

Annex 4

LAW OF THE REPUBLIC OF INDONESIA

NO. 2 OF 1999

ON POLITICAL PARTIES

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POLITICAL PARTIES

BY THE GRACE OF GOD ALMIGHTY,

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

Having taken into consideration:

- a. that the freedom to meet, associate and express one's opinion as recognized and guaranteed by the 1945 Constitution, is part of human rights
- b. that to develop and strengthen the freedom to meet, associate and express one's opinions form part of efforts to create a strong national life within the Unitary State of the Republic of Indonesia that is free, united, sovereign, democratic and founded on the law;
- c. that political parties are important means in their function and role for the creation of the freedom to meet, associate and express one's opinions aimed at the growth of democratic life that upholds the sovereignty of the people within the Unitary State of the Republic of Indonesia;
- d. That Law no. 3 of 1975 on Political Parties and the Functional Group and its replacement Law no. 3 of 1985 on the Changes to Law no. 3 of 1975 on Political Parties and the Functional Group, are no longer able to contain present political aspirations, with the result that democratic life in Indonesia is no longer able to proceed well;
- e. That, in connection with the above, and to provide stronger legal foundations for the growth of political parties in order to better guarantee the participation of the Indonesian people in national and state life based on Pancasila and the 1945 Constitution, it is deemed necessary to change Law no. 3 of 1985 on Changes to

Law no. 3 of 1975 on Political Parties and the Functional Group, to be replaced by a new Law on Political Parties.

Further considering:

Article 5 subsection (1), Article 20 subsection (1), Article 27 subsection (1) and Article 28 of the 1945 Constitution

With the agreement of

PARLIAMENT OF
THE REPUBLIC OF INDONESIA

Hereby Decides

To establish
THE LAW ON POLITICAL PARTIES

CHAPTER I

GENERAL STIPULATIONS

Article 1

- (1) In this Law, meant by a Political Party is every organization voluntarily formed by citizens of the Republic of Indonesia based on the common purpose to fight for the interests of its members as well as of the nation and the state through the General Elections.
- (2) The sovereignty of the Political Party is in the hands of its members
- (3) Every Political Party has equal position, function, rights and responsibilities, and in equal degree
- (4) Political Parties are independent in organizing their housekeeping matters.

CHAPTER II

CONDITIONS FOR FORMATION

Article 2

- (1) A minimum of 50 (fifty) citizens of the Republic of Indonesia who are over 21 (twenty years) of age may form a Political Party
- (2) The Political Party formed as mentioned in subsection (1) must fulfil the following conditions:
 - a. Include the Pancasila as the foundation of the Unitary State of the Republic of Indonesia as part of the statutes of the party
 - b. The principles or specifications, aspirations and program of the Political Party are not opposed to the Pancasila;
 - c. Membership to the Political Party is open to every citizen of the Republic of Indonesia with voting rights;
 - d. The Political Party may not use the same name or emblem of a foreign country, the Red and White flag of the Unitary State of the Republic of Indonesia, the national flag of a foreign country, the picture or name of a person, or the emblem of an existing party.

Article 3

The formation of a Political Party may not endanger national unity and integrity.

Article 4

- (1) Political Parties must be formed based on a Notary Act and must be registered with the Department of Law of the Republic of Indonesia
- (2) The Department of Law of the Republic of Indonesia may accept the registration of the formation of a Political Party when the Party has fulfilled the conditions as set out in Article 2 and Article 3 of this Law.
- (3) The ratification of the formation of the Political Party as a legal body is announced in the State Bulletin of the Republic of Indonesia issued by the Minister of Law of the Republic of Indonesia.

**EXPLANATIONS TO THE LAW OF THE REPUBLIC OF
INDONESIA
NO. 2 OF 1999 ON POLITICAL PARTIES**

GENERAL STIPULATIONS

The establishment of a Political Party is basically a reflection of the right of a citizen to meet, associate and express his or her opinion in accordance with Article 29 of the 1945 Constitution. Through Political Parties, the people may express their rights to co-determine the direction that national and state life should take. The diversity of opinions that are alive within society will result in the formation of a number of Political Parties in accordance with those opinions. Therefore, in essence, the state does not limit the number of Political Parties that will be established by the people.

In this diversity of Political Parties, each political party has equal position, function, rights and responsibilities, and to equal degree. Sovereignty of the Political Party is held by its members, and for that reason the Political Party is independent in nature to manage and organize its own housekeeping matters. Consequently, others who are outside the party are not in the position to intervene in housekeeping matters of the Political Party.

In order to achieve a healthy national and state life that has been the vision and ideals of the founding fathers of the state as formulated in the Preamble of the 1945 Constitution, every Political Party within the life of the state must be consistent in applying the Pancasila as the foundation of the state. Thus, the dynamics of

democracy in Indonesia will have a strong foundation. Since the principle aim of the Political Party has thus been agreed upon, each Political Party may have its own independent principles or identifications, as well as aspirations and program as long as these are not opposed to the Pancasila. The aspirations and program of the Political Party are the results of those principles or identifications that are made in efforts to find solutions to problems faced by the Indonesian nation. This Program is to be directed to the national ideals of the people of Indonesia which aim to develop a democratic life that is based on the Pancasila as the general direction, and the fight for the ideals of its members as the specific direction of the Political Party.

The national and state life as envisioned in the democracy that is based on Pancasila, can be achieved only when differences in society do not become the very reason to discriminate membership to a Political Party. The principle of non-discrimination to membership of the Political Party is essential, so that democracy that is based on Pancasila may come dynamically into being, where each Political Party is open to membership for every citizen of the Republic of Indonesia. In this way, the diversity of Political Parties will not disseminate the nation, on the contrary, this will become the bonding factor to unite and integrate the nation.

As one of the democratic institutions, the Political Party has the function to develop awareness of the political rights and responsibilities of the people, channel the interests of society in the formulation of state policies, and further foster and prepare members of society to fill political functions following democratic mechanisms. All these functions are realized through the holding of the General Elections that is implemented democratically, honestly, and justly by the giving and collection of direct votes, that are open, free and made in confidence, as determined through the Decision of MPR no.: Tap MPR no. XIV/MPR/1998 on Changes and Additions to Tap. MPR No. III/MPR/1998 on General Elections. Therefore, each Political Party has the right to participate in the General Elections having fulfilled the conditions as stipulated in the Law on the General Elections.

The State must guarantee that each citizen has equal opportunity to influence policies of state through the Political Party, and the establishment of the principle of democracy of one man one vote. Considering that the establishment of a Political

Party is the realization of the sovereignty of the people, and not aimed at the establishment of economic powers, there must, therefore, be set limits to resources of the Political Party in order to avoid the misuse of moneys for political interests (money politics). The financial transparency of the Political Party provides important information to all citizens to evaluate whether or not to support the said Political Party.

Furthermore, to establish the principles of a state that is based on law, the Political Party must obey all existing laws and regulations. Control over violations of the laws will be implemented by the Supreme Court of the Republic of Indonesia based on its authority as the highest judiciary institution and with reference to existing legal mechanisms.