

Key Highlights of Minister of Communication and Digital Affairs Regulation No. 8 of 2025 on Commercial Postal Services

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On 14 May 2025, the Indonesian Government enacted Minister of Communication and Digital Affairs Regulation No. 8 of 2025 on Commercial Postal Services ("**MoCDA Regulation 8/2025**"). The issuance of MoCDA Regulation 8/2025 marks a significant milestone in the development of Indonesia's postal sector, shifting the regulatory focus beyond universal postal services to include comprehensive provisions for commercial postal services.

Regulatory Impact:

MoCDA Regulation 8/2025 revokes the following previous regulation in the postal sector:

- a. Minister of Communication and Informatics ("**MoCI**") Regulation Number 01/PER/M.KOMINFO/01/2012 concerning the Tariff Formula for Commercial Postal Services;
- b. MoCI Regulation Number 7 of 2017 concerning the Requirements and Procedures for the Granting of Postal Operation Licenses; and
- c. several provisions under MoCI Regulation Number 4 of 2021 concerning Postal Operation ("**MoCI 4/2021**").

Who is affected?

All postal service providers, including but not limited to universal postal providers, foreign postal providers, and, in particular and most significantly, commercial postal service providers.

Key Highlights of the MoCDA Regulation 8/2025

1. Mandatory Expansion of Service Coverage

The Indonesian Government has adopted a strategy aimed at encouraging all postal service providers to expand their service coverage areas. Prior to the enactment of MoCDA Regulation 8/2025, a minimum of operation area for the postal service providers was not specifically regulated.

MoCDA Regulation 8/2025 now expressly requires postal service providers offering written communication and/or electronic mail services, parcel services, and/or logistics services must operate in at least 50% Indonesia's provinces.

Compliance timeline:

- a. 18 months for postal service providers already hold a postal service license at the time the MoCDA Regulation 8/2025 was enacted;
- b. 12 months for postal service providers that obtain their license after the enactment of MoCDA Regulation 8/2025.

2. Standardized Facilities and Infrastructure

MoCDA Regulation 8/2025 sets out differentiated facilities and infrastructure requirements based on the type of postal service provided, as follows:

For postal service provider who provides written communication and/or electronic mail services or parcel delivery services:

- Transportation facilities for the collection and pickup of consignments;
- Service outlets or representative offices;
- Warehouses, storage facilities, or sorting centers;
- Transportation facilities for inter-regional consignment delivery;
- Transportation facilities for final delivery of consignments;
- Weighing equipment that complies with the Indonesian National Standard (SNI) and has been officially calibrated;
- A management system connected to a network;
- A consignment tracking information system;
- An online-accessible complaint handling service;
- An application connected online (optional);
- A digital-based payment system (optional).

For postal service provider who provides logistic services

- Service outlets or representative offices;
- Warehouses or storage facilities serving as distribution centers, sorting centers, and order fulfillment management centers;
- Intercity consignment transportation facilities;
- Final delivery transportation facilities;
- An operational system connected online with postal service users;
- A digital-based payment system;
- A consignment tracking information system; and
- An online-accessible complaint handling service.

MoCDA Regulation 8/2025 allows postal service providers to meet the required standards for facilities and infrastructure including through cooperation with non-postal service providers.

The compliance timeline for fulfilling the service coverage requirements stipulated in point 1 also apply to the fulfillment of the standard facilities and infrastructure obligations.

3. Enhanced Service Quality and Consumer Protection

The issuance of MoCDA Regulation 8/2025 introduces more detailed provisions aimed at improving the quality and reliability of services provided by commercial postal providers. The regulation addresses several key areas, including:

a. Ownership of Consigned Goods

The regulation clarifies that ownership of consigned items remains with the sender until such goods are delivered to the recipient. Furthermore, it sets forth procedures for cases where the postal service provider is unable to return undeliverable goods to the sender within a specified period. In such circumstances, the postal service provider is authorized to either destroy the goods or transfer them to charitable organizations or authorized agencies.

b. Storage Services

The MoCDA Regulation 8/2025 provides postal service providers a legal basis to impose storage fees for shipments that are held until successful delivery can be completed. This provision offers certainty in managing undelivered shipments and may provide additional revenue opportunities for postal service providers.

c. Handling of Prohibited Items

The MoCDA Regulation 8/2025 empowers postal service providers to refuse shipment of prohibited items. It further requires postal service providers to establish and implement Standard Operating Procedures (SOPs) for the handling of such restricted consignments.

d. Compensation Mechanism

Previously address only to universal postal services, the compensation provision is now extended to cover commercial postal services. The regulation caps compensation claims at a maximum of ten times the shipping fee.

4. Clarification on Business Licensing Procedures for Postal Service Providers

Previously, regulations governing postal services did not specifically address the procedures for obtaining business licenses for postal service providers. To provide legal certainty to prospective postal service providers, MoCDA Regulation 8/2025 addresses this gap by stipulating licensing requirements which must be fulfilled by applicants seeking to operate postal services. These requirements include:

- a. possessing a minimum business capital of IDR 500,000,000 (for domestic investment);
- b. holding a valid Business Identification Number (*Nomor Induk Berusaha*);
- c. submitting the following documents:
 - i. a five-year business plan proposal detailing the company profile, capital structure, board of directors or management composition, supervisory board, technical aspects, business strategy, and financial projections;
 - ii. a written statement of commitment to comply with postal service regulations;
 - iii. a declaration affirming the accuracy and validity of all information and documents submitted in the licensing application;
 - iv. documentation of corporate management structure evidencing that the directors, management, and/or legal entity are not listed on any postal service blacklist; and
 - v. compliance with the prescribed business licensing fee payments.

It is important to note that postal service providers with foreign investment participation must also comply with applicable laws and regulations applies for foreign investment company.

5. Expansion of Scope for Foreign Postal Service Providers Collaborations

Under MoCI Regulation 4/2021, foreign postal services provider operating through joint venture company were limited to providing services only in provincial capital areas. Additionally, intercity delivery services could only be offered through joint operation with domestic postal service providers.

However, MoCDA Regulation 8/2025 introduces a significant shift by expanding the scope of permissible services. Under MoCDA Regulation 8/2025, the joint ventures are now allowed to directly provide inter-provincial capital city delivery services provided that the joint venture maintains a service office in the destination provincial capital.

This development reflects the government's intent to encourage greater foreign participation in the commercial postal sector while ensuring operational accountability and service infrastructure presence in relevant area.

6. Provisions related to the Determination of Commercial Postal Service Tariff

MoCDA Regulation 8/2025 also set forth the mechanism for determining tariff for commercial postal services is based on a cost-based formula, which includes among other components operational, employment cost, application costs or production costs, along with a margin for the provision of such services.

Pursuant to MoCDA Regulation 8/2025, the determination of commercial postal service tariff is not subject to prior verification by the Director General of Posts and Informatics Operations. However, MoCDA retains the authority to evaluate such tariff under certain conditions, if:

- a. a report is submitted by the public; or
- b. a report is submitted by a postal service provider.

Based on such evaluation, the MoCDA may impose upper and/or lower tariff limits for a maximum period of six (6) months, subject to quarterly reviews or as otherwise deemed necessary. Although the authority to determine tariff generally lies with postal service providers, the MoCDA retains the power to set tariff under certain circumstances. This authority to impose upper and lower tariff limits poses challenges for postal service providers, particularly in maintaining tariff flexibility.

7. Introduction of Green Logistics

A notable innovation introduced by MoCDA Regulation 8/2025 is the incorporation of green logistics aimed at reducing carbon emissions. This is reflected in Article 107 of MoCDA Regulation 8/2025 which requires the postal service providers to submit a report on the implementation of green technology though the use of renewable energy sources, the use of environmentally friendly and low-emission transportation modes, the use of environmentally sustainable building concepts and the use of recyclable materials.

MoCDA Regulation 8/2025 is silent on whether the implementation of green logistics is mandatory or subject to further regulation. Additionally, MoCDA Regulation 8/2025 is silent regarding any incentives or advantages for postal service providers that adopt green logistics.

Conclusion:

MoCDA Regulation 8/2025 marks a significant regulatory shift in Indonesia's postal service sector, particularly with its emphasis on the formalization and expansion of commercial postal operations. The regulation introduces clearer licensing requirements, expands the service coverage obligations, establishes minimum service standards. The enactment of MoCDA Regulation 8/2025 also poses specific challenges for postal service providers, particularly in meeting the mandatory service coverage expansion, complying with facility and infrastructure standards within the timeline set forth in MoCDA Regulation 8/2025. Furthermore, the MoCDA's authority to intervene in tariff setting by imposing upper or lower tariff limits may affect the flexibility of the postal service providers in determining the applicable tariff to their customers.

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The article above was prepared by Dentons HPRP's lawyers

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