

GOVERNMENT REGULATION
NUMBER 67, YEAR 1996
CONCERNING
THE OPERATION OF TOURISM

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

- Considering :
- a. that to promote the development of tourism in supporting national development, it is necessary to integrate the roles of the government, business companies and the community in the operation of tourism;
 - b. that in the operation of tourism which make use of national tourism potential, it is necessary to make various efforts and take various steps to continue strengthening national identity, heeding environmental quality and sustainability, the security of tourist, the participation of the community and the continuity of tourism businesses;
 - c. that in connection with the above mentioned matters and as the enforcement of Law No. 9/1990, it is deemed necessary to regulate the operation of tourism in a Government Regulation.

- In view of :
1. Article 5 paragraph (2) of the Constitution of 1945;
 2. Law No. 5/1974 concerning the principles of administration in regions (State Gazette No. 38, 1974, Additional State Gazette No. 3037);
 3. Law No. 4/1982 concerning the basic stipulation on environmental management (State Gazette No. 12/1982, Additional State Gazette No. 3215);
 4. Law No. 5/1990 concerning the conservation of biological natural resources and their ecosystem (State Gazette No. 49/1990, Additional State Gazette No. 3419);
 5. Law No. 9/1990 concerning tourism (State Gazette No. 78/1990, Additional State Gazette No.3427);
 6. Law No. 5/1992 concerning cultural reserve objects (State Gazette No. 27/1992, Additional State Gazette No. 3470);
 7. Law No. 24/1992 concerning spatial layout division (State Gazette No. 115/1992, Additional State Gazette No. 3501).

H A S D E C I D E D :

To stipulate : GOVERNMENT REGULATION CONCERNING THE OPERATION OF
TOURISM

CHAPTER I
GENERAL PROVISIONS

Article 1

Referred to in this Government Regulation as:

1. A tour shall be an activity of traveling or part of the said activity which is carried out voluntarily and is temporary in nature in order to savor tourist objects and attractions;
2. A tourist shall be a person carrying out a tour activity;
3. Tourism shall be everything connected with tours, including the commercial management of tourist objects and attractions and related undertaking in this area;
4. Tourism affairs shall cover everything related to the operations of tourism;
5. A tourism business shall be an activity aimed at providing tourism services, making available or commercially managing tourist object and attractions, running businesses in tourism facilities and other related businesses in the said area;
6. Tourist objects and attractions shall be everything which becomes the target of a tour;
7. The minister shall be the minister responsible in the tourism area.

Article 2

The operation of tourism is aimed at:

- a. Introducing, making efficient use of, conserving and promoting the quality of tourist objects and attractions;
- b. Fostering the love for motherland and promoting international friendship;
- c. Expanding and evenly distributing business and employment opportunities;
- d. Raising national income in the framework of improving people's welfare and prosperity;

- e. Bolstering efficient use of national production.

Article 3

The operation of tourism shall be implemented with account being taken of:

- a. The capacity to bolster and promote the development of economic and socio-cultural life;
- b. Religious values, customs and mores, and the views and values prevailing in the community;
- c. Continuity of tourism business.

CHAPTER II
TOURISM BUSINESSES

First Section
Categorization of Tourism Business

Article 4

Tourism businesses can be categorized into:

- a. Tourism service businesses;
- b. Commercial management of tourist object and attraction; and
- c. Tourism facilities businesses.

Second Section
Tourism Service Businesses

Article 5

The tourism service businesses shall encompass the provision of planning services, tourism-related services and tourism operation services.

Article 6

The types of tourism services businesses may be as follows:

- a. Travel bureau services;
- b. Travel agency services;

- c. Tour guide services;
- d. Convention, intensive-related tour and exhibition service;
- e. Impresario services;
- f. Tourism information services.

Sub-Section 1
Travel Bureau Service businesses

Article 7

The business of providing travel bureau service shall be run by a limited- liability company or a cooperative in the form of a travel bureau.

Article 8

A travel bureau must fulfill the following minimum requirements:

- a. Having an adequate number of professional employees with a proper qualification; and
- b. Having a permanent office completed with business-supporting facilities.

Article 9

(1) The business activities of a travel bureau shall encompass the following services:

- a. Planning and packaging tour components, encompassing tour facilities, tourist objects and attraction and other tourism services particularly those found in Indonesia's territory in the form of tour packages;
- b. Running and selling tour packages by means of distributing them through travel agents and or selling them directly to tourist or consumers;
- c. Providing tour guide services connected with the tour packages sold;
- d. Providing tour transportation services;
- e. Reserving accommodation, restaurant, convention venues and tickets for arts and cultural performances and visits to tourist objects and attractions;
- f. Settling travel documents in the form of passport and visas or other documents considered equal to those;

- g. Conducting tours related to religious services; and
 - h. Conducting incentive-related tours.
- (2) The business activities as meant in sub article (1) points a, b and c shall be the main activities which shall be compulsory for travel bureaus to carry out.
- (3) The tours related to religious services as meant in paragraph (1) point g shall be conducted on the basis of prevailing laws.

Article 10

- (1) A travel bureau shall be obligated to:
- a. Come up to the types and quality of tour components packaged and promised in tour packages; and
 - b. Provide optimum services to tourists making reservations, settling documents and making tours through travel bureaus.
- (2) A travel bureau shall be responsible for the safety of the tourist making tours on the basis of the tour packages its sells.

Article 11

- (1) To expend the network of its business activities, a travel bureau may set up branch offices in provincials' capitals.
- (2) To facilitate services to the community, a travel bureau or its branch offices may run sales stands.
- (3) A travel bureau may run a sales stand only at a location where no branch offices are established.
- (4) The establishment of branch offices and the opening of sales stands must be reported for registration to the Minister.
- (5) All business activities of a travel bureau which are carried out by branch offices and sales stands of travel paragraphs (1) and (2) shall be responsibility of the travel bureau.
- (6) Further provisions regarding the establishment of branch offices and the opening of sales stands of travel bureau shall be regulated by the Minister.

Article 12

- (1) A branch offices of a travel bureau can provide all services as meant in Article 9 paragraph (1).
- (2) A sales stand of a travel bureau can only sell tour packages prepared by the travel bureau and provide reservation services as meant in Article 9 paragraph (1) point e.

Sub-Section 2
Travel Agency Services

Article 13

The business of providing travel agency services shall be run by a limited-liability company or a cooperative in the form of a travel agent.

Article 14

A travel-agent must meet the following minimum requirements:

- a. having an adequate number of professional employees with a proper qualification; and
- b. having a permanent office completed with business-supporting facilities.

Article 15

The business activities of a travel agent shall encompass the following services:

- a. reserving tickets for domestic and overseas air, sea and overland transportation;
- b. serving as an intermediary for the sales of tour packages prepared by a travel bureau;
- c. reserving accommodation, restaurant and tickets for arts and cultural performances and visits to tourist objects and attractions; and
- d. settling travel documents in the form of passports and visas or other documents considered equal to those.

Article 16

A travel agent shall be obligated to:

- a. provide optimum services and be responsible for the provision of reservation and document settlement services; and
- b. heed prevailing norms and usual practices regarding the provision of intermediary services, in the case of selling tour packages prepared by a travel bureau.

Article 17

A travel agent shall be prohibited to:

- a. make changes in the travel components of a tour package prepared by a travel bureau; and
- b. run tour packages.

Sub-Section 3
Tour Guide Services

Article 18

Tour guide services shall be provided by a limited-liability company or a cooperative.

Article 19

A business company providing tour guide services must fulfill the following minimum requirements:

- a. having a permanent office completed with business supporting facilities; and
- b. permanently employ professional tour guides.

Article 20

- (1) Tour guide business activities shall encompass the provision of tour guides and or the coordination of freelancing tour guides to fulfill the need of individual tourists or that of a travel bureau.
- (2) The activity of coordinating freelancing tour guides as meant in paragraph (1) can be carried out only if the number of tour guides employed by a business company providing tour guide services is not sufficient to fulfill existing needs.
- (3) The coordination of freelancing tour guides as meant in paragraph (2) shall be conducted by continuing to observe the requirement of professionalism on the part of the tour guides concerned.

Article 21

A business company providing tour guide services shall be obligated to:

- a. employ tour guides already fulfilling the prevailing skill requirements; and
- b. continuously make efforts to promote the skills of the tour guides concerned.

Sub-Section 4

Convention, Incentive-Related Tour and Exhibition Services

Article 22

The business of providing convention, incentive-related and exhibition services shall be run by a limited-liability company or a cooperative.

Article 23

A business company providing convention, incentive-related tour and exhibition services must fulfill the following minimum requirements:

- a. having an adequate number of professional employees with a proper qualification; and
- b. having a permanent office complied with business-supporting facilities.

Article 24

(1) The business activities of convention, incentive-related tour and exhibition services shall encompass:

- a. the organization of conventions, which shall include:
 - 1) planning and offering the organization of a convention;
 - 2) planning and managing the budget for the organization of a convention;
 - 3) implementing and organizing a convention;
 - 4) providing simultaneous translation services;
- b. planning and carrying out incentive-related tour programs;
- c. planning and organizing exhibitions;
- d. arranging and coordinating the organization of tours before, during and after a convention;

- e. providing secretarial services for the organization of conventions, incentive-related tours and exhibitions; and
 - f. other activities to fulfill the need of those participating in conventions, incentive-related tours and exhibitions.
- (2) The activities as meant in paragraph (1) points a, b and c shall be the main activities which shall be compulsory for a business company providing convention, incentive-related tour and exhibition services to carry out.

Article 2S

- (1) A business company providing convention, incentive-related tour and exhibition services shall be obligated to:
- a. come up to the types and quality of services packaged and or promised in the offer for the organization of a convention, an incentive-related tour and exhibition; and
 - b. settle the licensing needed for the organization of a convention and an exhibition pursuant to prevailing laws.
- (2) A business company providing convention, incentive-related tour and exhibition services shall be responsible for the safety of tourists making the tour on the basis of the incentive-tour program it sells.

Sub-Section 5
Impresario Services

Article 26

The business of providing impresario services shall be run by a limited-liability company or a cooperative.

Article 27

A business company providing impresario services must fulfill the following minimum requirements:

- a. having an adequate number of professional employees with a proper qualification; and
- b. having a permanent office completed with business-supporting facilities.

Article 28

The business activities of Impresario services shall encompass:

- a. seeing to and organizing entertaining performances by Indonesian artists and sportspersons at home or abroad;
- b. seeing to and organizing entertaining performances, by foreign artists and sportspersons in Indonesia;
- c. settling travel documents and seeing to the accommodation and transportation for the artists and sportspersons who shall give entertaining performances; and
- d. carrying out activities to promote and publicize the performances.

Article 29

- (1) A business company providing Impresario services shall be obligated to:
 - a. conserve Indonesian arts and culture;
 - b. heed religious values, customs and mores, and the views and values prevailing the community and prevent violations against decency and public order; and
 - c. settling the licensing needed for the organization of entertaining performances pursuant to prevailing laws.
- (2) A business company providing impresario services shall be responsible for the wholeness of the performance and the interest of the artists and or sportspersons giving entertaining performances organized by the said business company.

Sub-Section 6
Tourism Consulting Services

Article 30

- (1) The business of providing tourism consulting services shall be run by a limited-liability company or a cooperative.
- (2) The business company providing tourism consulting services as meant in paragraph (1) shall solely for the provision of consultancy in the tourism area.

Article 31

A business company providing tourism consulting services must fulfill the following minimum requirements:

- a. Having permanent office completed with business-supporting facilities; and
- b. Having suitable experts in the type of work undertaken.

Article 32

The business activities of tourism consulting services shall encompass the provision of views and suggestion, the drawing up of feasibility studies, planning, managing, and surveying in the tourism area.

Article 33

The business company providing tourism consulting services shall be obligated to:

- a. Guarantee and be responsible for the quality of the consultancy provided; and
- b. Continuously make efforts to promote the professionalism of expert employed by the company.

Sub-Section 7
Tourism Information services

Article 34

- (1) The business of providing tourism information services shall be run by limited-liability company or a cooperative.
- (2) Besides the business company providing tourism information services as meant in paragraph (1) the business of providing tourism information services can also be run by individuals or social groups in the community.

Article 35

The business company providing tourism information services as meant in Article 34 paragraph (1) must at least have a permanent office completed with business-supporting facilities.

Article 36

The business activities of tourism information services shall encompass:

- a. The provision of information about tourist objects and attractions, tourism facilities, tourism services, transportation and other information needed by tourist;
- b. Dissemination of information about tourism businesses or other information needed by tourist through the print media, electronic media or other media of communications; and
- c. The provision of information about reservation, accommodation, restaurant, flight, overland transportation and sea transportation services.

Article 37

The party running the business of providing tourism information services shall be responsible for the correctness of the information provided.

Second Section
Commercial Management of Tourist Objects Attractions

Article 38

Commercial management of tourist objects and attractions shall encompass the activities of constructing and managing tourist objects and attractions along with the infrastructures and facilities needed or the activities of managing existing tourist objects and attractions.

Article 39

Commercial management of tourist objects and attractions shall be comprised of:

- a. commercial management of nature-related tourist objects and attractions;
- b. commercial management of culture-related tourist objects and attractions; and
- c. commercial management of tourist objects and attractions related to special interest.

Sub-Section 1
Commercial Management of
Nature-Related Tourist Objects and Attractions

Article 40

- (1) Commercial management of nature-related tourist objects and attractions shall constitute undertakings to utilize natural resources and their environment

system, which have been designated as tourist objects and attractions, and turn them into tourist' targets.

- (2) The Minister shall stipulate particular natural resource as nature-related tourist objects and attractions.

Article 41

Nature-related tourist objects and attractions shall be commercially managed by a limited-liability company, a cooperative or an individual.

Article 42

The party commercially managing nature-related tourist objects and attractions shall at least have a permanent office completed with business-supporting facilities.

Article 43

- (1) The activities of commercially managing nature-related tourist objects and attractions shall encompass:
 - a. the construction of complementary infrastructures and facilities along with other service facilities for tourists;
 - b. the management of nature-related tourist objects and attractions, including existing infrastructures and facilities; and
 - c. the provision of facilities to the surrounding community to enable them to take part in the activities of commercially managing of nature-related tourist objects and attractions.
- (2) Commercial management of nature-related tourist object and attractions can also be coupled with arts and cultural performances which may give an added value to the nature-related tourist objects ant attractions concerned.

Article 44

- (1) The party commercially managing nature-related tourist objects and attractions shall be obligated to:
 - a. provide facilities for safety and security;
 - b. employ tour guides and or experts with the necessary skills; and
 - c. preserving nature-related tourist objects and attractions and their environmental system.

- (2) The party commercially managing nature-related tourist objects and attractions shall be responsible for the safety and security of tourists visiting the nature-related tourist objects and attractions concerned.

Article 45

Commercial management of nature-related tourist objects and attractions in the form of national parks, nature-related tourist parks, greater forest parks or sea gardens shall be conducted with observance to the prevailing laws.

Sub-Section 2
Commercial Management of
Culture-Related Tourist Objects and Attractions

Article 46

- (1) Commercial management culture-related tourist objects and attractions constitutes and undertaking of utilizing the nation's arts and culture already stipulated as tourist objects and attractions and making them tourists' targets.
- (2) The Minister shall stipulated particular arts culture as culture-related tourist objects and attractions.

Article 47

Commercial management of culture-related tourist objects and attractions shall be undertaken by a limited-liability company, a cooperative or an individual.

Article 48

The party commercially managing culture-related tourist objects and attractions shall have at least a permanent office completed with business-supporting facilities.

Article 49

Activities of commercially managing culture-related tourist objects and attractions shall encompass:

- a. the up building of tourist objects and attractions, including the provision of facilities, infrastructures and other service facilities for tourists;
- b. the management of tourist objects and attractions, including existing infrastructures and facilities; and

- c. the organization of arts and cultural performances which may give an added value to tourist objects and attractions and benefit the surrounding community.

Article 50

The party commercially managing culture-related tourist objects and attractions shall be obligated to:

- a. provide safety and security facilities;
- b. employ tourist guides and or experts with the necessary skills;
- c. maintain the sustainability of culture-related tourist objects and attractions and their environmental system.

Article 51

Commercial management of culture-related objects and attractions in the form of objects of cultural reserves or other historical legacies shall be undertaken with account taken of the prevailing laws.

Sub-Section 3
Commercial Management of
Tourist Objects and Attractions Related of Special Interest

Article 52

Commercial management of tourist objects and attractions related to special interests shall constitute an undertaking of utilizing the nation's natural resources and or arts and cultural potentials and making them targets for tourists with special interests.

Article 53

Commercial management of tourist objects and attractions related to special interests shall be organizing by Limited Liability Company, Cooperation or Individual.

Article 54

Commercial management of tourist objects and attractions related to special interests shall have at least a permanent office completed with business-supporting facilities.

Article 55

Activities of commercially managing tourist objects and attractions related to special interests shall encompass:

- a. the construction and management of infrastructures and facilities and service facilities for tourists at the sites of tourist object and attractions; and
- b. the provision of complete, accurate and up-to-date information about tourist object and attractions.

Article 56

- (1) The party commercially managing tourist object and attractions related to special interests shall be obligated to maintain environmental sustainability, employ tourist guides or experts with the necessary skills and provide facilities and assume responsibility for the safety and security of tourists.
- (2) In the event of the activities of tourist with special interests entailing high risk, the operators shall be obligated to insure the tourists.
- (3) Further provisions on the requirements for insurance as meant in paragraph (2) shall be regulated by the Minister.

Third Section
Tourism Facility Businesses

Article 57

Tourism facility businesses may be in the form of:

- a. the provision of accommodation;
- b. the provision of food and drinks;
- c. the provision of tourist transportation;
- d. the provision of water tourism facilities; and
- e. the management of tourist resorts.

Sub-Section 1
Businesses of Providing Accommodation

Article 58

Business of providing accommodation may be in the form of:

- a. hotel businesses;
- b. tourist cottage businesses;
- c. camping ground businesses; and
- d. caravan stop-over businesses.

Article 59

Hotel businesses shall be run by limited liability companies or cooperatives.

Article 60

A hotel business company shall fulfill the following minimum requirements:

- a. having an adequate number of professional employees with proper qualification;
and
- b. having a permanent office completed with business-supporting facilities.

Article 61

- (1) Hotel business activities shall encompass:
 - a. the provision of rooms for staying the night;
 - b. the provision of eating and drinking places and services;
 - c. laundry service;
 - d. the provision of facilities for accommodation and other services, which shall be needed for the implementation of hotel business activities.
- (2) The activities as meant in paragraph (1) point a shall constitute the main service which a hotel business shall provide.
- (3) The Minister shall stipulate the categorization of hotels in accordance with the types of accommodation facilities and services provided.

Article 62

- (1) A hotel business company shall be obligated to:
 - a. provide safety and security facilities;

- b. keep the security of the belongings of the hotel guests;
 - c. maintain the good image of the hotel and prevent the violation of decency and public order;
 - d. prevent serving liquor to those still under aged; and
 - e. keep the environment clean and healthy.
- (2) A hotel business company shall assume responsibility for the safety and security of hotel guests.

Article 63

A tourist cottage business shall be run by a cooperative or an individual and shall be in the form of activities of renting a house or part of a house as facilities for staying the night to tourists for a particular period of time.

Article 64

The party running a tourist cottage business shall have at least a permanent office completed with business-supporting facilities.

Article 65

- (1) Tourist cottage business activities shall encompass:
- a. the provision of the rooms for staying the night;
 - b. the provision of eating and drinking places or service; and
 - c. laundry services.
- (2) The activities as meant in paragraph (1) point a shall constitute the main service which shall be compulsory for parties running tourist cottage business to provide.

Article 66

The party running tourist cottage businesses shall be obligated to:

- a. maintain the good image of tourist cottages and prevent the violation of decency and public order; and
- b. keep the environment clean and healthy.

Article 67

Camping ground business companies shall be established by limited liability companies or cooperatives.

Article 68

Camping ground businesses shall fulfill the following minimum requirements:

- a. having an adequate number of professional employees with proper qualifications;
- b. having a permanent office completed with business-supporting facilities; and
- c. controlling the land designated for camping ground businesses pursuant to the prevailing laws.

Article 69

- (1) Camping ground business activities shall encompass:
 - a. the provision of land of camping, camping equipment and parking ground for motorized vehicle;
 - b. the provision of clean water facilities, a place for taking a bath, lights and telecommunications facilities;
 - c. the provision of eating and drinking places or service; and
 - d. the provision of sports and recreational facilities.
- (2) The activities as meant in paragraph (1) points a and b shall constitute the main activities which shall be compulsory for camping ground business companies to carry out.

Article 70

- (1) Camping ground business companies shall be obligated to:
 - a. provide security facilities for the surrounding areas of the camping grounds;
 - b. maintain the sustainability of the environment;
 - c. prevent the violation of decency and public order; and
 - d. keep environment clean and healthy.

- (2) Camping ground business companies shall be responsible for the safety and security of the tourist staying in the camping ground environment.

Article 71

The business of camping ground located in conservation areas shall be carried out with account being taken of the prevailing laws.

Article 72

Caravan stop-over business shall be run by limited liability companies or cooperatives and shall be in the form of activities of providing land for caravans or similar vehicles to make a stop-over.

Article 73

Caravan stop-over business companies shall fulfill the following minimum requirements:

- a. having an adequate number of professional employees with proper qualifications;
- b. having a permanent office complete with business-supporting facilities; and
- c. controlling the land designated for businesses providing stop-over grounds to caravans or similar vehicles pursuant to the prevailing laws.

Article 74

- (1) The activities of caravan stop-over business shall encompass:
 - a. the provision of land for caravans to make a stop-over at;
 - b. the provision of clean water facilities, light and telecommunications facilities;
 - c. the provision of eating drinking places or service;
 - d. the provision of sports and recreational facilities.
- (2) The activities as meant in paragraph (1) point a and b shall constitute the main activities which shall be compulsory for caravan stop-over business companies to carry out.

Article 75

Caravan stop-over business companies shall be obligated to:

- a. provide security facilities for caravan stop-over surrounding areas;
- b. maintain environment sustainability;
- c. prevent the violation of decency and public order; and
- d. keep environment clean and healthy.

Article 76

Caravan stop-over businesses in conservation areas shall be run with account being taken of the prevailing laws.

Sub-Section 2

Businesses of Providing Food and Drinks

Article 77

Business of providing food and drinks may be in the form of:

- a. restaurants and or bars;
- b. food catering services.

Article 78

Restaurant and bar businesses shall be run by limited liability companies, cooperatives or individuals.

Article 79

The parties running restaurant and or bar businesses shall have a permanent business location.

Article 80

Restaurant and bar or business activities shall encompass the activities of management, food and drink provision and service, and may also include the organization of shows or entertainment as complement.

Article 81

The parties running restaurant and bar businesses shall be obligated to:

- a. maintain the good image of restaurant and or bar businesses and prevent the violation of decency and public order; and
- b. keep the environment clean and healthy in connection with the processing of foods and drinks, including the cleanliness of equipment and utensils for serving foods and drinks.

Article 82

Food catering business shall be run by limited liability companies, cooperatives or individuals.

Article 83

The parties running food catering businesses shall fulfill the following minimum requirements:

- a. having a permanent business location;
- b. having experts; and
- c. having proper equipment to support the business.

Article 84

Food catering business activities shall encompass:

- a. processing, providing and serving foods and drinks;
- b. *andrawina* services;
- c. serving foods and drinks at places determined by the party giving orders; and
- d. providing eating and drinking equipment and utensils.

Article 85

The party running the business of food catering shall be obligated to keep the environment clean and healthy in connection with the processing of foods and drinks, including the cleanliness of the equipment and utensils used for serving foods and drinks.

Sub-Section 3
Tourist Transportation Provision Businesses

Article 86

Businesses of providing tourist transportation shall be run by limited liability companies, cooperatives or individuals.

Article 87

Businesses of providing tourist transportation shall have a permanent office completed with business-supporting facilities.

Article 88

Tourist transportation business activities shall encompass:

- a. the provision of worthy and safe tourist transportation facilities; and
- b. the provision of drivers and their assistants.

Article 89

Tourist transportation business companies shall be obligated to:

- a. meet the types of quality of tourist transportation provision services;
- b. maintain and assume responsibility for tourists' safety and security; and
- c. comply with stipulations of the laws in the transportation area.

Sub-Section 4
Water Tourism facility Businesses

Article 90

Water tourism facility businesses shall be run by limited liability companies or cooperatives.

Article 91

Water tourism facility business companies shall have a permanent office completed with business-supporting facilities.

Article 92

Water tourism facility business activities shall encompass:

- a. services for recreational activities of diving in order to savor the beauty of flora and fauna under the sea;
- b. the provision of facilities for recreational in beaches, sea waters, rivers, lakes and dams; and
- c. the construction and provision of mooring facilities for yachts for other tourism activities and services related to marina activities.

Article 93

(1) Water tourism business companies shall be obligated to:

- a. provide facilities for tourists' safety and security;
 - b. employ tourist guides or experts with the necessary skills; and
 - c. provide insurance cover against high-risk activities.
- (2) Water tourism business activities shall assume responsibility for tourists' safety and security.

Sub-Section 5
Tourist Resort Businesses

Article 94

Tourist resort business shall be run by limited liability companies or cooperatives.

Article 95

Tourist resort business companies shall fulfill the following minimum requirements:

- a. having a permanent office completed with business-supporting facilities; and
- b. controlling land designated for the construction and management of tourist resorts pursuant to the prevailing laws.

Article 96

(1) Tourist resort business activities shall encompass:

- a. leasing land already completed with infrastructures as a place for tourist businesses;
 - b. leasing other auxiliary facilities; and
 - c. providing buildings to support tourism business within tourist resorts.
- (2) In addition to the activities as meant in paragraph (1), tourist resort business companies can also run by themselves other tourism businesses within the tourist resorts concerned.

Article 97

- (1) Tourist resort business company shall be obligated to:
- a. construct and make available facilities, infrastructures and other facilities, including the preparation of the land which shall be used for tourism business activities;
 - b. control the activities of constructing and managing facilities and infrastructures with account being taken of the interest of environmental sustainability;
 - c. settle the licenses needed by other parties that shall make use of tourist resorts of tourism business activities; and
 - d. heed prevailing area development policies and give opportunity to the surrounding community to participate in tourism business activities in tourist resorts.
- (2) Tourist resort business shall be run in accordance with the Regional Spatial Layout Distribution Plan and the Master Plan of National Tourism Development as well as the Master Plan of Regional Tourism Development.

Article 98

Tourist resort development shall not reduce the area of agricultural land and shall not be conducted on land with the function of protecting natural resource and culture-related tourism.

CHAPTER III
REQUIREMENTS FOR CAPITALIZATION AND LICENSING

Article 99

- (1) Tourist business shall be run in fulfillment of the capitalization requirements stipulated by the Minister.

- (2) The capitalization requirements as meant in paragraph (1) shall be stipulated in an effort to guarantee the smooth-running of the business, the fulfillment of business necessities, business sustainability, the provision of tourism service facilities, the provision of the security facilities and tourist's comfort.

Article 100

- (1) Tourist business activities shall be run on the basis of a business license by the Minister.
- (2) The Minister shall stipulate the types of particular tourism facility business run by individuals and not required to own the business license as meant paragraph (1).
- (3) An application for the license as meant in paragraph (1) shall be submitted to the Minister with the following being attached:
 - a. an act of establishment, for operators in the form of business companies; and
 - b. business plan proposals.

Article 101

- (1) Within a maximum of 60 (sixty) working day after the application has been received in full order, the Minister shall give his decree on approving or rejecting the application submitted.
- (2) If the period of time as meat in paragraph (1) has been exceeded and the Minister has not given his decree, the application shall be considered as having been accepted.
- (3) In the event of the application for a license being rejected, the rejection shall be given in writing along with the reasons for the rejection.

Article 102

- (1) Hotel business licensing shall comprise:
 - a. An approval in principle; and
 - b. An operational license.
- (2) An approval in principle as meant in paragraph (1) point a shall apply for period of 3 (three) years and shall be extendable for a maximum of 2 (two) years.

- (3) The operational license as meant in paragraph (1) point b shall be granted if all the requirements for the operational a hotel business have been fulfilled.

Article 103

Tourism business licenses, including a hotel business operational license as meant in Article 102 paragraph (1) point b shall be valid as long as the business activities are still carried out pursuant to the stipulations of the prevailing laws.

Article 104

- (1) All tourism business operators shall be obligated to report their business activities periodically to the Minister.
- (2) Further provisions on the procedure for reporting as meant in paragraph (1) shall be stipulated by Minister.

CHAPTER V
PARTICIPATION OF THE COMMUNITY

Article 105

The community shall be allowed the broadest opportunity to participate in the process of decision making in the tourism area.

Article 106

- (1) The participation of the community as meant in Article 105 shall take the form of the provision of suggestions, considerations, opinions, responses, inputs regarding development, information about potentials and problems and planned development of tourism.
- (2) The suggestion, considerations, opinion, responses and inputs as meat in paragraph (1) shall be submitted to the Minister in writing.

Article 107

The procedure for the implementation of the participation of the community of the community as meant in Article 106 shall be further stipulated by the Minister.

CHAPTER VI
FOSTERING

Article 108

- (1) Fostering of the operation of tourism shall be implemented by the Minister in the form of regulation, guidance, supervision and control of tourism business activities.
- (2) Fostering of the operation of tourism as meant in paragraph (1) shall be conducted in order to create a condition which shall support the interest of tourist and tourism business sustainability and which shall ensure a good care of tourist objects and attractions and their environment.

Article 109

In the framework of realizing tourism operation fostering as meant in Article 108, the following efforts shall be made:

- a. improving the quality and quantity of tourism products;
- b. spreading the development of tourism products;
- c. enhancing tourism accessibility;
- d. creating a sound business climate in the tourism business;
- e. promoting the participation of private circles in tourism business development;
- f. promoting the participant of the community;
- g. protecting the sustainability and intactness of tourist objects and attractions;
- h. intensifying the promotion and marketing of the tourism products; and
- i. promoting regional and international cooperation.

Article 110

Fostering of tourism operations shall be conducted through:

- a. the stipulation of enforcement regulations and stipulations regarding, quality standard or product quality, community participation and environmental sustainability;
- b. the provision of guidance to promote the role of:
 - 1) operators, managers and workers dealing in the tourism business;

- 2) government apparatuses in the tourism area or association relevant to tourism business activities;
 - 3) the community; and
- c. supervision and control over the operation of tourism encompassing administrative monitoring and monitoring of activities in the field as well as controlling tourism business quality and quantity, reprimanding and revoking business licenses.

Article 111

- (1) Fostering of the education of tourism personnel shall be implemented through tourism professional education and training of basic, intermediate and advanced levels as part of the national educational system.
- (2) Fostering of tourism professional education and training encompassing standardization, accreditation and certification shall be implemented by the Minister.

Article 112

To achieve the objective of national tourism operations, the facilities used in tourism business activities shall give priority to domestic production.

CHAPTER VII
SANCTIONS

Article 113

- (1) Violations against the stipulation on tourism operations encompassing the activities of tourism service business, commercial management of tourist objects and attractions and tourism facilities as regulated in this Government Regulation shall be subject to criminal sanctions as meant in Law No. 9/1990 on tourism.
- (2) In addition to the criminal sanctions as meant in paragraph (1) violation against the provisions on tourism operations may be subject to administrative sanctions in the form of business license revocation preceded by written warnings.

CHAPTER VIII
TRANSITIONAL PROVISIONS

Article 114

Business licenses in the tourism area already granted prior to the enforcement of this Government Regulation shall remain valid with a provision that within a maximum of 2 (two) years as from the enforcement of this Government Regulation they shall be adjusted to the provisions in this Government Regulation.

CHAPTER IX
CLOSING PROVISIONS

Article 115

With the enforcement of this Government Regulation, all provisions regulating tourism operations already existing at the time of the enforcement of this Government Regulation shall remain valid as far as they not regulated in new provisions and are not in contradiction with this Government Regulation.

Article 116

This Government Regulation shall take effect as from the date of promulgation.

For public cognizance, this Government Regulation shall be promulgated by publishing it in the State of the Republic of Indonesia.

Stipulated in Jakarta
On November 8, 1996
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

Signed

SOEHARTO

Promulgated in Jakarta
On November 8, 1996
THE MINISTER/STATE SECRETARY

Signed

MOERDIONO