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Understanding the Key Differences:

NIB (INDONESIA) & UEN (SINGAPORE)

THE KEY DIFFERENCES

Indonesia and Singapore are two distinct jurisdictions within the Southeast Asia region, each offering unique opportunities for entrepreneurs and investors. Despite both being strategic business hubs, they apply fundamentally different regulatory approaches to business establishment and licensing. Understanding these key considerations is essential for structuring, operating, and scaling a business effectively in either jurisdiction.

DEFINITION



*In Singapore, businesses are identified by the **Unique Entity Number (UEN)**. serves purely as a universal business identifier, while operational licenses are regulated separately by the relevant authorities.*



*In Indonesia, the **Business Identification Number (Nomor Induk Berusaha – NIB)** functions not only as a company identifier but also as an integrated licensing gateway.*

TAXATION



*In Indonesia, the tax identification number is separate from the NIB. Tax registration is conducted through the issuance of a **Nomor Pokok Wajib Pajak (NPWP)**, which is distinct from the NIB. In contrast, Singapore adopts a more streamlined system, where the UEN serves as a universal business identifier and is also used for tax administration purposes.*

ISSUANCE



*In Singapore, UEN is issued **automatically** upon incorporation or registration of a business entity. Once the entity is registered, the UEN becomes immediately available and can be used.*

*In Indonesia, the NIB is issued through the Online Single Submission (OSS) system. While incorporation establishes the legal entity, the NIB is obtained through a **separate** licensing process that integrates business identification with regulatory compliance.*

OPERATIONAL READINESS



*In Indonesia, business operations may depend on additional licenses linked to the NIB. When you obtain an NIB, you must: declare business activities (KBLI), determine risk classification and fulfill prerequisites before or immediately after issuance. In practice, having an NIB **does not automatically mean you are operationally ready**. Operations may still be restricted until all licenses linked to the NIB are fulfilled.*

*In Singapore, businesses can proceed quickly, subject to sector-specific licenses. Once the UEN is issued: the company legally exists, can open bank accounts, sign contracts. Sector-specific licenses are applied separately, and only if the business actually requires them. **Its arrangement allows faster setup with compliance layered as needed.***

INDIVIDUAL ENTREPRENEUR



*In Indonesia, an individual entrepreneur (perorangan) **may obtain a NIB** in their personal capacity. This reflects Indonesia's approach, where the NIB is tied to the business actor rather than solely to the business entity. In contrast, Singapore's UEN is issued **only to registered business entities**, while individuals are identified separately using their NRIC (for citizens and permanent residents) or FIN (Foreign Identification Number).*

INTRODUCTION



*In Singapore, **since 2009**, all entities registered with the relevant authorities—including businesses, local companies, limited liability partnerships (LLPs), societies, representative offices, healthcare institutions, and trade unions are issued a UEN as their official identification number. The UEN serves as a single reference for correspondence and interactions with all government agencies.*

*In Indonesia, the NIB has served as the official identification for business actors in Indonesia **since 2018**, replacing several previous permits, including the Tanda Daftar Perusahaan (TDP), Angka Pengenal Importir (API), and customs access. Its purpose is to simplify the business licensing process. Over time, the NIB system has undergone several regulatory changes, with the most recent being the adoption of a risk-based assessment approach.*

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Choosing the right advisors, those who understand the regulatory nuances, can make the difference between growth and costly missteps.

A Business Identification Number provides legal certainty and regulatory clarity, and knowing the right one ensures compliance and confident expansion across borders.

Citylofts Sudirman 10th Floor
Jl. K.H. Mas Mansyur No. 121
Tanah Abang - Jakarta 10220
Indonesia

T : (021) 255 585 23
E : info@adikaralaw.com
www.adikaralaw.com