

**Law of the Republic of Indonesia  
Number 22 of 1999  
Regarding Regional Governments  
By The Grace of the One God Almighty  
The President of the Republic of Indonesia**

**Considering:**

- a. that the government system of the Unitary State of the Republic of Indonesia according to the 1945 Constitution allows the Regions to carry out Regional Autonomy;
- b. that in carrying out Regional Autonomy, it is deemed necessary to emphasize the principles of democracy, the participation of the community, equality, justice, and concern with the potential and diversity of each regions;
- c. that in facing the situational development within as well as without the country, and the challenge of global competition, it is deemed necessary to carry out Regional Autonomy by proportionally granting to the regions extensive, real, and responsible authority to be realized through regulating, sharing and utilizing national resources, and through Central and Regional Financial Balance, in conformity with the principles of democracy, the participating role of the community, and the potential and diversity of the Regions, implemented within the frame work of the Unitary State of the Republic of Indonesia;
- d. that Law no.5 of 1974 regarding the principles of Government in the Regions (State Bulletin no. 3037) is no longer in conformity with the principles of carrying on Regional Autonomy and the situational development, and thus should be replaced;
- e. that Law no. 5 of 1979 regarding Village Government (State Bulletin of 1999 no. 56, Supplement to State Bulletin no. 3153), which institutes uniformity of name, form, structure, and position of villages, is not in conformity with the 1945 Constitution and the necessity of acknowledging and honouring the special traditional rights of a region, and thus should be repealed;
- f. that consequently, it is necessary to establish a Law on Regional Governments to replace Law no.5 of 1974 regarding the Principles of Regional Government and Law no.5 of 1979 regarding Village Governments;

**In view of:**

1. Article 1 sub-article (1), Article 5 sub-article (1), Article 18, and Article 20 sub-article (1) of the 1945 Constitution;
2. Decree of the Supreme Council of People's Deliberation of the Republic of Indonesia No. X/MPR/1998 regarding the Principles of Reformation of the Development within the Framework of Safeguarding and Normalising National Finance as the Course of the State;

3. Decree of the Supreme Council of People's Deliberation of the Republic of Indonesia No. XI/MPR/1998 regarding the Administration of a State that is clean and free of Corruption, Collusion and Nepotism;
4. Decree of the Supreme Council of People's Deliberation of the Republic of Indonesia no. XV/MPR/1998 regarding the Implementation of Regional of Autonomy, justly Regulating, Sharing and Utilizing National Resources, and Central and Regional Financial Balance within the framework of the Unitary State of the Republic of Indonesia;
5. Law no.4 of 1999 regarding the Structure and Position of the People's Consultative Assembly the House of People's Representatives, and the Regional Houses of People's Representatives (State Bulletin of 1999 no. 24, State Bulletin Supplement no. 3811);

**With the Consent of the House of People's Representatives of the Republic of Indonesia**

**H a s D e c i d e d:**

**To Establish:**The Law Regarding Regional Government

**CHAPTER I  
GENERAL PROVISIONS  
Article 1**

In this Law:

- a. Central Government, hereinafter referred to as Government, refers to the apparatus of the Unitary State of the Republic of Indonesia comprising the President and the Ministers.
- b. Regional Government refers to the Head of a Region and the Autonomous Region's other apparatus which function as its Regional Executive Body.
- c. Regional House of People's Representatives, hereinafter referred to as DPRD, refers to the Regional Legislative Body;
- d. Regional Government refers to the administration of government of an Autonomous Region by the Regional Governments and DPRD's in conformity with the decentralization principle.
- e. Decentralization refers to the transfer of government authority by the Government to an Autonomous Region within the frame work of the Unitary State of the Republic of Indonesia.
- f. Deconcentration refers to the delegation of authority from the Government to a Governor as the representative of the Government and or as the central government's apparatus in a region.
- g. Supporting task refers to the task assignment from the Government to a region and village and from a region to a village in order to carry out a special task together with financing of facilities, infrastructure, and human resources and with the obligation to report on and account for the implementation to the party that gives the task assignment.

- h. Regional Autonomy refers to an autonomous region's authority to arrange and take care of the local community's interests on its own initiative based on the community's aspiration and legislative rules.
- i. Autonomous Region, hereinafter referred to as Region, refers to a legal community entity that has territorial boundaries, and the authority to arrange and take care of the local community's interests on its own initiative, based on the community's aspiration within the bond of the Unitary State of the Republic of Indonesia.
- j. Administrative Area refers to the work area of a Governor as the representative of the Government.
- k. Vertical institution refers to the departmental and/or non-department apparatus in a region.
- l. Authorized Official refers to a Government official at the central and/or provincial level who is entitled to develop and control Regional Government administration.
- m. Sub-District (Kecamatan) refers to the work area of a Head of a Sub-District (Camat) as an apparatus of a regency and an urban region.
- n. Village (Kelurahan) refers to the work area of a Head of a Village (Lurah) as an apparatus of a regency and/or urban region under a Sub-District.
- o. Village or as named otherwise refers to a legal community entity entitled to arrange and take care of the local community based on hereditary and local traditions which is acknowledged by the National Government and resorts under a Regency.
- p. Rural area refers to an area where the main activity is agricultural, including the management of natural resources, with the area's composition of functions comprising a rural residential area, providing government services, and services in the social and economic field.
- q. Urban area/City refers to an area where the main activity is not agricultural, with the area's composition of functions apart from being an urban residential area, comprising a centre and distribution of government services, and providing services in the social and economic field.

**CHAPTER II  
REGIONAL GOVERNMENT  
Article 2**

1. The territory of the Unitary State of the Republic of Indonesia is divided in autonomous Provinces, Regencies, and Cities.
2. A Province also functions as an Administrative Area.

**Article 3**

The territory of a Province referred to in Article 2 sub-article (1) consists of land territory and sea territory which extends twelve sea miles measured from the coast line in the direction of the open sea and/or archipelagic sea.

**CHAPTER III**  
**FORMING AND STRUCTURE OF THE REGIONS**  
**Article 4**

1. Within the framework of implementing the principle of decentralization, provinces, regencies, and cities are formed with the authority to arrange and take care of the interests of the local community on their own initiative and based on the aspirations of the community.
2. The regions referred to in sub-article (1) stand respectively on their own and have no hierarchical relationship amongst them.

**Article 5**

1. A region is formed based on considerations of its economic capability, regional, socio-cultural, socio-political potential, population, territorial size, and other considerations, which enable an autonomous region to function.
2. The determination of a region's name, boundaries, and capital city as referred to in sub-article (1) is established by Law.
3. Changing boundaries not resulting in eliminating a region, altering a region's name, and relocating a capital city is established by Government Regulation.
4. The requirements of forming a region as referred to in sub-article (1) are established by Government Regulation.

**Article 6**

1. A region, which is unable to carry out regional autonomy, may be dissolved and merged with another region.
2. A region may be expanded into more than one region.
3. The criteria for dissolving, merging and expanding regions as referred to in sub-article (1) and (2) are established by Government Regulation.
4. Dissolving, Merging, and Expanding Regions as referred to in sub-article (1) and (2) are established by Law.

**CHAPTER IV**  
**A REGION'S AUTHORITY**  
**Article 7**

1. A Region's authority embraces the entire government authority, except authority in foreign affairs, defence and security, jurisdiction, and monetary, fiscal, and religious affairs and authority in other fields.
2. The authority in other fields as referred to in sub-article (1) comprises the policies regarding national planning and macro national development directing, financial balancing funds, State and state economic institute administrative systems, human resources guidance and development, utilizing strategic resources and high technology, nationwide conservation and standardization.

#### **Article 8**

1. The government authority, which is within the decentralization framework delegated to the Governor shall be accompanied with appropriate expenditure commensurate with the delegated authority.
2. The government authority, which is within the deconcentration framework delegated to the Governor shall be accompanied with appropriate expenditure commensurate with the delegated authority.

#### **Article 9**

1. The authority of a Province as an Autonomous Region embraces the cross relationship in the field of government among regencies and cities, and authority in certain government sectors.
2. The authority of a Province as an Autonomous Region embraces also authority which a Regency of a City is not or not yet capable of implementation.
3. The authority of a Province as an administrative area embraces the authority in the field of government delegated to the Governor as the head of government.

#### **Article 10**

1. A Region is authorized to manage national resources available in its area and is responsible for attending to the sustainment of the environment according to the legislative rules.
2. A Region's authority regarding sea territory referred to in article 3, encompasses:
  - a. exploration, exploitation, conservation, and management of marine resources within the confinement of said sea territory;
  - b. regulation of administrative interests;
  - c. spatial design regulation;
  - d. enforcement of the law in respect of regulations issued by the Region or transferred to its entitlement by the Government;
  - e. support the maintenance of the security and sovereignty of the State;
1. The authority of a Regency and City on sea territory referred to in sub-article (2) is as far as one-third of a Province's territory extending out to sea;
2. Further arrangement of stipulations referred to in sub-article (2) are established by Government Regulation.

#### **Article 11**

1. The authority of a Regency and City encompasses any government authority except the authority stated as exceptional in Article 7 and arranged in Article 9;
2. The government functions which a Regency and City are obliged to implement encompass public works, health, education, industry and trade, capital investment, living environment, agriculture, cooperatives, and manpower.

#### **Article 12**

Further arrangement on provisions referred to in article 7 and article 9 are established by Government Regulation.

#### **Article 13**

1. The Government may charge a Region with certain tasks within the framework of task assignments accompanied with expenditure, facilities and infrastructure, human resources, and the obligation to report on and account for the implementation to the Government.
2. Any task referred to in sub-article (1) is established by legislative regulation.

### **CHAPTER V FORM AND STRUCTURE OF REGIONAL GOVERNMENTS First Part General Article 14**

1. In a Region a Regional House of People's Representatives and a Regional Legislative Body and a Regional Government as the Regional Executive Body are established.
2. The Regional Government consists of the Head of the Region and other Regional apparatuses.

#### **Second Part**

#### **The Regional House of People's Representatives Article 15**

The position, structure, task, authority, rights, membership, leadership, and complementary apparatuses of a Regional House of People's Representatives is established by Law.

#### **Article 16**

1. The Regional House of People's Representative (= DPRD, the abbreviation of Dewan Perwakilan Rakyat Daerah) as the institute that represents the people in the region concerned is a vehicle for the implementation of democracy based on Pancasila.
2. The DPRD as the Regional Legislative Body has a position parallel to that of the Regional Government and is its partner.

3. The DPRD sets up fractions which are not complementary apparatuses of the DPRD.
4. The implementation of the provisions referred to in sub-article (1) and (2) are arranged by the DPRD Disciplinary Rules.

#### **Article 18**

1. The DPRD has the following tasks and authorities:
  - a. electing the Governor/Deputy Governor, Regents/Deputy Regents, and Mayors/Deputy Mayors;
  - b. electing members as regional delegates to the MPR (Majelis Permusyawaratan Rakyat = Supreme Council of People's Deliberation);
  - c. proposing the appointment and discharge of the Governor/Deputy Governor, Regents/Deputy Regents, Mayors/Deputy Mayors;
  - d. establishing Regional Regulations jointly with the Governor, Regent, or Mayor;
  - e. establishing Regional Income and Expenditure Budgets jointly with the Governor, Regent, or Mayor;
  - f. controlling:
    1. the implementation of Regional Regulations and other Regional legislative rules;
    2. the implementation of Decrees of the Governor, Regents, and Mayors;
    3. the implementation of the Regional Income and Expenditure Budgets;
    4. the Regional Government policies, and
    5. the realization of international cooperation in the Region;
  - g. providing advice and considerations to the Government regarding plans on international agreements involving the Region's interests;
  - h. receiving and following up on the aspirations of the region and the community;
2. The implementation of the tasks and authorities referred to in sub-article (1) is to be arranged in the DPRD's Disciplinary Rules.

#### **Article 19**

1. The DPRD has the authority to:
  - a. request the accounting for matters from the Governor, Regent, and Mayor;
  - b. request information from the Regional Government;
  - c. set up inquiries;
  - d. amend draft Regional Regulations;
  - e. submit statements of opinion;

- f. submit Regional Income and Expenditure Budgets;
  - g. establish DPRD Income and Expenditure Budgets; and
  - h. establish DPRD Disciplinary Rules.
2. The implementation of the authority referred to in sub-article (1) is arranged in the DPRD Disciplinary Rules.

#### **Article 20**

1. The DPRD has the authority in performing its task to ask state officials, government officials, or members of the community to provide information on certain matters which need handling in the interest of the state, nation, government, and development in general.
2. A state official, government official, or member of the community who rejects the request referred to in sub-article (1) is liable to be penalized with detention of maximum one year due to having degraded the DPRD's respect and honour;
3. The implementation of the authority referred to in sub-article (1) is to be arranged in the DPRD Disciplinary Rules.

#### **Article 21**

1. A DPRD member has:
  - a. the right to submit inquiries;
  - b. protocollair right; and
  - c. financial and administrative right.
2. The implementation of the rights referred to in sub-article (1) are arranged in the DPRD Disciplinary Rules.

#### **Article 22**

The DPRD has the obligation to:

- a. defend and maintain the fullness of the Unitary State of the Republic of Indonesia,
- b. avow Pancasila and the 1945 Constitution, and abide by all legislative rules by
- c. developing democracy in the execution of the Regional Government,
- d. improve the people's welfare in the region based on a democratized economy, and
- e. be concerned with the people and channel their aspirations, accept their complaints, and facilitate follow-up solution efforts.

#### **Article 23**



1. The DPRD is to hold periodical meetings at least six times a year.
2. Besides what is referred to in sub-article (1), at the request of at least one-fifth of the number of its members or of the Head of the Region, the Chairman of the DPRD, its members may be invited to hold a meeting within one month at the latest after receipt of the request.
3. The DPRD holds meetings on the DPRD's Chairman invitation.
4. The implementation of the provisions referred to in sub-article (1), (2), and (3) is established in the DPRD Disciplinary Rules.

#### **Article 24**

The DPRD Disciplinary Rules are established by DPRD decree.

#### **Article 25**

DPRD meetings are open for the public, except when determined to be private based on the DPRD Disciplinary Rules or consensus among the DPRD's leaders.

#### **Article 26**

A private meeting may take decisions, except regarding:

- a. the election of the DPRD's Chairman/Vice Chairman,
- b. the election of the Head/Deputy Head of the Region,
- c. the election of Regional Delegates members of the MPR (People's Consultative Assembly),
- d. the regional Income and Expenditure Budget,
- e. the determination of tax and retribution changes and annulments,
- f. debts, loans, and charges to the Region,
- g. Region-owned business ventures,
- h. the annulment of claims partly or wholly,
- i. the approval of out-of-court solution of civil cases, and
- j. the policy on spatial design.

#### **Article 27**

DPRD members cannot be brought to court for statements and or opinions lodged orally or in writing in open as well as closed DPRD meetings, except if the member concerned announces something that in a private meeting has been decided to be kept secret or matters referred to by provisions on announcement of State secrets in the second volume, Chapter I of the Criminal Code.

#### **Article 28**

1. Investigative actions against DPRD members may take place based on a written approval of the Minister of Interior for Provincial DPRD members and of the Governor for members of a DPRD of a Regency and City, except if the member concerned has been caught in the act of committing a crime.

2. If a DPRD member has been caught in the act of committing a crime as referred to in sub-article (1), the Minister of Interior and or the Governor is informed in writing within at the latest 2 times 24 hours.

**Third Part The DPRD Secretariat  
Article 29**

1. The DPRD Secretariat assists the DPRD in the performance of its tasks and authority.
2. The DPRD Secretariat is headed by the DPRD Secretary, who based on the DPRD Leaders' approval is appointed by the Head of the Region from Civil State Officials who meet the requirements concerned.
3. The DPRD Secretary is in performing his task under the supervision and responsibility of the DPRD Leaders.
4. The DPRD Secretary may provide experts with the task to assisting DPRD members in performing their personal functions.
5. The DPRD Secretary's Income and Expenditure Budget is established by DPRD Decree and is included in the Regional Income and Expenditure Budget.

**Fourth Part The Head of a Region  
Article 30**

Any Region is headed by a Head of a Region as the Chief Executive, who is assisted by the Deputy Head of a Region.

**Article 31**

1. The Head of a Province is called Governor, and by virtue of his office, he is also the Representative of the Government.
2. The Governor is in performing his task and authority responsible to the Provincial DPRD.
3. The procedure of rendering account of the performance referred to in sub-article (2) is established by DPRD Disciplinary Rules according to the guidance established by the Government.
4. In a position as government representative, the Governor resorts and is responsible to the President.
5. The procedure of rendering account for what is referred to in sub-article (4) is established by the Government.

**Article 32**

1. The Head of a Regency is called Regent.
2. The Head of a City is called Mayor.
3. In the performance of task and authority as Head of a Region, The Regent/Mayor is responsible to the DPRD of the Regency/City concerned.

4. The procedure of accounting for what is referred to in sub-article (3) is to be established in the DPRD Disciplinary Rules in conformity with the guidelines established by the Government.

#### **Article 33**

Eligibility for appointment as Head of a Region to any citizen of the Republic of Indonesia is under the following requirements:

- a. faith in the One God;
- b. loyalty and obedience to the Unitary State of the Republic of Indonesia and the legal Government;
- c. no involvement in activities of treachery against the Unitary State of the Republic of Indonesia which is based on the Pancasila and 1945 Constitution, as stated in the accouchement letter concerned of the Chairman of the Court of Justice;
- d. at least Senior High School and/or equal education;
- e. at least thirty years of age;
- f. physically and spiritually healthy;
- g. with mind/memory apparently not disturbed;
- h. never punished by detention due to having committed a crime;
- i. not deprived of his/her voting right based on a Court's decision;
- j. acquainted with and known by the community in the Region concerned;
- k. submission of a list of personal riches; and
- l. ready to be nominated as a candidate head of the Region concerned.

#### **Article 34**

1. The appointment as Head of the Region and Deputy Head of the Region concerned is effected by the DPRD through a simultaneous election.
2. The Candidate Head of the Region and candidate Deputy Head of the Region are to be established by the DPRD through stages of candidacy nomination and election.
3. An Election Committee is formed for the candidacy nomination and election of the Head and the Deputy Head of the Region (4) The Chairman and the Vice Chairman of the DPRD are ex officio the Chairman and Vice Chairman concurrently members of the Election Committee.
4. The DPRD Secretary is ex officio Secretary non-member of the Election Committee.

#### **Article 35**

1. The Election Committee referred to in article 34 sub-article (3) has the task:
  - a. of inspecting the identity file of prospective candidates based on the requirements established in article 33;

- b. to carry out technical activities in selecting candidates; and
  - c. to serve as the responsible party of the election.
2. The prospective candidates for Head of the Region and Deputy Head of the Region who meet the requirements according to the results of the inspection that has been carried out by the Election Committee as referred to in sub-article (1), are proposed to the DPRD to be established as candidates for Head and Deputy Head of the Region.

#### **Article 36**

1. Each faction may carry out a selection screening for pairs of candidates who meet the requirements determined in Article 3.
2. Each faction may determine two candidates for the Head of a Region and the Deputy Head of a Region and submits them in a plenary meeting to the Chairman of the DPRD.
3. Two or more factions may jointly propose a pair of candidates for Head of a Region and Deputy Head of a Region as referred to in sub-article (1).

#### **Article 37**

1. Any of the joint factions may give an exposition of their prospective candidates in a plenary DPRD meeting.
2. The DPRD Committee (Pimpinan DPRD) may invite a prospective candidate once he/she is elected as Head of a Region to give an exposition of his/her vision, mission, and policy plans.
3. DPRD members may involve the candidates in a question and answer session.
4. The DPRD committee and faction committees evaluate the capability and personality of the candidates and through deliberation to reach consensus or by voting determine at least two pairs of candidates for the Head of a Region and the Deputy Head of a Region from whom one pair will be elected by the DPRD.

#### **Article 38**

1. The names of the candidate Head of a Region and Deputy Head of a Region as determined by the DPRD are submitted to the President for consultation.
2. The names of candidates for the Regent and the Deputy Regent and for the Mayor and Deputy Mayor to be elected by the DPRD are determined by Decree of the DPRD Committee.

#### **Article 39**

1. The election of a candidate Head of a Region and Deputy Head of a Region may take place in a DPRD plenary meeting, which is attended by at least two-third of the number of DPRD members.
2. If the number of attending DPRD members is still below the quorum referred to in sub-article (1), the committee of the meeting may defer the meeting by, at the most, one hour.
3. If the provision referred to in sub-article (2) is then not yet reached, the meeting is deferred by another hour after which the meeting to elect the candidate Head of a Regional candidate Deputy Head of a Region will be carried out.

#### **Article 40**

1. The election of the Head of a Region and the Deputy Head of a Region must take place in a direct, free, secret, honest, and just manner.
2. Any DPRD member may vote for the candidate Head of the Region and the candidate Deputy Head of a Region from the pairs of candidates determined by the DPRD committee referred to in Article 37 sub-article (4).
3. The pair of candidates, the Head of a Region and the Deputy Head of a Region who receive the majority of votes in the election referred to in sub-article (2), is established as Head of a Region and Deputy Head of a Region by the DPRD and officially confirmed by the President.

#### **Article 41**

A the Head of a Region has a five-year term of office and may be reelected for only one more term of office.

#### **Article 42**

1. A Head of a Region is installed by the President or other official who is appointed to act on behalf of the President.
2. Before assuming office the Head of a Region is to take an oath of office/to make a promise.
3. The wording of this oath is as follows:
  - "I swear by God/I promise that I shall meet my obligations as Governor/Regent/Mayor as honestly and as justly as possible. I shall always loyally abide by and defend Pancasila as the principle of the State; and I shall maintain democratic life and the 1945 Constitution and all legislative rules which prevail in the Territory and Unitary State of the Republic of Indonesia." (4) The procedure for this oath of office and inauguration of a Head of a Region is to be established by the Government.

**Fifth Part**  
**A Head of a Region's Obligations**  
**Article 43**

The Head of a Region has the obligation:

- a. to defend and maintain the integrity of the Unitary State of the Republic of Indonesia as the ideal of the 17 August 1945 Proclamation of Independence;
- b. to strictly abide by Pancasila and the 1945 Constitution;
- c. to honour the people's sovereignty;
- d. to uphold all of the legislative rules;
- e. to improve the public welfare;
- f. to maintain peace and order;
- g. to submit Draft Regional Ordinances and together with the DPRD establish them as Regional Ordinances.

**Article 44**

1. A Head of a Region is to lead the Regional Government administration based on policies established together with the DPRD.
2. A Head of a Region is in performing his/her task and duties responsible to the DPRD.
3. A Head of a Region is obliged to submit reports on the Regional Government administration to the President via the Minister of Interior with copies to the Governor, Regents, and Mayors at least once a year, or if deemed necessary by the Head of the Region, or on the President's request.

**Article 45**

1. A Head of a Region is obliged to render account to the DPRD at the close of each year.
2. A Head of a Region is obliged to render account to the DPRD for certain cases on the DPRD's request as referred to in Article 44 sub-article (2).

**Article 46**

1. A Head of a Region whose account referred to in Article 45, be it a government policy or a financial account, shall complete and/or improve it within thirty days.
2. A Head of a Region who has completed and/or improved his/her account must resubmit it to the DPRD, as referred to in sub-article (1).
3. A Head of a Region whose account is rejected for the second time may be proposed by the DPRD to the President to be relieved.
4. The procedure relating to what is referred to in sub-article (3) is established by the Government.

#### **Article 47**

The Head of a Region represents his/her region in and outside the court and may authorize another person to represent him/her.

#### **Sixth Part Prohibitions for a Head of a Region Article 48**

The Head of a Region is prohibited from:

- a. participating in a company, be it a private or State/Regional Government-owned company. or a foundation in any field whatsoever;
- b. making a decision, which is specifically profitable to him/herself, members of his/her family, cronies, special groups, or his/her political grouping, and is obviously detrimental to public interest or discriminative as to other citizens and community groups;
- c. performing another job, which is directly or indirectly profitable for him/herself and is related to the Region concerned;
- d. receiving money, goods, and/or services from another party, which may reasonably be presumed to influence decisions or acts to be made by the official;
- e. becoming an advocate or legal attorney in a case before the court, except those referred to in Article 47.

#### **Seventh Part Dismissal of a Head of a Region Article 49**

The Head of a Region's term of office terminates because of:

- a. his/her demise;
- b. his/her resignation
- c. the expiry of the term of office and the installation of the new official;
- d. no longer meeting the requirements referred to in Article 33;
- e. violating the vow/promise referred to in Article 42 sub-article (3);
- f. a violation of the stipulation referred to in Article 48; and
- g. loss of the confidence of the public at large due to a case involving his/her responsibility and rejection of his/her explanation by the DPRD.

#### **Article 50**

1. The termination of a Head of a Region for reasons as referred to in Article 49 is to be established by DPRD Decree and ratified by the President.
2. The DPRD Decree referred to in sub-article (1) shall be taken in a meeting attended by at least two-thirds of the members of the DPRD and approved by at least two-thirds of the attending members.

#### **Article 51**

The Regional Head is dismissed by the President without prior approval of the Regional House of Representatives due to a criminal act which is punishable by imprisonment of five years or more, or a death sentence according to the Penal Code.

#### **Article 52**

1. The Head of a Region alleged to have committed treason and/or any other act that may break up the Unitary State of the Republic of Indonesia may be suspended from his position directly by the President and not through a DPRD Decree.
2. The Head of a Region who has ipso jure been proven to have committed treason or other act that may break up the Unitary State of the Republic of Indonesia is dismissed directly by the President without the DPRD's consent.
3. The Head of a Region who through the judicial process has not been proven to have committed treason or other acts that may break up the Unitary State of the Republic of Indonesia as referred to in sub-article (1) is reactivated and rehabilitated as Head of a Region to serve until the end of his/her term of office.

#### **Article 53**

1. The DPRD is to inform the Head of a Region in writing concerning the expiry of his/her term of office six months prior to that expiry.
2. Being informed as referred to in sub-article (1), the Head of a Region prepares his end of the term of office account to the DPRD and submits this account at the latest four months after receipt of the information.
3. The DPRD starts processing the election of a new Head of a Region at the latest one month prior to the expiry of the term of office of the Head of a Region concerned.

#### **Article 54**

The Head of a Region whose account referred to in Article 53 is rejected by the DPRD may not be renominated as Head a Region in a future term of office.

### **Eighth Part**

#### **Investigation of a Head of a Region**

#### **Article 55**

1. An investigation of a Head of a Region is to take place after a written approval has been obtained from the President.
2. Excluded from the stipulation referred to in sub-article (1) are instances of the person:



- a. having been caught in the act of committing a crime liable to punishment of 5 years or more imprisonment; and
  - b. being alleged to have committed a crime liable to punishment by death.
3. After an investigation referred to in sub-article (2) has taken place, it should be reported to the President within 2 times 24 hours.

**Ninth Part**  
**Deputy Head of a Region**  
**Article 56**

1. There is to be a Deputy Head of a Region in any region.
2. The Deputy Head of a Region is inaugurated by the President or appointed official, simultaneously with the inauguration of a Head of the Region.
3. Before taking office, a Deputy Head of a Region is to take an oath of office to make a promise.
4. The wordings of said oath/promise are as follows:
5. "By God, I swear/I promise that I shall fulfil my obligations as Deputy Governor/Deputy Regent/Deputy Mayor, honestly and justly as possible. I shall always loyally abide by and defend Pancasila as the principle of the State, and I shall maintain democratic life and the 1945 Constitution as the State's constitution, and all of the legislative rules prevailing for the Territory and the Unitary State of the Republic of Indonesia."
6. The provisions referred to in Article 33, Article 41, Article 43 excluding sub g, and Article 47 up to Article 54 inclusive, also apply to the Deputy Head of a Region;
7. The Deputy Head of a Province is called a Deputy Governor, the Deputy Head of a Regency is called Deputy Regent, and the Deputy Head of a City is called Deputy Mayor.

**Article 57**

1. The Deputy Head of a Region has the task of:
  - a. assisting the Head of a Region in the implementation of his/her task;
  - b. coordinating the activities of the government institutions in the Region; and
  - c. performing other tasks conferred to him/her by the Head of a Region.
2. The Deputy Head of a Region is responsible to the Head of a Region.
3. The Deputy Head of a Region is charged with the task and authority of a Head of a Region in the case of the latter's impediment.

**Article 58**

1. If a Head of a Region is permanently hindered, his/her function is to be taken over by the Deputy Head of a Region concerned until the expiry of his/her term of office.
2. If a Head of a Region is permanently hindered, the position of the Deputy Head of a Region concerned is not to be filled.
3. If a Head of a Region and a Deputy Head of a Region are both permanently hindered, the Secretary of the Region concerned implements the Head of the Region's task for the time being.
4. If a Head of a Region and Deputy Head of a Region are both permanently hindered, the DPRD is to carry out the election of a Head of a Region and a Deputy Head of a Region within three months at the latest.

**Tenth Part**  
**The Financial Position of the Head of a Region**  
**and the Deputy Head of a Region**  
**Article 59**

The financial position of a Head of a Region and a Deputy Head of a Region is established by Government Ordinance.

**Eleventh Part**  
**The Regional Apparatus**  
**Article 60**

The Regional Apparatus consists of the Regional Secretary, Regional Departments and other Regional technical institutions, according to the requirements of a Region.

**Article 61**

1. The Regional Secretariat is headed by a Regional Secretary.
2. The Regional Secretary of a Province is appointed with the DPRD's consent by the Governor from Civil Servants, who meet the requirements.
3. The Regional Secretary of a Province is ex officio Secretary of an Administrative Area.
4. The Regional Secretary of a Regency or the Regional Secretary of a City (Municipality) is to be appointed by DPRD consent by the Regent or Mayor from Civil Servants, who meet the requirements.
5. The Regional Secretary is obliged to assist the Head of a Region in making decisions and maintaining the functional relationship with departments, technical institutes, and other operating units.
6. The Regional Secretary is responsible to the Head of a Region.
7. If a Regional Secretary is prevented from implementing his/her task, the Regional Secretary's task is carried out by an official appointed by the Head of a Region.

**Article 62**

1. A Regional Department is an executive element of a Regional Government.

2. A Department is led by a Department Head, who is appointed based on the Regional Secretary's proposal by the Head of a Region from Civil Servants, who meet the requirements.
3. The Department Head is responsible to the Head of a Region through the Regional Secretary.

#### **Article 63**

The implementation of the authority conferred by the Government to a Governor as Government Representative in the framework of deconcentration as referred to in Article 9 sub-article (3) is conducted by the Provincial Departments.

#### **Article 64**

1. The implementation of a government function, which is within the Government's authority as referred to in Article 7 is to be conducted by the vertical institutions.
2. The set-up of the organizational structure, formation, and related procedures as referred to in sub-article (1), is to be established by Presidential Decree.

#### **Article 65**

Technical institutions may be formed in a Region according to the Region's requirements.

#### **Article 66**

1. A Sub-District (Kecamatan) is an apparatus of a Regency and a City (Municipality) and is headed up by a Head of a Sub-District.
2. The Head of a District is called Camat.
3. The Camat is appointed by a Regent/Mayor based on the proposal of the Regional Secretary of a Regency/City from Civil Servant, who meet the requirements.
4. A Camat Part of the government function of a Regent/Mayor is delegated to a Camat.
5. The Camat is responsible to a Regent/Mayor.
6. The forming of a District is to be established by Regional Ordinance.

#### **Article 67**

1. A Village is an apparatus of a Sub-District and is headed up by the Head of a Village.
2. The Head of a Village is called a Lurah.
3. Based on the Camat's proposal The Lurah is appointed by the relative Mayor/Regent from Civil Servants, who meet the requirements.
4. Part of the government authority of the Camat is delegated to a Lurah.
5. The forming of a Village is established by Regional Ordinance.

#### **Article 68**

1. The organizational structure of a Regional apparatus is established by Regional Ordinance.
2. The formation and position requirements of a Regional apparatus is established by Decree of the Head of a Region in accordance with guidelines established by the Government.

### **CHAPTER VI REGIONAL ORDINANCE AND DECREE OF THE HEAD OF A REGION Article 69**

The Head of a Region establishes with the DPRD's consent Regional Ordinances within the framework of Regional Autonomy and further extension of higher legislative rules.

#### **Article 70**

Regional Ordinances may not be contrary to public interest, other Regional Ordinances, or higher legislative rules.

#### **Article 71**

1. A Regional Ordinance may include provisions regarding imposing to a transgressor a compulsory charge of part or the entire related expenditure for the maintenance of the rule of law.
2. A Regional Ordinance may impose for crimes, penalties of detention of, at the longest six months, or fines of, at the most, Rp5 000 000.00 (five million rupiah) with or without confiscating certain goods for the Region concerned, except if determined otherwise by legislative rules.

#### **Article 72**

1. The Head of a Region is to establish Decrees of the Head of a Region for the implementation of Regional Ordinances and by virtue of the prevailing legislative rules.
2. The decrees referred to in sub-article (1) may not be contrary to public interest, Regional Ordinances, and higher legislative rules.

#### **Article 73**

1. The types of regulating Regional Ordinances and decrees of the Head of a Region are to be promulgated by publication in the Regional Bulletin.
2. The regulations referred to in sub-article (1) have legal force and are binding after their promulgation in the Regional Bulletin.

#### **Article 74**

1. The investigation and prosecution of violations of Regional Ordinance stipulations are carried out by the investigating prosecuting official according to the legislative rules.
2. By Regional Ordinance other official may be appointed to carry out investigation and prosecution of violations of Regional Ordinances.

**CHAPTER VII  
REGIONAL PERSONNEL AFFAIRS  
Article 75**

Norms, standards, and procedures regarding the appointment, transfer, termination, and determination of the pension, salary, and legal position of Civil State Employees in a Region, is to be established by legislative rule.

**Article 76**

A Region has the authority to appoint, transfer, terminate, determine the pension, salary, allowances and welfare of State Employees, and their education and training according to the Region's requirement and capability based on legislative rules.

**Article 77**

The Provincial Government controls the personnel administration and career of personnel in its Territory according to legislative rules.

**CHAPTER VIII  
REGIONAL FINANCIAL AFFAIRS  
Article 78**

1. The implementation of the task of a Regional Government and DPRD is financed from and based on the Regional Budget of Income and Expenditure.
2. The implementation of the Government's task in a Region is financed from and based on the State Budget of Income and Expenditure.

**Article 79**

A Region's source of income consists of:

- a. original regional income from:
  1. Regional taxes;
  2. Regional retributions;
  3. Income from Regional government-owned companies, managing split off Regional assets, and other legitimate Regional income;
- b. Income from balancing funds;
- c. Income from loans made by a Region, and
- d. Income from other legitimate Regional incomes.

#### **Article 80**

1. The balancing funds referred to in Article 79 consist of:
  - a. the Regional share of the income from Land and Building Tax, Land and Building Rights Acquisition Duties, and from natural resources;
  - b. general allocation funds;
  - c. special allocation funds.
2. The Regional share of the income from Land and Building Tax in the rural, urban, and agricultural estates sector and from Land and Building Rights Acquisition Duties referred to in sub-article (1) sub a are to be received directly by the producing Region.
3. The Regional share of the income from Land and Building Tax in the sector of mining, forestry, and natural resources accrue to a producing Region and the other Regions for the sake of equal distribution.
4. Further provisions such as is referred to in sub-article (1), (2), and (3) are established by Law.

#### **Article 81**

1. A Regional Government may with the DPRD's consent make loans from domestic and/or offshore sources to finance government activities.
2. The Government is to be informed about loans from domestic sources, which are made according to the guidelines established by the Government.
3. The offshore loans and sources referred to in sub-article (1) shall have the Government's consent as stipulated in the legislative rules.

#### **Article 82**

1. Taxes and retributions are to be established by Law.
2. The fixation of the tariff and manner of levying Regional taxes and retributions are to be established by Regional Ordinance according to the prevailing legislative rules.

#### **Article 83**

1. The Government will provide fiscal and non-fiscal incentives to stimulate Regional competence.
2. The provisions referred to in sub-article (1) are to be established by Regional Ordinance.

#### **Article 84**

A Region may own Regional Government-owned Business Ventures according to the legislative rules. Their establishment is arranged by Regional Ordinance.

#### **Article 85**

1. Regional Assets which are used to serve the public interest cannot be pawned, burdened with rights and responsibilities, and/or have their ownership changed.
2. A Head of a Region may with the DPRD's consent establish decrees regarding:
  - a. partial or full annulment of Regional claims;
  - b. approval of solution of civil disputes out of court;
  - c. other legal acts relating to Regional assets.

#### **Article 86**

1. The Regional Budget of Income and Expenditure is to be established by Regional Ordinance at the latest one month after the establishment of the State Budget of Income and Expenditure.
2. Amendments of the Regional Budget of Income and Expenditure are established by Regional Ordinance at the latest three months prior to the Budget's becoming effective.
3. Calculations of the Regional Budget of Income and Expenditure are to be established by Regional Ordinance at the latest three months prior to the expiry of the Budgetary Year concerned.
4. The Guidelines on the composition, amendments and calculations of a Regional Budget of Income and Expenditure are to be established by Government Ordinance.
5. A Regional Budget of Income and Expenditure which has been established by Regional Ordinance is to be submitted to the Governor in the case of the Government of a Regency/Municipality and to the President via the Minister of Interior in the case of a Provincial Government for their information.
6. The Guidance on a Region's financial administration, accounting, and control and the procedure of setting up the Regional Budget of Income and Expenditure, how Regional financial administration is to be implemented and Regional Budget of Income and Expenditure calculation is to be set up, are established according to the legislative rules.

### **Chapter IX Cooperation and Solving Disputes Article 87**

1. Several Regions may set up inter-regional cooperation by joint decree.
2. The Regions may form an Inter-regional Body.
3. A Region may cooperate with other bodies by joint decree.
4. A Joint decree and/or cooperative referred to in sub-article (1), (2), and (3) which burden the public and Region concerned should have the approval of the DPRD concerned.

#### **Article 88**

1. A Region may set up mutually profitable joint decree arranged cooperatives with institutes/bodies abroad, except when related to the Government's authority as referred to in Article 7.
2. The procedure for what is referred to in sub-article (1) is established by the Government.

#### **Article 89**

1. Disputes among Regions are to be settled by the Government through deliberation.
2. If in settling inter-regional disputes referred to in sub-article (1), one of the parties does not accept the Government's decision, said Party may submit the case for settlement to the Supreme Court of Justice.

### **Chapter X Urban Areas Article 90**

Besides Urban Areas with the status of a Municipality, it is necessary to determine Urban Areas which are:

- a. are part of a Regency;
- b. New Urban Areas which as a result of development have changed from Rural into Urban Areas;
- c. Urban Areas which as social and economic units are part of one or more adjoining Regions, and are physically towns.

#### **Article 91**

1. The Governments of Adjoining Municipalities and/or Regencies may form joint institutes to manage Urban Areas.
2. In Rural Areas which are planned and developed to become Municipalities within a Regency, a Development Management Body may be formed responsible to the Head of a Region.
3. What is stipulated in sub-article (1) and (2) and other matters related to the management of Urban Areas are established by Regional Ordinance based on a guidance established by Government Ordinance.

#### **Article 92**

1. In the course of developing Urban Areas, a Regional Government needs to involve the community and the private sector.
2. The community's involvement referred to in sub-article (1) is an effort to activate the community in the development of Towns.
3. Arrangements related to Urban Areas are established in the legislative rules.



**Chapter XI**  
**VILLAGES**  
**First Part**  
**Forming, Abolishing, and/or Merging Villages**  
**Article 93**

1. Villages may be formed, abolished, and/or merged with due consideration of their origin based on initiative of the community concerned and with the consent of the Government of the Regency and DPRD concerned.
2. The forming, abolishing, and/or merging of Villages referred to in sub-article (1), is established by Regional Ordinance.

**Article 94**

In a Village a Village Committee and Village People's Representative Body are formed which constitute the Village Government.

**Second Part**  
**Village Committee**  
**Article 95**

1. The Village Committee consists of the Village Head, called as such or otherwise, and the Village apparatus.
2. The Village Head is to be directly elected by the people of the Village from candidates who meet the requirements.
3. The majority votes elected Candidate Village Head as referred to in sub-article (2) is to be established by the Village People's Representative Body and officially installed by the Regent.

**Article 96**

A Village Head's term of office is at the most ten years or twice the term of office as of the date of his/her installation.

**Article 97**

Eligible for election as Village Head are the villagers concerned who are Indonesian citizens, meeting the following requirements:

- a. a worshipper of the One God;
- b. loyal and abiding by Pancasila and the 1945 Constitution;
- c. never directly or indirectly involved in acts of treason as to Pancasila and 1945 Constitution, in the PKI 30 September Movement, and/or any other prohibited organizations;
- d. at least Junior High School educated, and/or with equal knowledge;
- e. at least 25 years of age;
- f. physically and spiritually healthy;
- g. with spirit and mind not disturbed;
- h. of good, honest, and just conduct;

- i. never having been punished by detention for a crime;
- j. not deprived of the voting right based on a court decision with permanent legal force;
- k. knowledgeable about the area and known by the village community concerned;
- l. willing to be nominated as candidate Village Head;
- m. meeting other requirements of traditional customs as stipulated by Regional Ordinance.

#### **Article 98**

1. A Village Head is installed by the Regent or a competent official.
2. Prior to taking office, a Village Head takes an oath.
3. The wordings of the oath concerned is as follows:
  - "By God, I vow/promise that I shall fulfil all of my obligations as Village Head in the best possible, honest, and just manner; that I shall always be loyal in implementing and defending the Pancasila as the State's principle; and that I shall uphold democratic life and the 1945 Constitution as the State's Constitution and all prevailing rules for Villages, Regions, and the Unitary State of the Republic of Indonesia."

#### **Article 99**

A Village's authority encompasses:

- a. already existing authority based on a Village's origin;
- b. authority based on prevailing legislative rules which have not yet been implemented by the Regions and the Government;
- c. supporting functions from the Government, Provincial Government, and Regency Government.

#### **Article 100**

The Supporting Functions from the Government, Provincial Government, and Regency Government to a Village Head is accompanied with expenditure and facilities, and personnel.

#### **Article 101**

A Village Head's task and obligations as to his/her Village are:

- a. leading the implementation of its Government;
- b. developing its community's life;
- c. developing its economy;
- d. maintaining the peace and order among its community;
- e. settling peacefully disputes among its community;
- f. representing it in and beyond the court and entitled to appoint his/her legal proxy.

#### **Article 102**

In implementing his/her task and obligations referred to in Article 101, A Village Head:

- a. is responsible to the people through the Village People's Representative Body;
- b. submits reports on the implementation of his/her task to the Regent.

#### **Article 103**

1. A Village Head's term of office terminates due to:
  - a. passing away;
  - b. resignation;
  - c. no longer meeting the requirements an/or violating his/her vow/promise;
  - d. expiry of his/her term of office and the installation of the new Village Head, and
  - e. violating prevailing legislative rules and/or existing and developing norms in the Village community concerned.
2. Discharging of a Village Head as referred to in sub-article (1) is done by the Regent concerned as recommended by the Village People's Representative Body.

### **Third Part Village People's Representative Body Article 104**

The Village People's Representative Body or as called by another name has the function of protecting traditional rights and customs, make Village rules, absorb and channel the community's aspirations, and to control the implementation of the Village Government.

#### **Article 105**

1. The members of a Village People's Representative Body are elected by the people of the village concerned from those who meet the requirements.
2. The leader of a Village People's Representative Body is elected from and by its members.
3. The Village People's Representative Body jointly with the Village Head is to establish Village Regulations.
4. The implementation of Village Regulations is to be established by the Village Head.

### **Fourth Part Other Institutions Article 106**

A Village may have other institutions as established by Village Regulation and according to its requirements.

**Fifth Part  
A Village's Finances  
Article 107**

1. A Village's sources of income encompasses:
  - a. original village income comprising income from its:
    1. Village businesses;
    2. Village assets;
    3. Auto activities and participation;
    4. cooperation efforts; and
    5. other legitimate Village income;
  - b. assistance from the Regency Government concerned comprising:
    1. part of the income from Regional taxes and Retributions; and
    2. part of the Central and Regional Balancing Funds received by the Regency Government;
  - c. assistance from the Government and Provincial Government;
  - d. donations from third parties;
  - e. loans made by the Village.
2. The sources of income of a Village referred to in sub-article (1) are to be managed through the Village Budget of Income and Expenditure.
3. The Village Head together with the Village People's Representative Body establishes the Village Budget of Income and Expenditure every year by Village Regulation.
4. The guidance for setting up a Village Budget of Income and Expenditure is established by the Regent.
5. The procedure of levying Village Income and Expenditure objects is established jointly by the Village Head and the Village People's Representative Body.

**Article 108**

A Village may own business ventures according to the legislative rules.

**Sixth Part  
Inter-Village Cooperation  
Article 109**

1. Several Villages may under a joint decree cooperate for their interests and a Camat (Sub-District Head) is to be informed about this.
2. For the implementation of the cooperation referred to in sub-article (1) a Cooperation Body may be formed.

#### **Article 110**

A Regency Government and/or third party which plans part of a Village area to develop into a residential, industrial, and services area, is obliged to involve the Village Government and the Village People's Representative Body, in planning, implementation, and supervision.

#### **Article 111**

1. Further arrangement regarding Villages is established by Regency Regional Ordinance, according to the general guidelines, which are to be based on this Law established by the Government.
2. A Regional Ordinance referred to in sub-article (1) shall acknowledge and honour a Village's origin and traditional customs.

### **Chapter XII Development and Control Article 112**

1. The Government facilitates within the framework of development the implementation of Regional Autonomy.
2. The guidance regarding the development and control on the implementation of Regional Autonomy is established by Government Ordinance.

#### **Article 113**

Regional Ordinances and Decrees of a Head of a Region are within the framework of control submitted to the Government at the latest fifteen days after their establishment.

#### **Article 114**

1. The Government may withdraw Regional Ordinances and Decrees of the Head of a Region which contravene public interest or legislative rules of a higher order and/or other legislative rules.
2. A Decree to withdraw a Regional Ordinance and Decree of the Head of a Region referred to in sub-article (1) is to be notified to the Region concerned together with the reasons concerned.
3. At the latest, one week after the abolition of a Regional Ordinance and Decree of the Head of a Region referred to in sub-article (2), the implementation of said Regional Ordinance and Decree of the Head of a Region is nullified.
4. A Region which cannot accept the decision to withdraw a Regional Ordinance or Decree of the Head of a Region referred to in sub-article (2),

may submit its objections to the Supreme Court of Justice after having submitted them to the Government.

**Chapter XIII**  
**The Regional Autonomy Contemplating Council**  
**Article 115**

1. The Regional Autonomy Contemplating Council has the task of providing considerations to the President regarding:
  - a. the formation, abolition, merging, and expansion of Regions;
  - b. the Central and Regional financial balancing; and
  - c. the capability of Regencies and Municipalities to implement certain authorities as referred to in Article 11.
2. The Regional Autonomy Contemplating Council consists of the Minister of Interior, the Minister of Finance, the Minister State Secretary, and other ministers as needed, and representatives of the Association of Regional Governments, and representatives of the Regions elected by the DPRD's concerned.
3. The Minister of Interior and the Minister of Finance are ex officio respectively Chairman and Vice Chairman of the Regional Autonomy Contemplating Council.

**Article 116**

In implementing its task the Regional Autonomy Contemplating Council is to be assisted by the Chief Secretary who oversees the field of Regional Autonomy and the field of Central and Regional Financial Balancing.

**Chapter XIV**  
**OTHER PROVISIONS**  
**Article 117**

The capital of the State of the Republic of Indonesia, Jakarta, is due to its position arranged by Law.

**Article 118**

1. The province of East Timor as a first rank region may be given a special autonomous status within the framework of the Unitary State of the Republic of Indonesia, except if legislative rule establishes otherwise.
2. The arrangement of special autonomy referred to in sub-article (1) is by law.

**Article 119**

1. The authority of Regencies and Municipalities referred to in Article 11 also applies to Autonomous Areas which encompasses authority bodies,

- seaport estates, airport estates, residential estates, industrial estates, agricultural estates, mining estates, forestry estates, tourist estates, land of unobstructed roads, and other such estates.
2. Further arrangement as referred to in sub-article (1) is established by Government Ordinance.

#### **Article 120**

1. Within the framework of maintaining public peace and order and upholding Regional Ordinances, a Civil Government Police Unit is formed as an instrument of the Regional Governments.
2. The structure, organization, formation, position, authority, task, and obligation of the Civil Government Police are established by the Government.

#### **Article 121**

The titling of the Province 1st Rank Region, Regency 2nd Rank Region, and Municipality 2nd Rank Region, as referred to in sub-article Law no.5 of 1974 is changed to respectively Province, Regency, and Municipality/City.

#### **Article 122**

The exclusivity as to the Province Special Region of Aceh and the Province Special Region of Yogyakarta as well as the additional authority based on Government Ordinance and/or other legislative rule, remains implemented with the understanding that the implementation of the government of the Province Special Region Aceh and the Province Special Region of Yogyakarta is based on this law.

#### **Article 123**

Regional authority, be it originating from or based on the forming of a Region as well as additional based on Government Ordinance and/or other legislative rule, is implemented according to Article 9, Article 10, and Article 11 of this law.

### **CHAPTER XV TRANSITIONAL PROVISIONS Article 124**

At the time of this law's becoming effective, the names, boundaries of the capital and Province 1st Rank Regions, Special Regions, Regencies 2nd Rank Regions, and Municipalities 2nd Rank Regions, remain unchanged.

#### **Article 125**

1. The Municipality of Batam, the Regency of Paniai, the Regency of Puncak Jaya, the Regency of Mimika, the Regency of Simeuleu, and all Administrative Municipalities are upgraded to become Autonomous Regions with due consideration of Article 5 of this law.

2. Two years at the latest after the establishment of this law, the Municipalities, Regencies, and Administrative Municipalities referred to in sub-article (1) shall have their status changed into Regencies/Municipalities if they meet the provisions of Article 5 of this law.
3. The Municipalities, Regencies, and Administrative Municipalities referred to in sub-article (1) may have their status abolished if they do not meet the requirements to be upgraded to that of an Autonomous Region.

#### **Article 126**

1. Sub-Districts (Kecamatan) and Villages which exist at the time when this law becomes effective remain Sub-Districts and Villages, or called otherwise, as referred to in Article 1 sub m, n, and o of this law, except if determined otherwise by legislative rule.
2. Villages existing in the territory of a Municipality, Administrative Municipality, and Administrative City based on Law No.5 of 1974, are established as Villages as referred to in Article 1 of this law.

#### **Article 127**

In so far the regulation for the implementation of this law has not been established, all instructions, directives, or guidelines which are existing or have been established by the Government and Regional Governments remain valid if they do not contravene this law.

#### **Article 128**

The existing Governors and Deputy Governors, who are heading up Ist Rank Regions; Regents, Mayors, Deputy Regents and Deputy Mayors who are heading up IInd Rank Regions; Regents, Mayors, Camats (Sub-District Heads), and Village Heads and their apparatuses, as referred to in Law no.5 of 1974 and Law no.5 of 1979, who exist at the time this law's becoming effective, remain carrying out their task, except if determined otherwise based on this law.

#### **Article 129**

1. With this law's becoming effective, the Institutions of Deputy Governor, Deputy Regent, Deputy Mayor, and Regional Contemplation Body, referred to in Law no.5 of 1974, are abolished.
2. Vertical institutions in the Regions, other than those handling foreign, defence and security, judicature, religious affairs as referred to in Article 7, become Regional instruments.
3. The assets of all vertical institutions which have become Regional instruments as referred to in sub-article (2), are transferred to become assets of the Region concerned.

### **Chapter XVI Concluding Provisions Article 131**

At the time this law becomes effective, what are declared to be no longer valid are:



- a. Law no.5 of 1979 regarding the main principles of Government in the Regions (State Bulletin of 1974 no.38, State Bulletin Supplement no.3037);
- b. Law no.5 of 1979 regarding Village Governments (State Bulletin of 1979 no.56, State Bulletin Supplement no.3153).

**Article 132**

1. The provisions for implementation to follow-up this law shall be ready at the latest one year as of this law's becoming effective.
2. The implementation of this law shall effectively take place within two years as of this law's establishment.

**Article 133**

Provisions of legislative rules which contravene and/or not in accord with this law are adjusted.

**Article 134**

This law becomes effective on the date of its promulgation and in order that it becomes known to all its promulgation is ordered by placement in the State Bulletin of the Republic of Indonesia.

*Established in Jakarta on 4 May 1999*  
*PRESIDENT OF THE REPUBLIC OF INDONESIA*  
*(signed)*

*BACHARUDDIN JUSUF HABIBIE*  
*Promulgated in Jakarta on 4 May 1999*  
*STATE SECRETARY OF THE REPUBLIC OF INDONESIA*  
*(signed)*

*AKBAR TANJUNG*  
**STATE BULLETIN OF THE REPUBLIC OF INDONESIA**  
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