

GOVERNMENT REGULATION  
NUMBER 54, YEAR 2002  
CONCERNING  
FISHERY BUSINESSES

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

- Considering :
- a. that fish resources as part of the wealth of the Indonesian nation need to be used for the prosperity of the people by managing them efficiently and effectively as well as observing their interests and conservation continuously;
  - b. that since Government Regulation No. 15/1990 concerning Fishery Businesses as already amended twice and the latest by Government Regulation No. 141/2000 has not been able to accommodate developments and needs in the field of fishery businesses, it is necessary to re-regulate fishery businesses by a government regulation.

- In view of :
1. Article 5, paragraph (2) of the State Constitution of 1945 as already amended by the Fourth Amendment to the State Constitution of 1945;
  2. Law No. 1/1967 concerning Foreign Investment (State Gazette of 1967 No. 1, Additional State Gazette No. 2818) as already amended by Law No. 11/1970 (State Gazette of 1970 No. 46, Additional State Gazette No. 2943);
  3. Law No. 6/1968 concerning Domestic Investment (State Gazette of 1968 No. 33, Additional State Gazette No. 2853) as already amended by Law No. 12/1970 (State Gazette of 1970 No. 47, Additional State Gazette No. 2944);
  4. Law No. 5/1983 concerning the Indonesian Economic Exclusive Zone (State Gazette of 1983 No. 44, Additional State Gazette No. 3260);
  5. Law No. 9/1985 concerning Fishery (State Gazette of 1985 No. 16, Additional State Gazette No. 3299);
  6. Law No. 6/1996 concerning Indonesian Water Territory (State Gazette of 1996 No. 73, Additional State Gazette No. 3647);
  7. Law No. 20/1997 concerning Non-Tax State Revenues (State Gazette of 1997 No. 43, Additional State Gazette No. 3687);
  8. Law No. 22/1999 concerning Regional Administration (State Gazette of 1999 No. 60, Additional State Gazette No. 3839);

9. Law No. 25/1999 concerning Financial Equilibrium Between the Government and Regional Governments (State Gazette of 1999 No. 72, Additional State Gazette No. 3848);
10. Government Regulation No. 25/2000 concerning the Authority of the Government and the Authority of Provinces as Autonomous Regions (State Gazette of 2000 No. 54, Additional State Gazette No. 3952);

H A S D E C I D E D :

To stipulate : GOVERNMENT REGULATION CONCERNING FISHERY BUSINESSES

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this government regulation, what is meant by:

1. Fishery businesses are all businesses executed by individuals or statutory bodies to catch or cultivate fish, including the storing, freezing or preservation of fish for commercial purposes.
2. Indonesian Fishery Company is a company undertaking fishery business and managed by an Indonesian citizen or an Indonesian statutory body.
3. Foreign Fishery Company is a fishery company undertaking fishing business and managed by a foreign citizen or a foreign statutory body.
4. Fisherman is one with income mainly coming from fishing.
5. Fish farmer, hereinafter called fish breeder, is one with the income mainly coming from the breeding of fish.
6. Fishery business license (IUP) is a written license which must be owned by a fishery company to undertake a fishery business by using production facilities contained in the said license.
7. Fishery vessel is a vessel or a boat or other floating means used for fishing, including for conducting a fishery survey or exploitation.
8. Fishing vessel is a vessel specially used for fishing, including accommodating, storing, freezing and stuffing.
9. Fish transporting vessel is a vessel specifically used for transporting fish, including loading, accommodating, storing, freezing and stuffing.

10. Fishing business expansion is addition to the number of fisher vessels and/or addition to the types of related business activities not yet contained in IUP.
11. Fish breeding business expansion is addition to the areas of space and/or addition to the types of related business activities not yet contained in IUP.
12. Letter of fishing (SPI) is a letter, which must be owned by every fishery vessel for executing fishing activities, being inseparable part of IUP.
13. License of fish transporting vessel (SIKPI) is a license, which must be owned by a fishery vessel for executing the activities of fish transporting.
14. Allocation of investment fishing (APIM) is a written recommendation for fishing given by the minister or the official appointed through the Coordinating Board for Investment (BKPM) to a fishery company with investment facilities.
15. Minister is the minister responsible for the field of fishery.

## CHAPTER II FISHERY BUSINESS LICENSE

### Article 2

- (1) Fishery businesses consist of:
  - a. fishing business; and/or
  - b. fish breeding.
- (2) The fish breeding as meant in paragraph (1), point b covers types of activities:
  - a. fish breeding in mainland water;
  - b. fish breeding in salty water; and/or
  - c. fish breeding in sea;

### Article 3

- (1) Fishery businesses in the fishery territory of the Republic of Indonesia only can be executed by individual Indonesian citizens or Indonesian statutory bodies.
- (2) Exception from the provision as meant in paragraph (1) can only be given in the field of fishing, as long as it is related to the obligation of the State of the Republic of Indonesia based on the provision on international agreement or existing international law.

- (3) The fishery territory of the Republic of Indonesia as meant in paragraph (1) covers:
  - a. Indonesian water areas;
  - b. Rivers, lakes, dams, swamps and other flooding areas, within the territory of the Republic of Indonesia;
  - c. the Indonesian Economic Exclusive Zone.

## Article 4

Indonesian fishery companies cooperate with fishermen and/or fish farmers in a form of mutually beneficial cooperation based guidelines stipulated by the minister.

## Article 5

- (1) A company undertaking a fishery business must have a fishery business license (IUP).
- (2) IUP as meant in paragraph (1) is issued for each fishery business as meant in Article 2, paragraph (1) and effective as long as the company carries out fishery business activities.
- (3) A business license for a fishery company with investment facilities which will carry out fishing business, is issued based on the allocation of fishing investment (APIPM) and other requirements in the field of investment.
- (4) In IUP for fishing business, coordinates of fishing areas, amount and size of fishery vessels, types of fishing equipment used and base port are contained.
- (5) In IUP for fishing business related to fish transporting activities, gathering areas/loading port, base port as well as amount and size of fishery vessels.
- (6) In IUP for fish culturing business, with of land space or water areas and its location.

## Article 6

- (1) Obligation to own IUP as meant in Article 5, paragraph (1) is excepted for activities:
  - a. fishing carried out by fishermen by using a non-motored fishery vessel or using external motor or internal motor in a certain size;
  - b. fish breeding in mainland water carried out by a fish farmer in a still water pond with a certain land area;

- c. fish breeding in salty water carried out by a fish farmer with a certain land area or water area.
- (2) The size of fishery vessels and the width of land and water areas as meant in paragraph (1) are regulated by the minister.
- (3) The fishermen and fish farmers as meant in paragraph (1) shall register their fishery activities to regional fishery service or institutions having authority in the field of fishery in the respective regions.

## Article 7

- (1) A foreign fishery company which will carry out fishing activities in the Indonesian economic exclusive zone must possess IUP.
- (2) IUP as meant in paragraph (1) is effective in accordance with the period of the validity of the international agreement between the government of Indonesia and the government of the relevant foreign country.

## Article 8

- (1) Indonesian-flag fishing vessels carrying out fishing or foreign flag fishing vessels carrying out fishing in the Indonesian economic exclusive zone shall be completed with letter of fishing (SPI).
- (2) SPI of Indonesian-flag fishing vessels is effective for:
  - a. 3 (three) years, for fishing with the type of fishing equipment of ringed dragnet of tuna fishing line, drifted fish gill net, or huhate;
  - b. 2 (two) years, for fishing with the type of fishing equipment other than as mentioned in letter a; and can be extended by the license issuer.
- (3) In SPI, the stipulation of fishing areas, the types of fishing equipment and the specification of the vessels used.
- (4) SPI of foreign flag fishing vessels is effective for 1 (one) year and can be extended by the license issuer.

## Article 9

- (1) Fishing vessels functioning as supporting fishing vessels in a fishing fleet unit (group) shall be completed with SPI.
- (2) Fishing vessels functioning as supporting fish transporting vessels in a fishing fleet unit shall be completed with the license of fish transporting vessels

- (SIKPI), SPI and SIKPI of Indonesian flag fishing vessels operated in a unity of a fishing fleet unit as meant in paragraph (1) and (2) are effective for:
- a. 3 (three) years, for a fishing fleet with the type of fishing equipment ringed dragnet, tuna fishing line, drifted fish gill net, or huhate;
  - b. 2 (two) years, for a fishing fleet unit with the types of fishing equipment other than as meant in letter a.
- (3) SPI and SIKPI of foreign flag fishing vessels operated in a fishing fleet unit as meant in paragraph (1) and paragraph (2) are effective for 1 (one) year.
  - (4) Indonesian-flag fish transporting vessels in a fishing fleet can carry out transporting from fishing areas to ports and/or from ports to ports.
  - (5) Foreign-flag fish transporting vessels can carry out transporting from fishing areas to ports in Indonesia and/or from ports in Indonesia to ports in the countries of destination.

## Article 10

- (1) Foreign-flag fishing vessels are only used for carrying out fishing in the exclusive economic zone of Indonesia.
- (2) Foreign-flag fishing vessels can be used by fishery companies or non-fishery companies for transporting fishes.
- (3) Further regulations on the use of foreign-flag fishing vessels as meant in paragraph (1) and paragraph (2) are stipulated by the minister.

## Article 11

- (1) Fishing vessels used by Indonesian fishery companies for carrying out fish transporting not in a unity of a fishing fleet unit shall be completed with SIKPI.
- (2) SIKPI as meant in paragraph (1):
  - a. for Indonesian-flag fishing vessels is effective for 3 (three) years;
  - b. for foreign-flag fishing vessels is effective for 1 (one) year.
- (3) Fishery vessels used by non-fishery companies for carrying out fish transporting shall be completed with SIKPI with 1 (one) year of the period of validity.
- (4) The fish transporting vessels as meant in paragraph (2), point a and paragraph (3) are used for transporting fish from ports to ports in the territory of the Republic of Indonesia and/or from ports in Indonesia to ports in the countries of destination.

- (5) Foreign-flag fishing vessels as meant in paragraph (2), point b are used by Indonesian fishery companies from ports in Indonesia to ports in the countries of destination.
- (6) SIKPI of Indonesian-flag fishing vessels or foreign-flag fishing vessels contains minimally:
  - a. location of loading ports and ports of destination;
  - b. companies and fishing fleets supported by its transportation;
  - c. captain and ship crews;
  - d. vessel identity.

#### Article 12

In the interests of conservation of fish resources, the licensor:

- a. considers fish resources supporting capacity before issuing IUP, SPI and APIPM;
- b. evaluates annually the stipulation of the number of vessels, fishing areas and/or types of fishing equipment as contained in IUP, SPI, SIKPI and APIPM.

#### Article 13

- (1) The governor or appointed official grants:
  - a. IUP, SPI and SIKPI to Indonesian fishery companies carrying out fishing and/or fish transporting domiciled in his administrative territory, using non-motored fishery vessels external motored fishery vessels, internal motored fishery vessels with the size of 10 gross tonnage (GT.10) and not more than 30 gross tonnage (GT.30) and/or which should have the machine capacity of 90 horse power (HP) and based in his administrative territory as well as not using foreign capital and/or expatriates;
  - b. IUP to Indonesian fishery companies carrying out fish culturing in land water, salty water and sea in his administrative territory which do not use foreign capital or expatriates.
- (2) The regent/municipal or appointed official grants:
  - a. IUP, SPI and SIKPI to Indonesian fishery companies carrying out fishing and/or fish transporting domiciled in his administrative territory, using non-motored fishery vessels, external motored fishery vessels and internal motored fishery vessels with the size of not more than 10 gross tonnage

(10.GT) and/ or 30 horse power (30.HP) and based in his administrative territory as well as not using foreign capital and/or expatriates;

- b. IUP to Indonesian fishery companies carrying out fish culturing in land water, salty water and sea in his administrative territory which do not use foreign capital and/or expatriates.
- (3) Provisions on procedures for the granting of IUP, SPI and SIKPI as meant in paragraph (1) and paragraph (2) are regulated by the governor, regent/municipal in accordance with his authority by using guidelines on procedures for the granting of fishing business licenses regulated by the minister.

## Article 14

- (1) Except for activities becoming the authority of the governor, regent/municipal as meant in Article 13, the minister or the appointed official grants IUP, SPI SIKPI and APIPM.
- (2) The authority to issue IUP as meant in paragraph (1) for fishing companies with investment facilities is delegated by the minister to the Head of the Coordinating Board for Investment.
- (3) Provisions on the granting of IUP, SPI, SIKPI and APIPM as meant in paragraph (1) and the delegation of the authority from the minister to the Head of the Coordinating Board for Investment (BKPM) as meant in paragraph (2) are regulated by the minister.

## Article 15

- (1) The holder of IUP shall:
  - a. execute provisions contained in IUP;
  - b. submit application for changes or replacement of IUP to the license issuer in the case that changes on data in IUP will be mad;
  - c. submit report on business activities once in every 6 (six) months to the license issuer.
- (2) The holder of SPI shall:
  - a. execute provisions contained in SPI;
  - b. submit application for changes or replacement of SPI to the license issuer in the case that the SPI is lost or damaged, or changes on data contained in SPI will be made;



- c. submit report on fishing activities once in every 3 (three) months to the license issuer;
  - d. obey provisions in the field of supervision and control over fish resources.
- (3) The holder of SIKPI shall:
- a. execute provisions contained in SIKPI;
  - b. submit application for changes or replacement of SIKPI to the license issuer in the case that the SIKPI is lost or damaged, or changes on data contained in SIKPI will be made;
  - c. submit report on fish transporting activities once in every 3 (three) months to the license issuer;
  - d. obey provisions in the field of supervision and control over fish resources.
- (4) The holder of APIPM shall:
- a. execute provisions contained in APIPM;
  - b. submit application for changes or replacement to the issuer of APIPM through BKPM in the case that the SIKPI is lost or damaged, or changes on data contained in APIPM will be made;
  - c. submit report on fish transporting activities once in every 6 (six) months to the license issuer.

CHAPTER III  
REVOCATION OF IUP, SPI AND SIKPI

Article 16

- (1) IUP can be revoked by the license issuer in the case that the fishery company:
- a. does not execute provisions contained in IUP;
  - b. carries out business expansion without a written approval from the license issuer;
  - c. does not submit report on business activities for consecutive 3 (three) times or intentionally submits in-correct report;
  - d. uses fake documents;
  - e. for 1 (one) year since the issuance of IUP, does not carry out his business activities; or

- f. is stated guilty based on a court decision having a permanent jurisdiction power.
- (2) SPI can be revoked by the license issuer in the case that the fishery company:
  - a. does not execute provisions contained in IUP and/or SPI;
  - b. uses fishery vessels for other than fishing;
  - c. does not submit report on business activities for consecutive 3 (three) times or intentionally submits incorrect report;
  - d. uses fake documents;
  - e. IUP owned by the fishery company is revoked by the license issuer; or
  - f. is stated guilty based on a court decision having a permanent jurisdiction power.
- (3) SIKPI can be revoked by the license issuer in the case that the fishery company:
  - a. does not execute provisions contained in IUP and/or SIKPI;
  - b. uses fish transporting vessels for other than the activities of fish gathering and/or transporting outside a fishing fleet unit (for vessels in a group fleet unit);
  - c. does not submit report on business activities for consecutive 3 (three) times or intentionally submits incorrect report;
  - d. for 1 (one) year since the issuance of SIKPI, does not carry out fish transporting activities;
  - e. IUP owned by the fishery company is revoked by the-license issuer; or
  - f. is stated guilty based on a court decision having a permanent jurisdiction power.
- (4) APIPM can be revoked by the license issuer in the case that the fishery company:
  - a. does not execute provisions contained in APIPM;
  - b. carries out changes on data without a written approval from the license issuer;
  - c. does not submit report on business activities for consecutive 3 (three) times or intentionally submits incorrect report;
  - d. uses fake documents;

- e. does not realize its business plans in the period of 2 (two) years as of the issuance of APIPM; or
- f. is stated guilty based on a court decision having a permanent jurisdiction power.

Article 17

Provisions on procedures for the revocation of IUP, SPI, SIKPI and APIPM are stipulated by the minister.

CHAPTER IV  
FISHERY LEVIES

Article 18

- (1) Indonesian fishery companies carrying out fishing businesses or fish culturing businesses in sea or other waters in the fishery territory of the Republic of Indonesia, as well as foreign fishery companies carrying out fishing businesses in the exclusive economic zone of Indonesia are imposed levies.
- (2) Fishery levies are not imposed on:
  - a. fish breeding businesses carried out in ponds or in pool on land which, according to the regulations and laws, become certain rights of the concerned parties;
  - b. fishermen and fish farmers as meant in Article 6, paragraph (1),

Article 19

- (1) Fishery levies are imposed to Indonesian fishery companies on opportunities given for carrying out fishery businesses and on fishes as the result of fishing or culturing.
- (2) Fishery levies are imposed to foreign fishery companies on the benefit which can be earned from fishing in the exclusive economic zone of Indonesia.

Article 20

- (1) Fishery levies in the field of fishing imposed on Indonesian fishery companies consist of:
  - a. levies on fishing businesses;
  - b. levies on fishery products.

- (2) Fishery levies in the field of fishing imposed to foreign fishery companies are foreign fishery levies.

#### Article 21

The levies on fishery businesses as meant in Article 20, paragraph (1), point a are stipulated based on the tariff formulation per gross tonnage (GT) multiplied by the size of the GT of vessels according to the types of fishery vessels used.

#### Article 22

- (1) The levies on fishery products as meant in Article 20, paragraph (1), letter b are stipulated:
  - a. for fishing activities:
    - 1) for fishing companies of small scale, based on a formula: 1% (one percent) multiplied by the productivity of vessels and then multiplied by the fish benchmark price;
    - 2) for fishing companies of large scale, based on a formula: 2.5% (two and half percent) multiplied by the productivity of vessels and then multiplied by the fish benchmark price;
  - b. for fish culturing activities, at 1% (one percent) multiplied by the selling price of all fish as the result of culturing.
- (2) Criteria for fishery companies of small scale and large scale as meant in paragraph (1) are stipulated by the minister.

#### Article 23

- (1) The levies on foreign fishery as meant in Article 20, paragraph (2) are stipulated based on a formula: tariff per gross tonnage (GT) multiplied by the size of the GT of the vessels according to the types of fishery vessels used.
- (2) Levies on foreign fishery for vessels in a fishing fleet unit are stipulated based on a formula: tariff per gross tonnage (GT) multiplied by the total GT of the fishing vessels and supporting vessels used.

CHAPTER V  
FOSTERING AND SUPERVISION

Article 24

- (1) Fostering and supervision of the activities of fishery businesses, fishermen, fish farmers are executed by the minister, governor and regent/municipal regularly and continually in accordance with their authority.
- (2) The fostering as meant in paragraph (1) covers the fostering of business climate, business facilities, the techniques of production, marketing and quality of fish products.
- (3) The supervision as meant in paragraph (1) is executed for the meeting of provisions in this government regulation and provisions of other regulations and laws related to fishing and fish culturing as well as the handling of fishery products.

CHAPTER VI  
CRIMINAL PROVISIONS

Article 25

Every fishery company violating the provisions of Article 5 is punished according to the provisions of Article 25, Article 26 and Article 29 of Law No. 9/1985 concerning Fishery.

CHAPTER VII  
TRANSITIONAL PROVISIONS

Article 26

All licenses given before this government regulation is stipulated are stated remaining effective until the expiration of the period of validity of the license.

CHAPTER VIII  
CLOSING PROVISIONS

Article 27

With the enforcement of this government regulation:

- a. Government Regulation No. 15/1990 concerning Fishery Businesses (State Gazette of 1990 No. 19, Additional State Gazette No. 3408) as already amended for some times and the latest by Government Regulation No. 141/ 2000 (State Gazette of 2000 No. 256, Additional State Gazette No. 4058} is stated not effective.

## AKBAR & AKBAR

Law Office

- b. All regulations on the enforcement of Government Regulation No. 15/1990 concerning Fishery Businesses (State Gazette of 1990 No. 19, Additional State Gazette No. 3408) as already amended for some times and the latest by Government Regulation No. 141/2000 are stated remaining effective as long as not against or not yet amended based on this government regulation.

### Article 28

This government regulation starts to be effective on the date of promulgation.

For public cognizance, this government regulation shall be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On October 17, 2002

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

Signed

MEGAWATI SOEKARNOPUTRI

Promulgated in Jakarta

On October 17, 2002

THE STATE SECRETARY

Signed

BAMBANG KESOWO

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2002 NUMBER 100