ARMA Update 09 January 2023

(English Version)



Governor of DKI Jakarta Regulation Regarding Green Buildings

General Overview

The Governor of DKI Jakarta recently promulgated the Governor of DKI Jakarta Regulation Number 60 of 2022 regarding Green Buildings (**"GovReg 60/2022"**). Through this regulation, it is stipulated that in DKI Jakarta, technical aspects are to be observed in constructing a new building as well as managing a building that currently is being built or has been built and used. This regulation is originally regulated through Minister of Public Works and People's Housing Regulation Number 02/PRT/M/2015 regarding Green Buildings. The GovReg 60/2022 acts as a refinement and adjustment to the provision of green buildings in DKI Jakarta.

This ARMA Update will discuss the substance of GovReg 60/2022.

Classification of Buildings

Pursuant to the provision of GovReg 60/2022, there are 3 (three) classifications of a building which are (i) large-scale buildings (*bangunan skala besar*), (ii) medium-scale buildings (*bangunan skala sedang*), and small-scale buildings (*bangunan skala kecil*).¹

Classification	Descriptions
	(i) Residential; (ii) business function; (iii) buildings for socio-cultural
Large-scale Buildings	function; and (iv) mixed function of residential, business, and socio-
	cultural.
	(a building area of more than 20,000 m^2 (twenty thousand square meters) or a building with a total floor area of more than 8 (eight) floors.)
Medium-scale Buildings	(i) Residential; (ii) business function; and (iii) buildings for socio-
	cultural function.
	(a building area of more than 5,000 m^2 (five thousand square meters) up to 20,000
	m^2 (twenty thousand square meters).)
Small-scale Buildings	(i) Residential (a parcel area of at least 350 m2 (three hundred and fifty square
	<i>meters)</i>); and
	(ii) (a) Residential; (b) business function; and (c) socio-cultural
	functions. (a building area of at least 1,500 m2 (one thousand five hundred
	square meters) to 5,000 m2 (five thousand square meters).)

As indicated by their names, the classification of those buildings is determined by the area of the building itself. Besides the classification based on building area, buildings are also classified into 2 (two) types which are (i) new buildings and (ii) existing buildings.² In this regard, new buildings are those that are currently still in the planning phase, while existing building are those that are under

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¹ Article 2 paragraph (2) of the GovReg 60/2022.

² Article 2 paragraph (1) of the GovReg 60/2022.



construction or have been constructed and are already in use for operational purposes. The classification of a building based on its area will implicate the technical requirements to be considered as a green building which will be discussed further in the next part of this ARMA Update.

Technical Requirements Based on Buildings Classification

As mentioned in the introductory paragraph of this ARMA Update, previously green buildings were regulated through the Minister of Public Works and People's Housing Regulation. The GovReg 60/2022 acts as a adjustment to the technical and administrative requirements in the establishment of new buildings and management of existing buildings. The technical requirements that shall be met by building owners (for new buildings) are to be checked by (i) building expert team; (ii) a team from the city or district administration level; and (iii) independently by the building owner. If the checking by the 3 (three) parties as mentioned before conclude that all technical requirements have been met, then the district head (kepala daerah) will grant Building Permit (*Izin Mendirikan Bangunan* or "**IMB**") and Certificate of Occupancy (*Sertifikat Laik Fungsi* or "**SLF**")³ to the new building willing to be established.

Technical Requirement for Large-Scale Buildings

In general, there are 4 (four) requirements for a large-scale building which include (i) energy efficiency; (ii) water efficiency; (iii) management of indoor air quality; and (iv) provision of land-supporting facilities⁴ which are regulated in Article 9, 27 (1), 32, and 35 of the GovReg 60/2022.

Requirement	Parameter(s)
Energy Efficiency	(i) Building envelope; (ii) air conditioning
	system; (iii) artificial lighting system; (iv) in-
	building transportation system; (v) electricity
	system; and (vi) renewable energy system in the
	building.
Water Efficiency	(i) Maximum value flow rate; (ii) water meter at
	the building's water source; (iii) rainwater
	harvesting; and (iv) recycled water.
Management of Indoor Air Quality	(i) Control sensor for carbon monoxide (CO);
	and (ii) control sensor for carbon dioxide (CO ₂).
Land Supporting Facilities	(i) Bicycle parking facilities; and (ii) for offices,
	commercial, and educational services located in
	transit oriented development area shall provide
	a bathroom for bicycle users.

Technical Requirements for Medium-Scale Buildings

For medium-scale buildings, there are only 2 (two) general requirements which include energy efficiency and water efficiency⁵ that are regulated under Article 40 and Article 52 of the GovReg 60/2022.

 $^{^{3}}$ Article 63 paragraph (4) of the GovReg 60/2022.

⁴ Article 8 of the GovReg 60/2022.

 $^{^5}$ Article 39 of the GovReg 60/2022.



Requirement	Parameter(s)
Energy Efficiency	(i) Building envelope; (ii) air conditioning system; (iii) artificial lighting system; (iv) in- building transportation system; and (v) renewable energy system in the building.
Water Efficiency	(i) Maximum value flow rate; (ii) water meter at the building's water source; and (iii) rainwater harvesting.

Technical Requirement for Small-Scale Buildings

Similar to the requirements for medium-scale buildings, there are also 2 (two) requirements for small-scale buildings which includes energy efficiency and water efficiency⁶ which is regulated in 57 and 62 of the GovReg 60/2022.

Requirement	Parameter(s)
Energy Efficiency	(i) Building envelope; (ii) air conditioning
	system; and (iii) artificial lighting system.
Water Efficiency	Flow rate of plumbing machine used for the
	building as regulated by Appendix III of the
	GovReg 60/2022.

Obligation of Building Owner/Manager

1. New Building

As aforementioned, the technical requirements for new buildings are considered as a requirement to obtain an IMB and SLF. The legal implication caused by the new technical requirement is that the real estate companies and/or building developers shall comply with the technical requirements in the construction agreement made as a condition precedent.

2. Existing Building

The owners and/or managers of existing buildings are obligated to conserve energy and report to the Government of DKI Jakarta (*Pemerintah Kota DKI Jakarta*) through a form as attached on Appendix VI of the GovReg 60/2022. The things to be reported in such form are annual energy consumption and annual water consumption.⁷ Such report form will be served as one of the considerations from the government to grant or not to grant an SLF for the building.

Incentive

Based on Article 68 paragraph (1) of the GovReg 60/2022, an incentive is regulated to be given to the owners and/or managers of green buildings and owners and/or managers that are required to comply with the requirements of a green building. The incentive provided under the aforementioned provisions is a non-fiscal incentive in the form of publication or promotion through electronic media or other media.⁸

 $^{^{6}}$ Article 56 of the GovReg 60/2022.

⁷ Article 67 paragraph (1) of the GovReg 60/2022.

 $^{^{8}}$ Article 68 paragraph (2) of the GovReg 60/2022.

Sunset Period

In this regulation, a sunset period is regulated that the building owners and/or managers which are currently in the process of applying for an IMB and SLF before the promulgation of this regulation can still obtain their IMB and SLF.⁹ However, 6 (six) months after this regulation is promulgated (at the latest on 21 April 2023), the land owners and/or managers shall adjust and comply with the requirements of this regulation.

Please contact Dewi Sekar Arum (<u>dewi.arum@arma-law.com</u>) and Salsabila Hana Safira (<u>salsabila.safira@arma-law.com</u>) for further information.

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⁹ Article 72 of the GovReg 60/2022.