Regional Governments for proposals submitted by civil societies and/or civil organizations in the scope of a province or regency/municipality; or
 - d. Board of Directors for proposals submitted by telecommunications operators.
- (3) The support as referred to in paragraph (2) shall be in accordance with the provisions of the laws and regulations and may be formulated into a cooperation agreement.
- (4) The proposals for program implementation of Telecommunications and Informatics USO submitted by a national-scale civil organization may be followed up after being formulated into a memorandum of understanding between the Minister or the President Director and chair of the national-scale civil organization.

Article 7

- (1) The proposal for implementation program of Telecommunications and Informatics USO as referred to in Article 6 paragraph (1) shall be evaluated by the President Director.
- (2) The evaluation as referred to in paragraph (1) shall be carried out by performing feasibility assessment on aspects which include:
 - a. accuracy of objectives and suitability with the Government's strategic plans;
 - b. commitment from program proposers;
 - c. needs for program proposal;
 - d. advantages gained;

- e. involvement and empowerment of human resources and/or local communities;
- f. technical and operational feasibility;
- g. budget availability;
- h. value and level of risks;
- i. exit strategy plan; and
- j. suitability with the objectives and scope of BAKTI.

Part Two
Management

Article 8

The management of Telecommunications and Informatics USO shall comprise the following elements:

- a. planning;
- b. implementation;
- c. monitoring dan evaluation; and
- d. fostering.

Article 9

The planning as referred to in Article 8 letter a shall be conducted by BAKTI in the form of a program implementation plan.

Article 10

The implementation as referred to in Article 8 letter b shall be conducted by BAKTI and may be conducted in cooperation with other parties in accordance with the provisions of the laws and regulations.

Article 11

- (1) Monitoring and evaluation as referred to in Article 8 letter c shall be conducted by an internal supervisory unit in the form of an internal supervisory report on the resources of BAKTI and shall be submitted to the President Director.
- (2) Monitoring and evaluation, as referred to in paragraph (1) shall comprise report on supervision result submitted to the Board of Supervisors and the Minister at least twice a year.

Article 12

The fostering as referred to in Article 8 letter d shall be conducted by the Minister based on performance reports by the President Director and supervision results by the Board of Supervisors.

Article 13

Further provisions on the management of Telecommunications and Informatics USO as referred to in Article 8 shall be stipulated in a Regulation of President Director.

CHAPTER IV
ASSET GRANTS AND/OR STATUS OF USE TRANSFER

Article 14

In the utilization of Telecommunications and Informatics USO, BAKTI may make asset grants and/or status of use transfer to Regional Governments and/or other parties in accordance with the provisions of the laws and regulations.

CHAPTER V
SUPERVISION AND CONTROL

Article 15

The Minister shall supervise and control the implementation of this Ministerial Regulation.

CHAPTER VI
TRANSITIONAL PROVISIONS

As from the time at which this Ministerial Regulation comes into force, all cooperation agreements on Telecommunications and Informatics USO provisions which have been in place before the promulgation of this Ministerial Regulation shall remain effective according to the time period and provisions provided under those agreements, unless otherwise stated that the cooperation agreements shall be terminated in accordance with the provisions of the laws and regulations.

CHAPTER VII
CLOSING PROVISIONS

Article 17

As from the time at which this Ministerial Regulation comes into force:

- a. Regulation of Minister of Communications and Informatics Number 25 of 2015 on Implementation of Telecommunications and Informatics Universal Service Obligation (Official Gazette of the Republic of Indonesia Year 2015 Number 980);
- b. Regulation of Minister of Communications and Informatics Number 23 of 2012 on Financing of Information and Communication Technology on Broadband Service (Official Gazette of the Republic of Indonesia Year 2012 Number 957); and
- c. Regulation of Minister of Communications and Informatics Number 20 of 2010 on Sub-district Internet Service Management and Monitoring Information System (SIMMLIK),

shall be repealed and declared ineffective.

Article 18

This Ministerial Regulation shall come into force from the date of its promulgation.

For public cognizance, it is hereby ordered that this Ministerial Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Established in Jakarta
on 27 August 2018

MINISTER OF COMMUNICATIONS AND INFORMATICS
OF THE REPUBLIC OF INDONESIA,

signed

RUDIANTARA

*Seal of President of
the Republic of Indonesia*

Promulgated in Jakarta
on 30 August 2018

DIRECTOR GENERAL OF LAWS AND REGULATIONS
MINISTRY OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

signed

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2018
NUMBER 1189

This unofficial English translation is brought by the collaboration between Government translators from Ministry of Communications and Informatics and Cabinet Secretariat: Andhika Widyarani, Aulia Astagina Ramadhani, Chrisna Harimurti, Cintami Agnes Selviani, Erik Limantara, Ivan Atmanagara, Muhammad Ersan Pamungkas, Muhardi, Penni Patmawati Rusman, and Siti Chodijah.