

LAW OF THE REPUBLIC OF INDONESIA  
NUMBER 24 OF 2019  
ON  
CREATIVE ECONOMY

BY THE BLESSINGS OF ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

- Considering :
- a. that Indonesia has cultural heritage property that needs to be utilized as a product that creates added value through the development of the creative economy to promote general welfare as mandated in the 1945 Constitution of the Republic of Indonesia;
  - b. that the Government and/or Local Government is responsible for creating and developing a creative economy ecosystem that able to contribute to the national economy and increase the global competitiveness to achieve the sustainable development goals;
  - c. that to provide legal certainty to the Government and/or Local Government in creating and developing a creative economic ecosystem, it is necessary to regulate the creative economy;
  - d. that based on the considerations as referred to in point a, point b, and point c, it is necessary to make a Law on Creative Economy.
- Observing : Article 20, Article 21, and Article 22D section (1) of the 1945 Constitution of the Republic of Indonesia;

With the Joint Approval of  
THE HOUSE OF REPRESENTATIVES  
and  
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

HAS DECIDED:

To enact : LAW ON CREATIVE ECONOMY.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Law:

1. Creative Economy means an embodiment of the added value of intellectual property sourced from human creativity based on cultural heritage, science, and/or technology.
2. Creative Economy Business Actors means a natural person or group of Indonesian citizens or legal or non-legal business entities established under Indonesian law that perform Creative Economy activities.
3. Creative Economy Ecosystem means a connected system that supports the value chain of Creative Economy, includes creation, production, distribution, consumption, and conservation, performed by the Creative Economy Business Actors to provide added value to their products so that they are highly competitive, easily accessible, and legally protected.
4. The Central Government, hereinafter referred to as the Government, is the President of the Republic of Indonesia who holds the power of the government of the Republic of Indonesia assisted by the Vice President and ministers as referred to in the 1945 Constitution of the Republic of Indonesia.
5. Local Government is the regional head as the element of regional government administrator who leads the implementation of government affairs which are the authority of the autonomous region.

#### Article 2

The implementation of the Creative Economy must be based on the Pancasila, the 1945 Constitution of the Republic of Indonesia, the Unitary State of the Republic of Indonesia, and the Unity in Diversity.

#### Article 3

The implementation of the Creative Economy under principles of:

- a. faith and devotion to God Almighty;
- b. benefits;
- c. fairness;
- d. sustainability; and
- e. national identity.

#### Article 4

The purposes of the Law on Creative Economy are:

- a. to encourage all aspects of the Creative Economy by the development of culture, technology, creativity, innovation of Indonesian people, and changes in the global economic environment;
- b. to improve the welfare of the Indonesian people and increase the state revenue;
- c. to create a Creative Economy Ecosystem that is globally competitive;
- d. to create new job opportunities that favor values of the Indonesian people as well as local economic resources;
- e. to optimize the potential of Creative Economy Business Actors;
- f. to protect the results of creativity of the Creative Economy Business Actors; and
- g. to prioritize the Creative Economy in the National Development Plan.

## CHAPTER II CREATIVE ECONOMY BUSINESS ACTORS

### Article 5

The Creative Economy Business Actors have the right to obtain support from the Government and/or Local Government through the development of the Creative Economy Ecosystem.

### Article 6

Creative Economy Business Actors consist of:

- a. performer(s); and
- b. intellectual-property manager.

### Article 7

The Government and/or Local Government perform the capacity development of the Creative Economy Business Actors through:

- a. training, technical guidance, and assistance to improve technical capabilities and managerial of the Creative Economy Business Actors;
- b. facilitation support to deal with technological development in the business world; and
- c. business standardization and professional certification in the creative economy sector.

### Article 8

The capacity development of the Creative Economy Business Actors as referred to in Article 7 is implemented in accordance with the provisions of legislation.

## CHAPTER III CREATIVE ECONOMY ECOSYSTEM

### Part One

#### General

### Article 9

The Government and/or Local Government are responsible for developing the Creative Economy Ecosystem.

#### Article 10

The development of the Creative Economy Ecosystem is made through:

- a. research development;
- b. educational development;
- c. facilitation of funding and financing;
- d. provision of infrastructure;
- e. development of marketing system;
- f. grant of incentives;
- g. facilitation of intellectual property; and
- h. protection of the results of creativity.

#### Part Two

#### Research Development

#### Article 11

- (1) The Government and/or Local Government responsible for the research development of the Creative Economy.
- (2) The research development as referred to in section (1) performed by research and development institutions, universities, and/or the community.
- (3) The results of research development as referred to in section (2) are used as policymaking in the Creative Economy sector.
- (4) The research development of the Creative Economy as referred to in section (2) implemented in accordance with the provisions of legislation.

#### Part Three

#### Educational Development

#### Article 12

The educational development system of the Creative Economy prepares to create and improve the quality of the Creative Economy Business Actors who enable them to compete globally.

#### Article 13

The education in creativity, innovation, and entrepreneurship in the Creative Economy sector developed based on the national education system through:

- a. intra-curricular, co-curricular, or extracurricular in the formal education pathway; and
- b. intra-curricular and co-curricular in the non-formal education pathway.

#### Part Four

#### Facilitation of Funding and Financing

#### Article 14

The funding for the Creative Economy activities sourced from:

- a. the state budget;
- b. the regional budget; and/or
- c. other legal funds in accordance with the provisions of legislation.

#### Article 15

(1) The Creative Economy Financing sourced from:

- a. the state budget;
- b. the regional budget;
- c. other legal sources.

(2) The financing as referred to in section (1) letter a and letter b is channeled through bank and non-bank financial institutions.

(3) The financing sourced from other legal sources as referred to in section (1) letter c is not binding and in accordance with the provisions of legislation.

#### Article 16

(1) The Government facilitates a financing scheme based on intellectual property for the Creative Economy Business Actors.

(2) The provisions regarding the financing scheme based on intellectual property as referred to section (1) are governed by Government Regulation.

#### Article 17

The facilitation of financing schemes other than that as referred to in Article 16, the Government and/or Local Government can develop alternative sources of financing outside the mechanism of the financing institution.

#### Article 18

- (1) In developing the Creative Economy, the Government or Local Government can establish a Public Service Agency.
- (2) The establishment of a Public Service Agency as referred to in section (1) is implemented in accordance with the provisions of legislation.

#### Part Five

##### Provision of Infrastructure

#### Article 19

The Government and/or Local Government encourage(s) the availability of an adequate Creative Economy infrastructure for the Creative Economy.

#### Article 20

The Creative Economy infrastructure as referred to in Article 19 consists of:

- a. physical infrastructure; and
- b. information and communication technology infrastructure.

#### Part Six

##### Development of Marketing System

#### Article 21

- (1) The Government and/or Local Government facilitate(s) the development of a marketing system for Creative Economy products based on intellectual property.
- (2) The provisions regarding the facilitation of the development of the marketing system for the Creative Economy based on intellectual property as referred to in section (1) governed by Government Regulation.

Part Seven  
Grant of Incentives

Article 22

- (1) The Government and/or Local Government provide incentives to the Creative Economy Business Actors;
- (2) The incentives as referred to in section (1) include:
  - a. fiscal; and/or
  - b. non-fiscal.
- (3) The grant of incentives as referred to in section (2) implemented in accordance with the provisions of legislation.

Part Eight  
Facilitation of the Intellectual Property

Article 23

- (1) The Government and/or Local Government facilitate the recordation of copyrights and related rights as well as the registration of industrial property rights to the Creative Economy Business Actors.
- (2) The Government and/or Local Government facilitate the utilization of intellectual property to the Creative Economy Business Actors.
- (3) The facilitation as referred to in section (1) and section (2) implemented in accordance with the provisions of legislation.

Part Nine  
Protection of the Results of Creativity

Article 24

- (1) The Government and/or Local Government protect(s) the results of the creativity of Creative Economy Business Actors in the form of an intellectual property.
- (2) The protection as referred to in section (1) implemented in accordance with the provisions of legislation.

CHAPTER IV  
MASTER PLAN FOR CREATIVE ECONOMY

Article 25

- (1) The Creative Economy implemented based on the Master Plan for Creative Economy.
- (2) The Master Plan for Creative Economy as referred to in section (1) prepared by the Government.
- (3) The Master Plan for Creative Economy as referred to in section (1) is an integral part of the National Long-Term Development Plan.
- (4) The Master Plan for Creative Economy at least contains:
  - a. the principles of Creative Economy development in accordance with the purposes of sustainable development;
  - b. vision and mission;
  - c. purposes and scopes; and
  - d. policy direction, goals, strategy, and stakeholders.
- (5) The Master Plan for Creative Economy prepared for 20 (twenty) years and reviewed every 5 (five) years.
- (6) Further provisions regarding the Master Plan for Creative Economy regulated by Presidential Regulation.

Article 26

- (1) The Creative Economy Development is contained in the Master Plan for Creative Economy and serve as guidelines for the Government and Local Government.
- (2) The Creative Economy Development in the regions is integrated into the regional development planning documents.

Article 27

In developing the Creative Economy, the Government and Local Government can work together with educational institutions, the business world, the industrial world, community networks, and/or the media.

Article 28

- (1) In developing the Creative Economy as referred to in Article 27, the Government and/or Local Government may do international cooperation.
- (2) The cooperation as referred to in section (1) implemented in accordance with the provisions of legislation.

CHAPTER V  
INSTITUTIONAL

Article 29

Government duties in the field of Creative Economy implemented by the Government and Local Government in accordance with the provisions of legislation.

Article 30

- (1) Government duties in the field of Creative Economy implemented by the ministry/agency.
- (2) Further provisions regarding the ministry/agency referred to in section (1) regulated by Presidential Regulation.

CHAPTER VI  
TRANSITIONAL PROVISIONS

Article 31

When this Law comes into force, the implementation of government duties in the field of Creative Economy keeps to be carried out by an agency established based on Presidential Regulation Number 6 of 2015 on the Creative Economy Agency as amended by Presidential Regulation Number 72 of 2015 on Amendment to Presidential Regulation Number 6 of 2015 on the Creative Economy Agency, until the formation of ministry/agency that administering government affairs in the field of the Creative Economy based on this Law.

CHAPTER VII  
CLOSING PROVISIONS

Article 32

At the time this Law comes into force, all laws and regulations that regulate the Creative Economy remain effective to the extent not contrary to the provisions of this Law.

Article 33

The implementing regulations of this Law must be established not later than 2 (two) years since this Law is promulgated.

Article 34

This Law comes into force on the date of its promulgated.

UNOFFICIAL

In order that every person may know hereof, it is ordered to promulgated this Law by its placement in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta,  
On 24 October 2019

PRESIDENT OF  
THE REPUBLIC OF INDONESIA,

signed.

JOKO WIDODO

Promulgated in Jakarta,  
On 24 October 2019

MINISTER OF LAW AND HUMAN RIGHTS OF  
THE REPUBLIC OF INDONESIA,

Signed.

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2019 NUMBER

Jakarta, -----

Has been translated as an Official Translation  
on behalf of Minister of Law and Human Rights  
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,

WIDODO EKATJAHJANA

ELUCIDATION OF  
LAW OF THE REPUBLIC OF INDONESIA  
NUMBER 24 OF 2019  
ON  
CREATIVE ECONOMY

I. GENERAL

The Preamble of the 1945 Constitution of the Republic of Indonesia mandates that the national goal of the Indonesian people is to protect all the people of Indonesia and all the independence and the land that has been struggled for and to improve public welfare, to educate the life of the nation, and to participate toward the establishment of a world order based on freedom, perpetual peace, and social justice. Furthermore, Article 33 section (4) of the 1945 Constitution of the Republic of Indonesia mandates that “National economy is conducted based on economic democracy upholding the principles of togetherness, fair-based efficiency, sustainability, environment-oriented, independency, and keeping a balance in the progress and unity of the national economy.” In gaining a just and prosperous society that can improve public welfare, Indonesia must optimize all economic sources, especially optimizing the creativity of human resources based on cultural, scientific, and/or technological heritage.

To optimize these human resources, a systematic, structured, and sustainable management of the Creative Economy potency is needed. Therefore, it is necessary to mainstream the Creative Economy in the national development plan through the development of a Creative Economy Ecosystem that adds value to the Creative Economy products that are highly competitive, easily accessible, and legally protected. In its implementation, the development of the Creative Economy experienced several obstacles, such as limited access to banking, promotion, infrastructure, capacity building of the Creative Economy Business Actors, and synergy among stakeholders. For this reason, it is necessary to have a comprehensive of Creative Economy regulation based on Pancasila, the 1945 Constitution of the Republic of Indonesia, the Unitary State of the Republic of Indonesia,

and the Unity in Diversity as well as based on faith and devotion to God Almighty, benefits, fairness, sustainability, and national identity.

In general, the Law on Creative Economy regulates the subject matter on the Creative Economy Business Actors, Creative Economy Ecosystem, Master Plan for Creative Economy, and Institutions described in the body of the Law on Creative Economy and its elucidation.

## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

Sufficiently clear.

### Article 3

#### Point a

The term “faith and devotion to God Almighty” means that the implementation of the Creative Economy is based on a belief in the One and Only God.

#### Point b

The term “benefits” means that the implementation of the Creative Economy can provide maximum benefits for people’s welfare.

#### Point c

The term “fairness” means that the implementation of the Creative Economy guarantees equality of equal opportunities for the Creative Economy Business Actors.

#### Point d

The term “sustainability” means that the implementation of the Creative Economy is carried out systematically, planned, and continuously.

#### Point e

The term “national identity” means that the implementation of the Creative Economy can reflect and develop the local wisdom of the local community and pay attention to religion, ethnicity and class, local specific condition, as well as culture in the life of society, nation, and state.

### Article 4

Sufficiently clear.

### Article 5

Sufficiently clear.

Article 6

Point a

The term “performer(s)” means individual or group who works to perform their creativity or carry out a creative process or produce a creative work, design, or invention.

Point b

The term “intellectual property manager” means a party commercializing the intellectual property that owned or owned by another party based on certain agreement.

The intellectual property manager includes music/film/game publishers, music/film/game distributors, video streaming services, bistro/restaurants/cafés, advertising companies, theater organizers, online porter managers, and online program managers.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Section (1)

The research development of the Creative Economy includes the products, Creative Economy Business Actors, local potencies, and markets.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Section (1)

The financing scheme based on intellectual property is a financing scheme that makes intellectual property as an object of debt guarantee for financial institutions to be able to provide financing to the Creative Economy Business Actors.

Section (2)

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Section (1)

The term “Public Service Agency” means an institution in the Government and/or Local Government established to provides services to the Creative Economy Business Actors managed by a financial management pattern of the Public Service Agency that provides flexibility to implement health business practices to improve services to the community without prioritizing seeking profit and conducting its activities based on the principles of efficiency and productivity.

Section (2)

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Section (1)

The term “physical infrastructure” means physical space and/or physical infrastructure that supports the implementation of part and/or the entire Creative Economy Ecosystem, includes exhibition spaces, performance buildings, recording studios, and cinemas.

Section (2)

The term “information and communication technology infrastructure” means infrastructure includes technology to

prepare, collect, process, analysis, announce by distributing information, and/or saving. Information and communication technology cover software, hardware, network, and support services, includes internet networks, cloud computing, digital marketplace, and data center.

#### Article 21

##### Section (1)

The term “marketing system for Creative Economy products based on intellectual property” means a marketing system that prioritizes the utilization of intellectual property includes licenses, franchises, technology transfer, co-branding, and/or transfer of rights.

##### Section (2)

Sufficiently clear.

#### Article 22

##### Section (1)

Sufficiently clear.

##### Section (2)

###### Point a

The term “fiscal incentives” means financial support for the Creative Economy Business Actors through income, expenditure, and/or financing.

###### Point b

The term “non-fiscal incentives” means providing facilities to support the Creative Economy Business Actors in the form of physical and non-physical facilitation. Form of non-fiscal incentives includes fast licensing processes, providing land locations, services, and providing technical assistance.

##### Section (3)

Sufficiently clear.

#### Article 23

##### Section (1)

The term “facilitate” includes assistance in the form of facilities, consultation, and assistance in the process of recording copyright and related rights and registration of industrial property rights to the Creative Economy Business Actors.

##### Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Sufficiently clear.

Article 26

Sufficiently clear.

Article 27

Sufficiently clear.

Article 28

The cooperation between the Government and/or Local Government with educational institutions, the business world, the industrial world, community networks, and/or media at the international level is carried out based on the principle of mutual benefit and for mutual benefit by prioritizing national interest aimed at increasing national capacity, supporting penetration efforts of the market, helping attract foreign investment, as well as helping the role and leadership of Indonesia at the global level.

Article 29

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Sufficiently clear.

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