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NewsLetter



**Navigating Indonesia's New 2025 KBLI:
A Strategic Shift in Business Classification**



five minutes read

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INTRODUCTION

The Indonesian business landscape has reached a significant milestone with the official enactment of Central Bureau of Statistics Regulation (or Peraturan Badan Pusat Statistik) No. 7 of 2025 on the Indonesia Standard Business Classification (or “**KBLI 2025**”). This regulation effectively revokes and replaces the previous PBPS No. 2 of 2020, introducing a more granular and globally aligned framework for classifying economic activities in the country.

For businesses operating in Indonesia, understanding this transition is not merely an administrative task but a critical compliance requirement. Below is a comprehensive analysis of the changes and what they mean for your organization.



WHY THE CHANGE? STRATEGIC BACKGROUND AND INTERNATIONAL ALIGNMENT

According to the Head of Indonesian Central Bureau of Statistics (Badan Pusat Statistik or “**BPS**”), Amalia Adininggar Widyasanti, the KBLI 2025 was developed to align with the International Standard Industrial Classification of All Economic Activities (ISIC) Revision 5, which was recommended by the United Nation Statistical Commission (UNSC) on March 11, 2024.

This update follows the recommendation of the Committee of Experts on International Statistical Classification (CEISC), which suggests that industrial classifications should be updated every five years. This cycle ensures that business classifications remain responsive to technological advancements, new business models, and stay synchronized with other global systems like the Harmonized System (HS) for trade. The 2025 KBLI is the result of extensive collaboration, incorporating 1,164 proposals from 30 ministries and agencies, reflecting the high level of cross-sectoral involvement in capturing the nuances of the modern economy.

STRUCTURAL DIFFERENCES: 2020 VS. 2025

The most immediate change is the expanded structure of the classification system:

- 1. Increased Categories:** The total number of categories has increased from 21 (twenty-one) categories (Categories A-U) in KBLI 2020 to 22 (twenty-two) categories (Categories A-V) in KBLI 2025;
- 2. Expansion of Classes:** The KBLI 2025 now comprises 87 (eighty-seven) divisions, 257 (two-hundred fifty-seven) groups, 519 (five-hundred nineteen) subgroups, and 1,560 (one thousand five-hundred sixty) individual classes; and
- 3. International Comparability:** By adopting ISIC Rev. 5 (already utilized by the EU and Singapore), Indonesia ensures that its economic data and business classifications are directly comparable with global benchmarks, facilitating smoother international investment and reporting.



MAJOR SHIFTS: SIGNIFICANT SECTOR CHANGES IN KBLI 2025

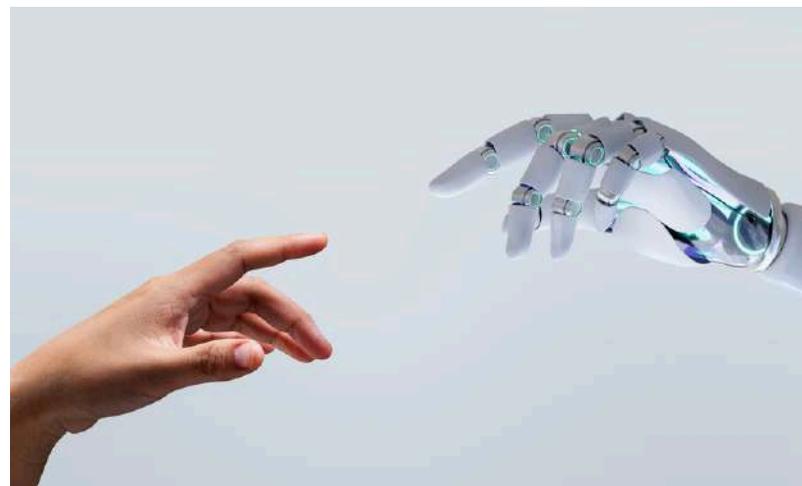
The KBLI 2025 update is more than just a list of new numbers; it represents a fundamental shift in how Indonesia categorizes modern business. For non-legal professionals, these are the four key areas where the "gray areas" have been cleared:

find out more!



1. Digital Economy

Dedicated codes for AI, Blockchain (DLT), and Immersive Media (VR/AR), moving away from generic "IT consultancy" labels.



2. Factoryless Goods Producers (FGP)

Companies outsourcing production are now classified under "Industry/Production" rather than "Trading," unlocking manufacturing-based incentives.

3. The Green Economy

Explicit codes for Carbon Capture & Storage (CCS), Carbon Trading, and EV Infrastructure (Charging Stations).



4. Fin-Tech

Enhanced precision for P2P Lending and Digital Payment Services in alignment with OJK and Bank Indonesia regulations.

THE 6-MONTHS TRANSITION: IS IT DIFFICULT?

Per the transitional provisions, all KBLI users, including companies with existing Business Identification Numbers (NIB), must adjust their business classifications to the 2025 KBLI within 6 (six) months from its enactment.

Deadline: Since the regulation was enacted on December 18, 2025, the mandatory adjustment period ends on June 18, 2026.

Level of Difficulty: While the technical update is performed via the OSS system, the "difficulty" lies in the mapping process. Because the 2025 KBLI is more detailed, a single 2020 code might now be split into several 2025 codes. Selecting the wrong code could lead to the revocation of certain permits or misalignment with your actual business scope.



CONCLUSION: TURNING REGULATORY CHANGE INTO STRATEGIC ADVANTAGE

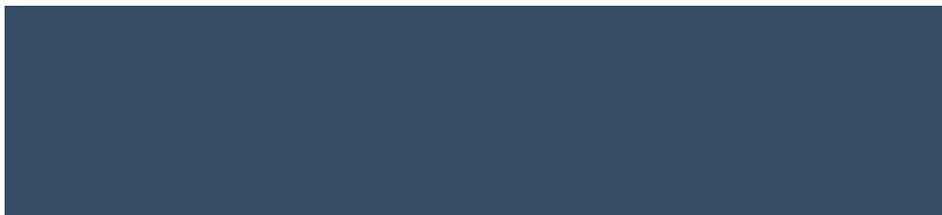
The enactment of KBLI 2025 is a strategic recalibration of Indonesia's business ecosystem rather than a mere administrative update. With the mandatory six-month transition period ending on June 18, 2026, businesses must proactively map their activities to the new codes to mitigate compliance risks and unlock sector-specific incentives. By approaching this transition as a strategic tool rather than just a compliance obligation, companies can ensure regulatory certainty and better position themselves for sustainable growth in an increasingly modernized market.



HOW PRS CAN ASSIST

The KBLI 2025 update is more than an administrative change; it is a realignment of your business identity in the OSS system. At PRS, we simplify this transition for you by providing:

- **KBLI Mapping & Audit:** We review your actual business activities and map them to the most accurate 2025 codes to prevent misclassification.
- **OSS RBA Licensing Updates:** We manage the technical updates of your NIB and sectoral permits in the OSS system to ensure they remain valid and compliant.
- **Compliance Risk Mitigation:** We ensure that reclassification does not disrupt your existing investment facilities, tax incentives, or operational permits.
- **Strategic Restructuring:** We advise if new categories (such as AI, Blockchain, or Green Economy) offer better regulatory advantages or incentives for your specific model.
- **FDI & Investment Advisory:** We ensure that foreign-owned companies (PMA) remain aligned with the latest Positive Investment List (DPI) under the new classifications.



About Us

Pasaka Rievan Smith - Counsellors at Law (“**PRS**”) is comprised of a team of dedicated and trusted lawyers with over 20 years of experience in the legal industry, spanning law firms, multinational corporations, and government institutions. We provide prompt, precise legal counsel and opinions, offering both legal and commercial perspectives to support corporate clients. Confident in our ability to meet the diverse needs of our clients, PRS enables them to focus on achieving their business objectives. With experience in assisting start-ups, growing enterprises, established organizations, and family-owned businesses, we are committed to delivering both personal and professional attention, ensuring the utmost satisfaction for our clients.

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