



**THE MINISTER OF HOME AFFAIRS OF
THE REPUBLIC OF INDONESIA**

**REGULATION OF THE MINISTER OF HOME AFFAIRS
NUMBER 38 OF 2008**

REGARDING

**ACCEPTANCE AND GRANTING OF
SOCIAL/CHARITY ORGANIZATION'S ASSISTANCE
FROM AND TO FOREIGN PARTY**

BY THE GRACE OF GOD THE ALMIGHTY,

THE MINISTER OF HOME AFFAIRS,

Considering: that to put in good orders the running of governance relating to the acceptance and granting of social/charity organization's assistance from and to any foreign party compliant with provisions of the Law Number 8 of 1935 regarding Social/Charity Organization it is necessary to stipulate Regulations of the Minister of Home Affairs on the Acceptance and Granting of Social/Charity

Organization's Assistance from and to Foreign
Party;

Bearing in mind:

1. Law Number 8 of 1985 regarding Social Organization (State Gazette of the Republic of Indonesia of 1985 Number 44, Supplement to the State Gazette of the Republic of Indonesia Number 3298);
2. Law Number 37 of 1999 regarding International Relations (State Gazette of the Republic of Indonesia of 1999 Number 156, Supplement to the State Gazette of the Republic of Indonesia Number 3882);
3. Law Number 24 of 2000 regarding International Agreements (State Gazette of the Republic of Indonesia of 2000 Number 105, Supplement to the State Gazette of the Republic of Indonesia Number 4012);
4. Law Number 15 of 2002 regarding Money Laundering Criminal Offense as already amended by means of the Law Number 25 of 2003 regarding Amendment to the Law Number 15 of 2002 regarding Money Laundering Criminal Offense (State Gazette of the Republic of Indonesia of 2003 Number 108, Supplement to the State Gazette of the Republic of Indonesia Number 4324);
5. Law Number 32 of 2004 regarding Regional/Local Government Administration (State Gazette of the Republic of Indonesia of 2004 Number 125, Supplement

to the State Gazette of the Republic of Indonesia Number 4437) as already amended for several times, most recently amended by means of the Law Number 12 of 2008 regarding the Second Amendment to the Law Number 32 of 2004 regarding Regional Local Government Administration (State Gazette of the Republic of Indonesia of 2008 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 4844);

6. Government Regulations Number 18 of 1986 regarding Implementation of the Law Number 8 of 1985 regarding Social Organization (State Gazette of the Republic of Indonesia of 1986 Number 24, Supplement to the State Gazette of the Republic of Indonesia Number 3331);
7. Government Regulations Number 2 of 2006 regarding Procedures for Procurement of Loan and/or Acceptance of Grant and Forwarding of Foreign Loan and/or Grant (State Gazette of the Republic of Indonesia of 2006 Number 3, Supplement to the State Gazette of the Republic of Indonesia Number 4597);
8. Joint Decree of the Minister of Religious Affairs and the Minister of Home Affairs Number 1 of 1979 regarding Procedures for the Implementation of the Dissemination of Religion and Foreign Assistance to the Religious Institution in Indonesia;
9. Decree of the Minister of Home Affairs Number 130 of 2003 regarding Organizational Structure and Working

System of the Department of Home Affairs as already amended by means of the Regulation of the Minister of Home Affairs Number 25 of 2008;

10. Regulations of the Minister of Home Affairs Number 3 of 2008 regarding Guidance for Implementation of Cooperation between Regional Administration and Foreign Party;

HEREBY DECREES:

To stipulate: REGULATIONS OF THE MINISTER OF HOME AFFAIRS
REGARDING ACCEPTANCE AND GRANTING OF SOCIAL/
CHARITY ORGANIZATION'S ASSISTANCE FROM AND
TO FOREIGN PARTY/ORGANIZATION.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Ministerial Regulation, that which is meant by:

1. Social/Charity Organization is an organization that is voluntarily established by members of the society who are citizens of the Republic of Indonesia on the basis of commonality of activity, profession, function, religion, and belief in Almighty God, for the purpose of participating in development endeavor in the framework of achieving the national objective within the scope of the Unitary State of the Republic of Indonesia based on Pancasila (State Ideology).

2. Foreign Party is foreign government, government of state or province in foreign country, the United Nations or its subordinate organizations, multilateral organization, international institution, social/charity organization in foreign country and private body in a foreign country.
3. Foreign Party Assistance is assistance originating from government, government of state or province in foreign country, the United Nations or multilateral organizations, including its agencies, international organization or institution, foreign social/charity organization, as well as business enterprise owned by government/state-government/regional-government in foreign country and private sector body in foreign country.
4. Grant is revenue from foreign government, government of state or province in foreign country, the United Nations or other multilateral organizations, including its agencies, international organization or institution, social/charity organization in foreign country, and private body in a foreign country as well as business enterprise owned by government/state-government/regional-government in a foreign country and private sector body in a foreign country, in the form of rupiah or goods or service, including expert and training that is not necessary to be returned.

5. Loan is revenue from foreign government, government of state or province in a foreign country, the United Nations or other multilateral organization including its subordinate organizations, international organization or institution, social/charity organization in foreign country and private body in a foreign country.
6. Grant Agreement Document, hereinafter abbreviated into NPH, is an agreement document between the grantor of grant and the recipient of grant.
7. Grant Forwarding Agreement Document, hereinafter abbreviated into NPPH, is an agreement document between the Government or its Attorney with the social/charity organization within the framework of forwarding grant from foreign party.
8. Loan Agreement Document, hereinafter abbreviated into NPP, is an agreement document or any other document equated to it containing accords regarding Loan from a Foreign Party to Social/Charity Organization.

CHAPTER II

SOURCE, TYPE FORM AND NATURE OF ASSISTANCE FROM FOREIGN PARTY

Article 2

- (1) Assistance from a foreign party originates from:
 - a. foreign government;

- b. state government or regional administration in foreign countries;
 - c. The United Nations or the organization under it;
 - d. multilateral organization;
 - e. international agency;
 - f. foreign social organization; and/or
 - g. state government/state/regional-owned enterprises in foreign countries.
- (2) Assistance from a foreign party as referred to in paragraph (1) originates from the countries, which have diplomatic ties with the State of the Republic of Indonesia.

Article 3

- (1) Foreign assistance as referred to in Article 2 can take the following forms:
- a. money;
 - b. goods; and/or
 - c. service of expert.
- (2) Assistance from a foreign party as referred to in paragraph (1) can take the following forms:
- a. grant; and/or
 - b. loan.

Article 4

- (1) The assistance of service of expert as referred to in Article 3 paragraph (1) letter c is in conformity

with the laws and regulations on immigration and manpower.

- (2) Grant in the form of money and/or goods as referred to in Article 3 paragraph (2) is imposed with tax, duties and/or excise in accordance with the laws and regulations.

Article 5

- (1) Loan as referred to in Article 3 paragraph (2) letter b, is only in the form of movable goods, and is obliged to be returned.
- (2) Loan in the form of movable goods as referred to in paragraph (1) is used for activities of display, visualization, research and/or education.

Article 6

- (1) Assistance from a foreign party as referred to in Article 3 is not binding.
- (2) Assistance as referred to in paragraph (1) shall not be used for the activities, which:
 - a. contradicts with the Pancasila (State Ideology) and the 1945 Constitution of the Republic of Indonesia;
 - b. disturbs and/or threatens the sovereignty and integrity of the Unitary State of the Republic of Indonesia;

- c. disturbs and/or disintegrates the national unity, integrity and harmony;
- d. disturbs the public order and public tranquility;
- e. creates social unrest, national and regional economic chaos; and/or
- f. relates to the activities of intelligence, money laundering, terrorism and separatism.

CHAPTER III
REQUIREMENTS AND PROCEDURES FOR RECEIVING
ASSISTANCE FROM FOREIGN PARTY

Part One
Requirements

Article 7

- (1) In order to be able to receive assistance from foreign party, the social organization shall be registered with:
 - a. the Department of Home Affairs; or
 - b. other government agencies; and/or
 - c. regional/local government administration.
- (2) In addition to the requirements as referred to in paragraph (1), the social organization can receive assistance from a foreign party with the following requirements:
 - a. there is suitability between the assistance and scope of activity of social organization;

- b. having the capacity to carry out the activity in accordance with the purpose and objective of the granting of assistance; and
- c. the assistance and activity carried out can be accounted for in accordance with the existing laws and regulations.

**Part Two
Procedures**

Paragraph 1

General

Article 8

(1) Foreign party assistance is grouped into category of:

- a. Foreign party assistance that may be granted to Social/Charity Organization through the Government and/or Regional Government originating from state-government or regional government in a foreign country, the United Nations or other multi-lateral organization and its agencies, as well as business enterprise owned by national government/state-government/regional-government in a foreign country, Social/Charity Organization and private sector body in a foreign country.
- b. Foreign party assistance that may be directly granted to Social/Charity Organization originating

from Social/Charity Organization in foreign country and private sector body in a foreign country.

- (2) Foreign party assistance taking the form of grant may be received by the procedure:
 - a. direct; or
 - b. indirect.
- (3) Direct assistance as intended in paragraph (2) letter a is implemented by the procedure:
 - a. money transfer by bank account; or
 - b. handing over money/goods to assistance recipient.
- (4) Indirect assistance as intended in paragraph (1) letter b is conducted by the procedure:
 - a. forwarding from affiliate of international social/charity organization;
 - b. forwarding from Government; or
 - c. forwarding from Government and regional government.

Article 9

- (1) Assistance from a foreign party in the form of loan can be received either:
 - a. directly; or
 - b. indirectly.
- (2) The direct assistance as referred to in paragraph (1) letter a can be provided by providing goods to the assistance recipient.

(3) Indirect assistance as referred to in paragraph (1) letter b is provided in the following ways:

- a. forwarding and international-affiliated social organization;
- b. forwarding from the Government; or
- c. forwarding from the Government and regional administration.

Paragraph 2

Acceptance of Assistance by Direct Method

Article 10

Social organization which will receive foreign assistance directly shall be obliged to report the plan for acceptance of assistance to:

- a. The Minister of Home Affairs, for the social organization, which has national working area coverage;
- b. The Minister of Home Affairs through Governor, for the social organization, which has provincial working area coverage; or
- c. The Minister of Home Affairs through Regent/Mayor with the carbon copy to the Governor, for social organization, which has regency/municipal working area coverage.

Article 11

The report on plan for acceptance of foreign assistance shall cover:

- a. the original source of assistance;
- b. purpose and objective of assistance;
- c. nature and type of assistance;
- d. total and duration of assistance;
- e. plan for utilization of assistance;
- f. availability of the accompanying funds possessed by social organization and the plan for the use;
- g. account number of national bank of the social organization, which receives the foreign assistance; and
- h. Taxpayer Registration Number of the social organization, which receives foreign assistance.

Article 12

The Minister of Home Affairs approves the plan for acceptance of foreign assistance for the social organization, after coordinating with the related department/non-department government institution for obtaining consideration.

Article 13

- (1) The approval as referred to in Article 12 is provided at the latest 14 (fourteen) workdays as of the receipt of report as referred to in Article 10.
- (2) The approval as referred to in paragraph (1) is submitted to:
 - a. director of the relevant social organization;
 - b. governor/regent/mayor; and

c. office head of the related department/non-department government institution.

Paragraph 3

Acceptance of Assistance in the form of Loan

Article 14

- (1) In the event the assistance is in the form of loan, approval as referred to in Article 12 is followed up by preparing the agreement on granting of loan between the provider of foreign assistance and social organization.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted by the director of social organization which receives the assistance to the Minister of Home Affairs with the carbon copies sent to:
 - a. governor/regent/mayor; and
 - b. office head of the related department/non-department government institution.
- (3) The certified copy of the agreement as referred to in paragraph (2) shall be submitted at the latest within a period of 14 (fourteen) workdays as of the signing.

Article 15

The Agreement as referred to in Article 14 paragraph 91) shall at least contain the followings:

- a. the parties;

- b. object;
- c. objective and impact;
- d. scope, covering:
 - 1) group of target;
 - 2) area/place to carry out activity;
 - 3) schedule of activity;
 - 4) number and expertise of expatriate and domestic personnel;
 - 5) amount, type, nature and form of assistance;
- e. right and obligation of the parties;
- f. duration of cooperation;
- g. monitoring and reporting;
- h. termination of agreement;
- i. force majeure; and
- j. settlement of disputes.

Article 16

- (1) The social organization receiving foreign assistance can cooperate with other social organizations in carrying out activities.
- (2) Other social organizations as referred to in paragraph (1) shall meet the requirements as referred to in Article 7.

Paragraph 4

Acceptance of Assistance in the Form of Grant

Article 17

- (1) In the event the assistance is in the form of grant, the approval as referred to in Article 12 is followed-up by grant agreement in accordance with the existing laws and regulations.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted to the Minister of Home Affairs with the carbon copies sent to:
 - a. governor/regent/mayor; and
 - b. office head of the related department/non-department government institution.
- (3) The certified copy of the agreement as referred to in paragraph (2) shall be submitted at the latest within a period of 14 (fourteen) workdays as of the signing.

Paragraph 5

Acceptance of Assistance through Forwarding and Internationally-Affiliated Social Organization

Article 18

The social organization which will receive the assistance indirectly through forwarding of the internationally-affiliated social organization is obliged to report the said plan for the acceptance of the assistance to:

- a. The Minister of Home Affairs, for the social organization, which has national working area coverage;

- b. The Minister of Home Affairs through Governor, for the social organization, which has provincial working area coverage; or
- c. The Minister of Home Affairs through Regent/Mayor with the carbon copy to the Governor, for social organization, which has regency/municipal working area coverage.

Article 19

The report on plan for acceptance of foreign assistance shall cover:

- a. the origin/source source of assistance;
- b. purpose and objective of assistance;
- c. nature and type of assistance;
- d. total and duration of assistance;
- e. plan for utilization of assistance;
- f. availability of the accompanying funds possessed by social organization and the plan for the use thereof;
- g. account number of national bank of the social organization, which receives the foreign assistance; and
- h. Taxpayer Registration Number of the social organization, which receives foreign assistance.

Article 20

The Minister of Home Affairs can provide the approval of the plan for acceptance of foreign assistance for the social organization after coordinating with the Department

of Foreign Affairs and the related department/non-department government institution to obtain consideration.

Article 21

- (1) The approval as referred to in Article 18 is granted at the latest 14 (fourteen) workdays as of the receipt of report.
- (2) The approval as referred to in paragraph (1) is submitted to:
 - a. director of the relevant social organization;
 - b. governor/regent/mayor; and
 - c. office head of the related department/non-department government institution.

Article 22

- (1) The approval as referred to in Article 18 is followed up by preparing the agreement between the provider of assistance and the social organization.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted by the director of the relevant social organization to the Minister of Home Affairs with the carbon copies sent to:
 - a. governor/regent/mayor; and
 - b. office head of the related department/non-department government institution.
- (3) The certified copy of the agreement as referred to in paragraph (2) shall be submitted at the latest

within a period of 14 (fourteen) workdays as of the signing.

- (4) The form of the agreement shall observe the provisions governed in Article 15.

Article 23

The social organization, which receives the assistance from the foreign party through forwarding of the international-affiliated social organization can cooperate with other social organizations in carrying out activities.

Paragraph 6

Acceptance of Assistance through Forwarding from the Government

Article 24

Social organization which will receive assistance indirectly through forwarding from the Government:

- a. is designated by the government cq. The department of work partner for source of foreign assistance; or
- b. submits application for the Government cq. The department of work partner for source of foreign assistance.

Article 25

The designation as referred to in Article 24 letter a is conducted after Memorandum of Understanding (MoU) between the government cq. The department of work partner and foreign assistance source.

Article 26

The social organization which receives assistance indirectly through forwarding from the government shall meet the provisions as referred to in Article 7.

Article 27

- (1) Designation of social organization as referred to in Article 24 letter a is followed up by preparing the agreement between the foreign assistance source and social organization.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted by the director of the relevant social organization, which receives the assistance to the Minister of Home Affairs with the carbon copies sent to:
 - a. the minister/office head of the non-department government institution the work partner, which provides assistance;
 - b. governor/regent/mayor; and
 - c. minister/office head of the related non-department government institution.
- (3) The certified copy of the agreement as referred to in paragraph (2) shall be submitted at the latest within a period of 14 (fourteen) workdays as of the signing.
- (4) The form of the agreement shall observe the provisions governed in Article 15.

Paragraph 7

**Acceptance of Assistance through Forwarding from the
Government and Regional Administration**

Article 28

Acceptance of foreign assistance indirectly to the social organization through forwarding from the government and regional administration is conducted in the following ways:

- a. the department, which will receive the foreign assistance notifies the regional administration to designate the social organization, which will receive the forwarding of foreign assistance;
- b. the regional administration designates the social organization, which will receive foreign assistance based on the criteria, which has been set down by the department, which will forward the assistance.

Article 29

The designation as referred to in Article 28 is conducted after Memorandum of Understanding (MoU) between the Government cq. the department of work partner and provider of foreign assistance.

Article 30

The social organization which will receive the assistance indirectly through forwarding from the Government and Regional Administration shall meet the provisions as referred to in Article 7.

Article 31

- (1) The designation of the social organization as referred to in Article 28 is followed up by preparing the agreement between the provider of assistance and the social organization.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted by the director of the relevant social organization at the latest within a period of 14 (fourteen) workdays as of the signing by both parties to the Minister of Home Affairs with the carbon copies sent to:
 - a. the minister/office head of the non-department government institution, the work partner of the provider of assistance;
 - b. governor/regent/mayor; and
 - c. minister/office head of the related non-department government institution.
- (3) The form of the agreement shall be made with due observance of the provisions governed in Article 15.

CHAPTER IV

REQUIREMENT AND PROCEDURE FOR GRANTING OF ASSISTANCE TO FOREIGN PARTY

Part One

Requirements

Article 32

The social organization which will provide assistance to a foreign party shall first secure approval from the government.

Article 33

- (1) To be able to provide assistance to a foreign party, the social organization shall be registered with:
 - a. The Department of Home Affairs;
 - b. Other government agencies; or
 - c. Regional administration.
- (2) The assistance to a foreign party as referred to in paragraph (1) can only be provided to the assistance recipient in the country, which has diplomatic ties with the State of the Republic of Indonesia.
- (3) The assistance to a foreign party as referred to in paragraphs (1) and (2) can be permitted with the following requirements:
 - a. aimed at humanitarian activity;
 - b. not originating from the results of criminal act and/or aimed at hiding or concealing results of criminal act;
 - c. not used for unlawful activity in the country of assistance recipient and international law;
 - d. not affecting the diplomatic ties with the country of assistance recipient; and/or
 - e. not creating negative impact on domestic social life and economy.

Part Two
Procedures
Article 34

- (1) Assistance from a foreign party can be provided:
 - a. directly; or
 - b. indirectly.

- (2) The direct assistance to a foreign party as referred to in paragraph (1) letter a is provided in the following ways:
 - a. money remittance through bank account;
 - b. granting of money/goods to recipient of assistance; or
 - c. assistance of manpower service.

- (3) The indirect assistance as referred to in paragraph (1) letter b can take the following forms:
 - a. forwarding through social organization in the country of recipient;
 - b. forwarding through the government of the country of recipient; or
 - c. forwarding through Regional Administration or the State in the country of recipient.

Article 35

The social organization which will provide assistance directly to a foreign party is obliged to report the plan for providing the said assistance to:

- a. The Minister of Home Affairs, for the social organization, which provides assistance, and at the same time which also has national working area coverage;
- b. The Minister of Home Affairs through Governor, for the social organization, which provides assistance, and at the same time which also has the provincial working area coverage; or
- c. The Minister of Home Affairs through Regent/Mayor with the carbon copy to the Governor, for social organization, which provides assistance, and at the same time which also has regency/municipal working area coverage.

Article 36

The report on plan for providing assistance covers:

- a. purpose and objective of assistance;
- b. nature and type of assistance;
- c. recipient of assistance;
- d. information on source of assistance;
- e. total and duration of assistance; and
- f. plan for monitoring the granting of assistance.

Article 37

The Minister of Home Affairs can approve the plan for granting of assistance to a foreign party by social organization, after coordinating with the related depart-

ment/non-department government institution to obtain consideration.

Article 38

- (1) The approval as referred to in Article 37 is provided at the latest 14 (fourteen) workdays as of the receipt of report as referred to in Article 36.
- (2) The approval as referred to in paragraph (1) is submitted to:
 - a. director of the relevant social organization;
 - b. governor/regent/mayor; and
 - c. office head of the related department/non-department government institution.

Article 39

- (1) The approval as referred to in Article 37 is followed up by preparing the agreement on the granting of assistance between the provider of assistance and the recipient of assistance.
- (2) The certified copy of the agreement as referred to in paragraph (1) is submitted by the director of the social organization providing the assistance, to the Minister of Home Affairs with the carbon copies sent to:
 - a. governor/regent/mayor; and
 - b. office head of the related department/non-department government institution.

- (3) The certified copy of the agreement as referred to in paragraph (2) shall be submitted at the latest within a period of 14 (fourteen) workdays as of the cooperation is signed.
- (4) The form of the agreement shall be made with due observance of the provisions governed in Article 15.

CHAPTER V

INFORMATION ON IMPLEMENTATION OF ACTIVITY

Article 40

- (1) Implementation of acceptance of foreign assistance and granting of assistance to a foreign party by social organization are informed to the public through public media.
- (2) Information through public media as referred to in paragraph (1) is conducted at the latest within a period of 14 (fourteen) workdays after the date of activity implementation.
- (3) Results of activity implementation of social organization, which receives foreign assistance and activity of providing assistance to a foreign party are informed overally and periodically to the public.
- (4) The presentation of information on results of activity implementation of social organization as referred to in paragraph (3) can be conducted through exhibition/display of work and/or product of social organization.

- (5) The Minister of Home Affairs facilitates and coordinates the implementation of exhibition/display of work and/or product of the social organization.

CHAPTER VI
MONITORING AND EVALUATION

Article 41

- (1) The monitoring on the granting of assistance from and to a foreign party is jointly conducted by the Minister of Home Affairs and social organization concerned.
- (2) Results of monitoring becomes the input for evaluation on effectiveness and efficiency of use of assistance and granting of assistance to a foreign party.
- (3) The Minister of Home Affairs shall coordinate the holding of the annual coordination meeting on evaluation of cooperation between social organization and the foreign party.

CHAPTER VII
TRANSITIONAL PROVISIONS

Article 42

Upon the validity of this Ministerial Regulation, the implementation of activity originating from the acceptance of foreign assistance or the granting of assistance to a foreign party, which is going on, continue to be able to be conducted in accordance with the existing laws and regulations.

CHAPTER VIII
CLOSING PROVISIONS

Article 43

This Ministerial Regulation shall come into force as from the date of stipulation.

Stipulated in Jakarta on August 15, 2008

MINISTER OF HOME AFFAIRS,

H. MARDIYANTO

*I, Manimbul Luhut Sitorus, certified, authorized and sworn translator, appointed by virtue of the Decree of the Governor of Jakarta Special Capital Region Number 5226/1998 SK GUB DKI, dated the 17th of June 1998, hereby certify that this translation is correct and true to the document written in the Indonesian language which was submitted to me.
Jakarta, September 27, 2008.*