LAW OF THE REPUBLIC OF INDONESIA NUMBER 2 YEAR 2011

ON

THE AMENDMENT TO LAW NUMBER 2 OF 2008 ON POLITICAL PARTIES WITH THE BLESSING OF THE ALMIGHTY GOD THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that in the effort to strengthen the implementation of democracy and effective political party system in accordance to the mandate of the 1945 Constitution of the Republic of Indonesia, it is required to have institutional strengthening and improvement of the functions and role of political parties;
- b. that Law Number 2 of 2008 on Political Parties needs to be updated in accordance to the demand and the dynamics of the society;
- c. that based on the consideration as referred to in letters a and b, it is necessary to stipulate a Law on the Amendment to Law Number 2 of 2008 on Political Parties;

In view of:

- 1. Article 20, Article 21, Article 22E paragraph (3), Article 24C paragraph (1), Article 28, Article 28C paragraph (2) and Article 28J of the 1945 Constitution of the Republic of Indonesia;
- 2. Law Number 2 of 2008 on Political Party (State Gazette of the Republic of Indonesia of 2008 Number 2, Supplementary State Gazette of the Republic of Indonesia Number 4801);

With ...

With Joint Approval From

THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA

and

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

Has decided:

To enact: LAW ON THE AMMENDMENT TO LAW NUMBER 2 OF 2008 ON POLITICAL PARTIES.

Article I

A number of provisions in Law Number 2 of 2008 on Political Party (State Gazette of the Republic of Indonesia of 2008 Number 2, Supplementary State Gazette of the Republic of Indonesia Number 4801) are amended as follows:

1. Provisions in Article 1 number 7 is amended to the effect that Article 1 reads as follows:

Article 1

In this Law what is meant by:

- 1. A Political Party is an organization which is national in nature and established voluntarily by a group of Indonesian citizens on the basis of common intent and aspiration to promote and defend the political interest of the members, society and the nation and the country as well as to maintain the integrity of the Unified Nation of the Republic of Indonesia based on Pancasila and the 1945 Constitution of the Republic of Indonesia.
- 2. The Statute of Political Parties herein after is referred to as the Statute is the basic regulation for political parties.
- 3. The By Laws of Political Parties herein after is referred to as By-Laws are regulations that are established as the interpretation of the Statute.

4. Political...

- 4. Political Education is the process of learning and comprehension of the rights, obligations and responsibilities of each citizen in the life of the nation and state.
- 5. The Finance of Political Parties is all the rights and obligations of Political Parties that can be estimated in monetary value, in the form of cash or property and any form of assets that are possessed and become the responsibility of political parties.
- 6. Minister is the Minister who is responsible in the sector of laws and human rights.
- 7. Ministry is the Ministry which is responsible in the sector of laws and human rights.
- 2. Provisions in Article 2 paragraph (1) and paragraph (5) are amended, in between paragraph (1) and paragraph (2) 2 (two) paragraphs shall be inserted, namely; paragraph (1a) and paragraph (1b) and Article (4) shall be amended to the following (4) letters: letter g, letter h, letter I and letter m to the effect that Article 2 reads as follows:

- (1) A political party shall be founded and established by no less than 30 (thirty) Indonesian citizens who has reached 21 (twenty one) years of age or married from each province.
- (1a) The political party as referred to in article (1) shall be registered by no less than 50 (fifty) founders representing all the founders of the political party in a notary deed.
- (1b) The founder and the executive members of a political party shall not be the concurrent member of another political party.
- (2) The foundation and establishment of a Political Party as referred to in paragraph (1) shall include 30% (thirty percent) women's representation.
- (3) Notary deed as referred to in paragraph (1) must include the Statute and By-Laws together with the official structure of Political Parties at the central level.

(4)The Statute...

- (4) The Statute as referred to in paragraph (3) shall at least include:
 - a. principle and characteristics of the political party;
 - b. vision and mission of the political party;
 - c. name, symbol and logo of the political party;
 - d. objectives and functions of the political party;
 - e. organization, domicile and decision making process;
 - f. organizational structure of the political party;
 - g. mechanism for the recruitment of members of the political party and political positions;
 - h. cadre regeneration system;
 - i. mechanism for the dismissal of members of the political party;
 - j. regulations and decisions of the political party;
 - k. political education;
 - 1. finance of the political party; and
 - m. mechanism for internal dispute resolution of the political party.
- (5) The official structure of Political Parties at the central level as referred to in paragraph (3) shall be established by involving no less than 30% (thirty percent) women's representation.
- 3. Provisions in Article 3 paragraph (1) and paragraph (2) letter c, letter d, and letter e are amended to the effect that Article 3 reads as follows:

- (1) A political party shall be registered to the Ministry to become a legal entity.
- (2) To become a legal entity as referred to in paragraph (1), a Political Party is required to have:
 - a. A Notary deed on the establishment of the political party;

b.name...

- b. Name, symbol and logo that has no similarity in principle or as a whole with the name, symbol and logo that have been legally utilized by another political party in accordance to the applicable legislation;
- c. Chapters in all provinces and in no less than 75% (seventy five percent) of all regencies/municipalities in each of the provinces, and in no less than 50% (fifty percent) of all counties in each of the regencies/municipalities;
- d. permanent office at the levels of central chapter, provincial chapter and regency/municipal chapters until the final stage of the election; and
- e. A bank account bearing the name of the Political Party.
- 4. Provisions in Article 4 paragraph (1) are amended to the effect that Article 4 reads as follows:

- (1) The Ministry shall receive registration and conduct review and/or verification on the completeness and authenticity as referred to in Article 2 and Article 3 paragraph (2).
- (2) Research and/or verification as referred to in paragraph (1) shall be conducted in no longer than 45 (forty five) days after the reception of the required complete documents.
- (3) Endorsement of a political party as a legal entity shall be provided in a Ministerial Decree in no longer than 15 (fifteen) days after the completion of research and/or verification process.
- (4) The Ministerial Decree on the endorsement of a political party as referred to in paragraph (3) shall be announced in the State Gazette of the Republic of Indonesia.

5. Provisions...

5. Provisions in Article 5 are amended to the effect that Article 5 reads as follows:

Article 5

- (1) Statute and By-Laws of a political party can be amended in accordance to the dynamics and the needs of the political party.
- (2) The amendment to the Statute and By-Laws as referred to in paragraph (1) shall be conducted based on the result of the highest decision making forum of the political party
- (3) The amendment to the Statute and By-Laws as referred to in paragraph (1) shall be registered to the Ministry in no longer than 30 (thirty) days after the amendment occurred.
- (4) The registration of the amendment as referred to in paragraph (1) shall include a notary deed on the amendment to Statute and By-Laws.
- 6. Provisions in Article 16 paragraph (2) are amended to the effect that Article 16 reads as follows:

Article 16

- (1) A political party member can have his/her membership terminated from the political party if the person:
 - a. is deceased;
 - b. resigns by a written notice;
 - c. becomes a member of another political party; or
 - d. violates the Statute and By-Laws.
- (2) The procedure for terminating a political party membership as referred to in paragraph (1) shall be regulated in the Statute and By-Laws.

(3) In...

- 3. In the event that the member of the political party dismissed is a member of the people's house of representatives, dismissal from the political party membership shall be followed by dismissal from the membership in the people's house of representatives in accordance to the prevailing laws.
- 7. Between paragraph (3) and paragraph (4) of Article 19, 1 (one) paragraph is inserted, namely paragraph (3a), to the effect that Article 19 reads as follows:

- (1) Administration of a political party at the central level is located in the state capital.
- (2) Administration of a political party at provincial level is located in the provincial capital.
- (3) Administration of a political party at regency/municipal level is located in the regency/municipal capital.
- (3a) Administration of a political party at county level is located in the county capital.
- (4) In the case that the administration of a political party is developed until the level of village or other name/township, the location of the administration shall be adjusted with the respective territory.
- 8. Provisions in Article 23 paragraph (2) are amended to the effect that Article 23 reads as follows:

Article 23

(1) Replacement of political party officials at each level shall be conducted in accordance to the Statute and By-Laws of the political party.

(2) The

- (2) The organizational structure of political party officers resulted from the reorganization of political party officials at the central level shall be registered to the Ministry in no later than 30 (thirty) days after the formation of the new structure of political party officers.
- (3) The new structure of political party officials as referred to in paragraph (2) shall be stipulated in a Ministerial Decree in no longer than 7 (seven) days after receiving the requirements.
- 9. Provisions in Article 29 paragraph (1) letter c and letter d and paragraph (2) are amended, between paragraph (1) and paragraph (2) it is inserted 1 (one) paragraph, namely; paragraph (1a) to the effect that Article 29 reads as follows:

- (1) A political party can recruit Indonesian citizens to become:
 - a. members of the political party;
 - b. candidate nominees for members of DPR and DPRD;
 - c. candidate nominees for Head and Deputy Head of Region; and
 - d. candidate nominees for President and Vice President.
- (1a) The recruitment as referred to in paragraph (1) letter b shall be conducted through cadre selection in a democratic manner in accordance to the provisions in the Statute and By-Laws of the political party by observing women's representation of no less than 30% (thirty percent).
- (2) The recruitment as referred to in paragraph (1) letter c and letter d shall be conducted in a democratic and transparent manner in accordance to the provisions in the Statute and By-Laws of the political party and the stipulations of the prevailing law.
- (3) Endorsement on the recruitment as referred to in paragraph (1) and paragraph (2) shall be stipulated by a decree of Political Party Officials in accordance to the provisions in the Statute and By-Laws of the political party.

10. Provisions....

10. Provisions in Article 32 are amended to the effect that Article 32 reads as follows:

Article 32

- (1) Political party disputes shall be resolved through internal Political party mechanism as referred to in the Statute and By-Laws of the political party.
- (2) Internal Political party dispute resolution as referred to in paragraph (1) shall be conducted by the political party's tribunal or a body of different name formed by the political party.
- (3) The structure of the political party's tribunal as referred to in paragraph (2) shall be reported to the Ministry by the Leadership of the Political Party.
- (4) Internal Political party resolution as referred to in paragraph (2) shall be completed in no longer than 60 (sixty) days.
- (5) The decision of the political party's shall be internally final and binding related to disputes concerning the executive boards of the political party.
- 11. Provisions in Article 33 paragraph (1) are amended to the effect that Article 33 reads as follows:

Article 33

- (1) In the case that dispute resolution as referred to Article 32 cannot be reached, the dispute resolution must be brought to the district court.
- (2) The decision of the district court shall be the first and final decision, and can only be appealed as cassation to the Supreme Court.
- (3) The dispute as referred to in Paragraph (1) shall be completed by the district court in no later than 60 (sixty) days after the application is registered at the registry of the district court and Supreme Court in no longer than 30 (thirty) days after the appeal argument is registered in the registry of the Supreme Court.

12.Between...

12. Between paragraph (3) and paragraph (4) of Article 34, 2 (two) paragraphs namely paragraph (3a) and paragraph (3b) are inserted to the effect that Article 34 reads as follows:

Article 34

- (1) The financial sources of political party shall be as follows:
 - a. Membership dues;
 - b. Contributions that are legitimate in accordance to the prevailing laws; and
 - c. Financial Subsidy from the national budgets and/or regional budgets.
- (2) Contributions as referred to in paragraph (1) Letter b can be in form of cash, goods, and/or services.
- (3) Financial subsidy from the National budget/Regional Budget as referred to in paragraph (1) Letter c, shall be provided proportionally to political parties that acquire seats in the House of Representatives, Provincial House of Representatives and Regency/Municipal House of Representatives the calculation of which is based on the vote acquisition.
- (3a) Financial subsidy from National Budget/Regional Budget as referred to in paragraph (3) shall be allocated for the implementation of political education for the members of the political party and the community.
- (3b) Political education as referred to in paragraph (3a) shall be related to the following activities:
 - a. Internalizing the four pillars of nation and state building, namely Pancasila, the 1945 Constitution, Bhinneka Tunggal Ika and the Unified State of the Republic of Indonesia;
 - b. Understanding the rights and obligations of the citizens of the Republic of Indonesia in developing political ethics and structure; and

c. Regeneration...

- c. Regeneration of political party's members in gradual and sustainable
- (4) Financial subsidy and the reporting of the use of the financial subsidy to political parties as referred to in paragraph (3) and (3a) shall be regulated further in a Government Regulation.
- 13. Between Article 34 and Article 35, 1 (one) paragraph namely Article 34A is inserted as follows:

Article 34A

- (1) Political parties are obliged to submit an accountability report on the income and expenditure of financial subsidy from the National/Regional Budget as referred to in Article 34 paragraph (1) letter c to be submitted to the Supreme Audit Board annually to be audited in no later than 1 (one) month after the end of the fiscal year.
- (2) Audit of the financial Reports as referred to in paragraph (1) shall be conducted in 3 (three) months after the end of the fiscal year.
- (3) The result of the audit of the financial report as referred to paragraph (2) shall be submitted to the political party in no later than 1 (one) month after being audited.
- 14. Provisions in Article 35 paragraph (1) are amended to the effect that Article 35 reads as follows:

Article 35

(1) Donations as referred to in Article 34 paragraph (1) letter b that a political party receives are from:

a.individuals...

- a. Individuals members of a political party of which the implementation shall be governed by the Statute and By-laws of the political party;
- b. Non-member Individual, to the amount that shall not exceed Rp1.000.000.000, 00 (one billion rupiahs) per person within the period of 1 (one) year.
- c. Companies and/or corporations, to the amount that shallnot exceed Rp 7.500.000.000, 00 (seven billion and five hundred million rupiahs) per company/corporation within the period of 1 (one) year.
- (2) Contributions as referred to in paragraph (1) shall be based on the principle of honesty, volunteerism, fairness, transparency, accountability as well as sovereignty and independency of political parties.
- 15. Provisions in Article 39 are amended to the effect that Article 39 reads as follows:

- (1) Political Party's financial management shall be conducted in a transparent and accountable manner.
- (2) Political Party's financial management as referred to in paragraph (1) shall be audited by a public accountant every 1 (one) year and announced periodically.
- (3) Political Parties are obliged to formulate financial statements for the auditing purpose of the fund which includes:
 - a. report on the realization of the Political Party's budget;
 - b. balance sheet; and
 - c. cash-flow report.
- 16. Provisions in Article 45 paragraph (1) are amended to the effect that Article 45 reads as follows:

Article 45

Dissolution of a political party as referred to in Article 41 shall be announced in the State Gazette of the Republic of Indonesia by the Ministry.

17. Provisions...

17. Provisions in Article 47 paragraph (1) are amended to the effect that Article 47 reads as follows:

Article 47

- (1) Violations against the provisions as referred to in Article 2, Article 3, Article 9 paragraph (1) and Article 40 paragraph (1) shall be subject of administrative sanctions in the form of rejection of the registration of the political party as a legal entity by the Ministry.
- (2) Violations against the provisions as referred to in Article 13 Letter h shall be subject of administrative sanctions in the form of warnings by the Government.
- (3) Violations against the provisions as referred to in Article 13 Letter i shall receive administrative sanctions in the form of discontinuation of subsidy from the National/Regional Budget until the report is received by the Government in the concerned budget year.
- (4) Violations against the provisions as referred to in Article 13 letter j shall be subject of administrative sanctions in the form of warnings by the KPU.
- (5) Violations against the provisions as referred to in Article 40 paragraph (3) letter e shall be subject of administrative sanctions as determined by the agency/institution that has the function of maintaining the honor and reputation of political parties and their members.
- 18. Provisions in Article 51 paragraph (1), paragraph (2) and paragraph (4) are amended, paragraph (3) is omitted, between paragraph (1) and paragraph (2) 3 (three) paragraphs are inserted, namely paragraph (1a), paragraph (1b) and paragraph 1(c), to the effect that Article 51 reads as follows:

Article 51

(1) Political parties that have been legalized as a legal entity based on Law Number 2 of 2008 on Political Parties shall remain to be recognized with the obligation to make adjustments based on this law by participating in the verification.

(1a) Verification...

- (1a) Verification of political parties as referred to in paragraph (1) and political parties that are established after the enactment of this law, shall be completed in no later 2 $\frac{1}{2}$ (two and a half) years before the voting day of the general election.
- (1b)In the case that the political parties as referred to in paragraph (1) do not meet the qualification of verification, the political parties shall remain to be recognized until the inauguration of members of the House of People's Representatives, Provincial Regional House of People's Representatives and Regency/Municipal Regional House of People's Representatives as the result of the General Election in 2014.
- (1c) Members of the House of Representatives, Provincial House of Representatives and Regency/Municipal House of Representatives as referred to in paragraph (1a) shall be recognized as members of House of Representatives, Provincial House of Representatives and Regency/Municipal House of Representatives until the completion of their membership period.
- (2) The amendment to the statute as referred to in Article 2 paragraph (4) letter g, letter h, letter l, and letter m must be completed in the earliest opportunity of implementation of the highest forum for Political Party decision making in accordance to the provision in the Statute and By-Laws after this Law is enacted.
- (3) Omitted
- (4) Finalization of political party's cases that are in examination process in courts and have not been decided before the enactment of this law; the resolution shall be decided based on Law Number 2 of 2008 on Political Parties.
- (5) Political party cases that have been submitted to the courts prior to the enactment of this law and have not been processed shall be processed and decided based on this law.

Article II

This Law is declared effective on the day it is enacted.

In...

In order to inform all persons, the enactment of this Law is ordered by placing it in the State Gazette of the Republic of Indonesia.

Endorsed in Jakarta On 15 January 2011

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Signed

SUSILO BAMBANG YUDHOYONO

Enacted in Jakarta
On 15 January 2011
MINISTER OF LAWS AND HUMAN RIGHTS,

Signed

PATRIALIS AKBAR

THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 8

This Copy is in accordance to the original
THE STATE SECRETARIAT OF THE REPUBLIC OF INDONESIA
The Chief of the Bureau of Laws and Regulations
In The Politics and People's Welfare Sector

Wisnu Setiawan

ELUCIDATION

ON

THE LAW OF THE REPUBLIC OF INDONESIA NUMBER 2 YEAR 2011

ON

THE AMENDMENT TO LAW NUMBER 2 OF 2008

ON

POLITICAL PARTIES

I. GENERAL

The 1945 Constitution of the Republic of Indonesia guarantees the freedom to associate, to assemble and to speech as a part of human rights that must be implemented to strengthen the spirit of nationalism in the democratic Unified Nation of the Republic of Indonesia. The rights to associate and assemble are manifested in the formation of political parties as one of the pillars of democracy in Indonesian political system.

Political parties as pillar of democracy need to be organized and perfected in order create a political system that is democratic in order to support an effective presidential system. The process of organizing and perfecting Political Parties must be aimed at two principal objectives, namely; first, creating systematic attitude and behavior of political parties in order to form a political culture that supports the basic principles of a democratic system. This is shown by the attitude and behavior of Political Party that has an adequate system for membership selection and recruitment and develops a strong cadre regeneration system and political leadership. Second, optimizing the function of political parties either the function of Political Parties vis-á-vis the state or the function of political parties vis-á-vis the people through effective political education and cadre regeneration as well as political recruitment to produce cadres for future leaders that have the capacity in political sectors.

The effort...

The effort to strengthen and to make effective the presidential system, shall at least be conducted in four important aspects; the first is to condition the formation of a simple multi-party system; the second is to encourage the creation of a democratic and accountable party's institutions; the third is to condition the formation of a democratic and accountable party's leadership and the fourth is to encourage the strengthening of the basis and structures of parties in the society.

The main aspects that are regulated in the organizing and perfecting of political parties in Indonesia include the requirements for the formation of a Political Party, requirements for the organizational structure of Political Party, amendment to the Statute and By-Laws, recruitment and political education, financial management of a political party and independency of a political party.

II. ARTICLE PER ARTICLE

Article I

Point 1

Article 1

Self Explanatory

Point 2

Article 2

Self Explanatory

Point 3

Article 3

Paragraph (1)

Self Explanatory

Paragraph (2)

Letter a

Self Explanatory

Letter b. ...

Letter b

What is meant by "has no similarity in principle or as a whole with the name, symbol and logo of another political party" is having no significant similarity and creating impression that there are similarities either in the form, lay out or location, manner of printing or combination among the elements that can be found in the name, symbol and logo of another political party.

Letter c

Administrative cities/regencies in the Special capital Province of Jakarta have an equal position with regencies/municipalities in other provinces.

Letter d

What is meant by "permanent office" is an appropriate office space which is owned by itself, rented, or borrowed for use and has a fixed address.

Letter e

Self Explanatory

Point 4

Article 4

Paragraph (1)

Research and/or verification of political parties are conducted administratively and periodically by the Minister and in cooperation with related agencies.

Paragraph (2)

Self Explanatory

Paragraph (3)

Self Explanatory

Paragraph (4)

Self Explanatory

Point 5....

Point 5

Article 5

Self Explanatory

Point 6

Article 16

Self Explanatory

Point 7

Article 19

Self Explanatory

Point 8

Article 23

Self Explanatory

Point 9

Article 29

Self Explanatory

Point 10

Article 32

Paragraph (1)

What is meant by "Political Party disputes" include among others: (1) disputes related to the organizational structure; (2) violations against the rights of members of a political party; (3) dismissal without any clear reasons; (4) abuse of authorities; (5) financial accountability; and/or (6) objection against the decision of the political party.

Paragraph (2)

Self Explanatory

Paragraph (3)

Self Explanatory

Paragraph (4) ...

Paragraph (4)

Self Explanatory

Paragraph (5)

Self Explanatory

Point 11

Article 33

Self Explanatory

Point 12

Article 34

Self Explanatory

Point 13

Article 34A

Self Explanatory

Point 14

Article 35

Self Explanatory

Point 15

Article 39

Paragraph (1)

Self Explanatory

Paragraph (2)

What is meant by "a public accountant" is an accountant which is registered in the professional organization of Indonesian Accountant Association.

What is meant by "announced periodically" is that it is publicized once in a year through the mass media

Paragraph (3)

Self Explanatory

Point 16 ...

Point 16

Article 45

Self Explanatory

Point 17

Article 47

Self Explanatory

Point 18

Article 51

Self Explanatory

Article II

Self Explanatory

SUPPLEMENTARY STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 5189