Regarding the Obligation to Submit Patent Working Reports

【Current Situation】 (Updated October 17, 2025)

The Patent Law amended last year mandates the submission of patent working reports (Article 20A), but the specific reporting timing, the specification of patents subject to reporting, the reporting contents, etc., have not been clarified.

The Patent Office states that the implementing regulations concerning working reports are still in preparation. Fundamentally, it is also stipulated (Article 169) that this amended law applies to applications filed on or after its enforcement date, so it is understood that the working report obligation also applies to those filed on or after the enforcement of the amended law.

However, specific information seems to be circulating, such as that the submission timing for working reports is the end of this year, or that the registration date of patents subject to working reports is on or before December 31, 2022. This information is not known to the Patent Office and does not seem to be based on official announcements. It appears as though some agents are making a fuss and submitting questions to the Patent Office, and the results of some staff members responding personally have taken on a life of their own.

Strangely, on the Patent Office's electronic filing site, a form for the working report and a menu for submitting it are also prepared, but the Patent Office has confirmed that there are absolutely no risks, such as late fees, even if patent holders do not use this.

Regarding the enforcement timing and content of the implementing regulations concerning working reports, we will share information with everyone as soon as it becomes available.

【Reasons the information has taken on a life of its own】 (Updated October 18, 2025)

Naturally, the detailed implementation rules related to the amended Patent Law are to be publicly announced by the Directorate General of Intellectual Property, and we who use the Patent Law act upon receiving that announcement. In a state where that announcement does not exist, there is no need to take new action.

The Indonesian Directorate General of Intellectual Property may sometimes not be thorough with announcements regarding new laws and regulations, but we have confirmed that, as of October 17, 2025, the regulations concerning working reports are in preparation.

Nevertheless, the fact that unique information regarding working reports is being circulated by some agents may be due to the following reasons.

As the first possibility, can it not be perceived as a marketing strategy taking advantage of the anxiety of foreigners unfamiliar with the actual situation in Indonesia? As the second

possibility, a difference in understanding of the transitional provisions and application timing of the amended law can be considered.

Amended Law Article 20A stipulates, "The patent holder must prepare a statement regarding the working of the patent in Indonesia and report it to the Minister by the end of each year," but it may be that some people interpreted this "end of each year" as starting from 2025.

Thirdly, a problem of information sharing within the Directorate General of Intellectual Property can be considered. It is a common occurrence that within the Directorate General of Intellectual Property, interpretations of laws and operations are inconsistent depending on the officer in charge. A staff member who received an inquiry from a user may have merely stated their own opinion, but it was perhaps circulated as if it were official information.

【Reasons the form and menu are already prepared】 (Updated October 24, 2025)

Even though the Patent Office says the implementing regulations are in preparation, why is it that the form for the working report is already prepared, and a menu for submission is also prepared on the website? Because such concrete measures have been taken, it is natural for users to think that the operation of working reports has already started, and I think that is why they are confused.

Even though the implementing regulations for the working reports are not yet made, why are the form and menu made first? This is purely my speculation, but to explain the reason, I must touch upon Indonesia's cultural climate.

(1) Awareness regarding time limits

Indonesian people, when a law changes, do not pay much attention to when its operation begins. It is often the case that the fact the law has changed is not made well-known, and it often happens that they notice the law had changed only after the fact.

The enforcement timing of the amended Patent Law is also not well-recognized, and because Article 20A stipulates "by the end of the year," there is a sufficient possibility that some people make an interpretation close to an assumption that it will be immediately operated, including for past portions.

(2) Awareness regarding the chain of command

When a person who made such an interpretation makes an inquiry to the Patent Office, it is also possible that a staff member, influenced by that person, arbitrarily creates a form.

Among you, the readers, are there not also those who have had the experience, when requesting an application from an Indonesian agent, whether it be a request for examination or a response to an office action, of the agent acting arbitrarily without confirming the client's intention? Forgetting under whose instructions

they should act and reacting immediately to the request before them can also be said to be a habit of Indonesian people.

Given that the implementing regulations concerning working reports are not yet made, it is impossible that the form would come out first, but it is not strange if there was a staff member who was strongly requested by an agent and just ended up listening to what they said.

Additionally, for those who would like to know more about Indonesia's cultural climate, please have a look at the Facebook group "インドネシアの-フツー".

【Background of the Mandated Working Report Obligation】 (Updated October 27, 2025)

To begin with, for what purpose was the working report obligation stipulated? What is the objective of making (people) submit working reports? If this can be understood, it is possible to get closer to the essence of the problem. And the readers who have understood that will surely be convinced that this problem is not something to be feared so much.

[Government Implementation of Pharmaceutical Patents]

In Article 109, Paragraph (1) of the Indonesian Patent Law, there is a provision stating, "Considering the urgent need for defense and national security or for the public interest, a patent may be implemented." A provision similar to this also existed in the old Patent Law before the amendment. And based on this provision, Presidential Decree No. 83 of 2004, Presidential Decree No. 6 of 2007, and Presidential Decree No. 76 of September 3, 2012, were enforced, making it possible for the government to implement patents for antiviral drugs and antiretroviral drugs. The objective is the treatment of patients with AIDS or Hepatitis B.

The patents that were decided to be implemented by the government according to Presidential Decree No. 76 of 2012 are as follows:

Table 1: Patents that became the target of implementation by Presidential Decree No. 76 of 2012

No.	有効成分	特許権者	特許番号	特許有効期限
1	Efavirenz	Merck & Co., INC.	ID0005812	7 Aug 2013
2	Abacavir	Glaxo Group Ltd.	ID0011367	14 May 2018
3	Didanosin	Bristol-Meyers Squibb Co.	ID0010163	6 Aug 2018
4	Lopinavir, Ritonavir	Abbot Laboratories	IDP0023461	23 Aug 2018
5	Tenofovir	Gilead Science, Inc.	ID00076538	23 Jul 2018
6	Tenofovir, Emtrisitabin, Evafirenz	Gilead Science, Inc.	IDP0029476	3 Nov 2024

The person designated by the Minister of Health as the implementer of these patents was the state-owned enterprise Kimia Farma. It was decided that the implementer would pay a royalty of 0.5% of the net selling price to the patent holders, but it is not hard to imagine that the patent holders objected to the setting of a working license that the patent holders themselves did not desire.

As can be seen in Table 1, the patent holders of these medicines are pharmaceutical companies from developed countries. Centering on patent attorneys and lawyers who have these Western pharmaceutical companies as clients, this series of moves by the Indonesian government became the focus of attention for intellectual property experts around the world, and many reports came to be published. The term used at that time was "Compulsory License (Compulsory License) ". News using the expression "The Indonesian government has set a compulsory license" was spread throughout the world via the internet.

［A Big Misunderstanding］

By the way, the provision regarding compulsory licenses is in Article 82, Paragraph (1) of the Patent Law, and it stipulates that a compulsory license can be set for a patent that is not worked within 36 months after the patent grant.

On the other hand, the Indonesian government having Kimia Farma and others implement the patents of foreign pharmaceutical companies since 2004 was based on the provision for implementation by the government to respond to emergencies stipulated in Article 109, Paragraph (1). This one has no statute of limitations. Regardless of the number of years after the patent grant or the working status, the implementation is decided.

Because intellectual property experts had expressed this matter using the term "compulsory license," the concerned parties thought that the working license for the patents as listed in the table above being given to Kimia Farma was due to the provision (Article 82, Paragraph (1)) of "a compulsory license that is set if the patent is not worked within 36 months". From here, the pharmaceutical industry's enthusiastic lobbying activities begin.

Its purpose is to avoid the setting of compulsory licenses. That effort was to extend the time limit of "36 months" and to expand the definition of "working". Using lawyers who are influential figures in Indonesia's intellectual property world, lobbying activities towards the government came to be piled up.

The results of the lobbying activities by such a pharmaceutical industry include the following "reforms".

①According to the implementing regulations concerning the patent working obligation which came into effect in July 2018, in cases where it is not possible to fulfill the working obligation within 36 months from the patent grant, it became possible to apply for an extension.

②According to the Omnibus Law enforced on November 2, 2020, "import" and "licensing" were included in the working of a patent.

The "amendments" such as the above were the result of lobbyists having influenced the government in order to avoid or delay the setting of compulsory licenses even a little. In response to the demands of the lobbyists, it is not strange even if the government demands that the actual situation of working be clarified, in exchange for making the requirements for working more lenient.

The Indonesian government also probably finds it uninteresting to just listen to everything the lobbyists say. I deduce that it was probably for such a reason that the patent working report was mandated in the 2024 Patent Law amendment this time.

In addition, at the amended Patent Law information session held under the auspices of the Patent Office in February 2025, I met this lobbyist and conveyed that I was making such a deduction, but the lobbyist just smiled broadly and did not deny it.

［Frequency of Compulsory License Setting］

As explained above, it is considered that the patent working report obligation came to be demanded in opposition to the request for relaxation of working requirements by lobbyists in the pharmaceutical industry who want to avoid the setting of compulsory licenses, but to begin with, is the setting of compulsory licenses frequently carried out in Indonesia? According to what we inquired at the Patent Office, up until now, there have been neither applications for nor settings of compulsory licenses.

［The Risk of Implementation by the Government Cannot Be Avoided］

After that, in order to deal with the novel coronavirus epidemic, Presidential Decrees stipulating the implementation of the patents in Table 2 and Table 3 newly came into effect in 2021. Since these implementations are not the "compulsory license" stipulated in Article 82, Paragraph (1) of the Patent Law, but the "implementation by the government" stipulated in Article 109, Paragraph (1) of the Patent Law, whether or not it was worked during a specific period is not a setting condition. In other words, as long as it is "implementation by the government," it means that it will be implemented regardless of whether or not the patent holder is working the patent.

Table 2: Patents that became the target of implementation by Presidential Decree No. 100 of 2021

No.	有効成分	特許権者	特許番号	特許有効期限

1	Remdesivir	Gilead Sciences, Inc	IDP000070932	29 Oct 2035
2	Remdesivir	Gilead Sciences, Inc	IDP000066850	6 Nov 2034
3	Remdesivir	Gilead Sciences, Inc	IDP000034534	22 Apr 2029

Table 3: Patents that became the target of implementation by Presidential Decree No. 101 of 2021

No.	有効成分	特許権者	特許番号	特許有効期限
1	Favipiravirr	Fujifilm Toyama Chemical Co., Ltd	IDP0032152	25 Sep 2028
2	Favipiravirr	Fujifilm Toyama Chemical Co., Ltd	IDP000045023	29 Sep 2031
3	Favipiravirr	Fujifilm Toyama Chemical Co., Ltd	IDP000040569	29 Sep 2031
4	Favipiravirr	Fujifilm Toyama Chemical Co., Ltd	IDP000046140	12 Mar 2030

As has been seen above, "implementation by the government" still has the risk of being carried out, regardless of whether or not the patent's working is being done. The efforts of the pharmaceutical companies seem to have been paid to earnestly unfasten a button that was buttoned wrong. Their lobbying activities to avoid the setting of compulsory licenses have realized various amendments, but the series of amendments are for avoiding compulsory licenses, for which it is not known when they will be set, and the actual results of their setting are said to be zero cases as of 2025.

［Risk of Non-working］

What is worried about as a risk due to non-working, other than "compulsory licenses," is probably that the patent will be revoked. In Article 20 of the Patent Law, it is stipulated, "The patent holder must carry out the manufacture of the product that received the patent or the use of the method that received the patent in Indonesia."

In this provision, neither a time limit nor penalties in cases of not complying with it are stipulated, so it is thought that non-working does not immediately lead to the revocation of the patent.

Also, the Paris Convention, in Article 5A, Paragraphs (2) and (3), prohibits the revocation of a patent due to non-working, and if Indonesia were to revoke a patent that is not being worked, it would be in violation of the convention.

To begin with, the provision of Article 20 of the Patent Law expects that the working of the patent will contribute to technology transfer, investment promotion, and job creation. For that reason, it stipulates that in cases where the patent is not worked, a compulsory license can be set.

The risk due to non-working should probably be considered to lie in the setting of a compulsory license rather than the revocation of the patent. And even for that compulsory license, there seem to be no actual examples set so far.

To repeat, implementation by the government has the possibility of being set at any time, regardless of the presence or absence of working by the patent holder or its timing.

［Summary］

I have explained the background for why the working report came to be mandated. To summarize,

（１）There are two types of compulsory-license-like things in Indonesia; one is the "implementation by the government" stipulated in Article 109, Paragraph (1) of the Patent Law, and the other is the "compulsory license" stipulated in Article 82, Paragraph (1) of the Patent Law. While "implementation by the government" has no statute of limitations and can be set at any time, the "compulsory license" is set in cases where the patent was not worked within 36 months from the patent grant.

（２）In order to respond to the epidemic of serious diseases, "implementation by the government" was set multiple times from 2004. The pharmaceutical companies that objected to that saw it as a "compulsory license" and have influenced the government for the amendment of regulations to relax that setting. The mandating of the working report is deduced to have been carried out as a countermeasure to the relaxation of the setting of compulsory licenses.

（３）Whereas there are multiple actual results of "implementation by the government" under Article 109, Paragraph (1) of the Patent Law, there seems to be no actual result of the "compulsory license" under Article 82, Paragraph (1) being set.

（４）The Patent Law stipulates the obligation of patent working, but a penalty provision does not exist. The risk due to non-working is difficult to conceive of other than the setting of a "compulsory license".

【What will happen from now on】　(October 28, 2025)

Regarding the specific operation of the working report, there is no choice but to wait for the coming into effect of the implementing regulations, but I will point out a few points that can be imagined.

The timing of the working report submission is thought to probably be matched with the payment timing of the annuities. This is because if submissions are concentrated at the end of the year on the calendar, there is a possibility that the burden on the system will increase. Currently, the menu for submitting the working report is established in the place for annuity payments.

I predict that no one will check the working reports. The time when it becomes necessary to check it is when a third party applies for a compulsory license. Until that necessity arises, it is probably rational that no one will check.

Conversely, it is not inconceivable that the Patent Office would actively search out patents that are not being worked, publicize them, and urge domestic companies to set compulsory licenses, but at the present time when searching specifications has also become possible due to the electronification of applications, sufficient opportunity is given to the applicant side. Moreover, despite there being no actual results of applying for compulsory license setting up to now, the Patent Office probably does not have enough leeway to provide an excessive service like checking tens of thousands of existing patents one by one.

To begin with, the government's matter of concern is implementation by the government rather than compulsory licenses. In cases where there is a patent the government has its eye on, whether it is being worked or not, the Indonesian government can apply Article 109, Paragraph (1) of the Patent Law and carry out "implementation by the government," so the government probably will not pay attention to the working status of that patent.

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