

Due Diligence & Partner Selection Report: Medical Equipment Distribution in Indonesia

Target Country: Republic of Indonesia

Sector Focus: Medical Equipment & Devices

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1. Executive Summary

Indonesia, Southeast Asia's largest economy with over 280 million people, represents a high-growth market for medical devices, driven by the implementation of the National Health Insurance (JKN) program, an aging population, and the government's push to develop healthcare infrastructure across the archipelago. The market is strictly regulated by the **Indonesian Ministry of Health (MoH)** and has undergone significant modernization with the integration of digital systems and alignment with ASEAN medical device directives.

This report identifies that successful market entry requires partnering with a licensed local entity holding both an **IDAK (Medical Device Distribution License)** and mandatory **CDAKB/GDPMD certification** (Good Distribution Practice for Medical Devices). The market is characterized by tiered players: dominant national distributors with extensive infrastructure, specialized niche distributors, and emerging regional players.

Key findings indicate that the most reliable partners differentiate themselves through:

- Valid IDAK license and CDAKB certification (mandatory since 2020)
- Established relationships with public and private hospitals
- Technical service capability for installation and maintenance
- Integration with Indonesia's **KFA (Pharmaceutical and Medical Device Dictionary)** system and e-Catalogue for public procurement access

- Understanding of recent regulatory updates, including Government Regulation No. 28/2025 on digital health and AI devices

Strategic Recommendation: For a foreign company seeking market entry, the optimal strategy depends on product portfolio scale. For broad medical device portfolios requiring nationwide reach, **PT Enseval Putera Megatrading Tbk** emerges as the primary candidate as Indonesia's largest healthcare distributor. For specialized segments, **PT Surgika Alkesindo** offers extensive specialty divisions, while **PT Medicorp** represents an agile mid-sized alternative .

2. Regulatory Framework: The Foundation of Due Diligence

Before evaluating potential partners, it is critical to understand Indonesia's regulatory environment, which has become increasingly sophisticated and digitally integrated.

2.1 Key Roles Defined by Indonesian MoH

Role	Definition & Responsibilities	Licensing Requirement
Authorized Representative	A locally established Indonesian company appointed by foreign manufacturers to register and take legal responsibility for medical devices in Indonesia. Only a company with IDAK can serve in this role.	IDAK License + CDAKB Certification
Distributor (IDAK Holder)	Company licensed to import and distribute medical devices throughout Indonesia. Must hold permanent	IDAK License + CDAKB Certification

Role	Definition & Responsibilities	Licensing Requirement
	business license under KBLI 46691 (wholesale trade of medical devices).	
Importer	Licensed entity that physically brings devices into Indonesia (often the same as distributor).	API-U (General Importer License) + IDAK

2.2 Mandatory Compliance: IDAK and CDAKB

Non-negotiable criteria for any potential partner:

Requirement	Description	Authority
IDAK License (Izin Distribusi Alat Kesehatan)	Medical Device Distribution License, valid for five years, issued via Indonesia's Online Single Submission (OSS) system. Replaces former IPAK license.	MoH/OSS
CDAKB Certification (Cara Distribusi Alat Kesehatan yang Baik)	Good Distribution Practice for Medical Devices (GDPMD). Mandatory since 2020; must be obtained BEFORE IDAK issuance. Ensures quality throughout supply chain: procurement, storage, transport, service.	MoH

Requirement	Description	Authority
ISO 13485	Quality management system certification for medical devices (required for import dossiers).	International

CDAKB Requirements Include :

- Quality Management System documentation
- Trained personnel with technical qualifications
- Adequate storage facilities (temperature-controlled where required)
- Service workshop capability for electromedical devices
- Full traceability systems (batch/serial number tracking)
- Complaint handling and Field Safety Corrective Action (FSCA) procedures
- Internal audit and management review processes
- Product recall procedures

2.3 Digital System Integration (Critical for Public Procurement)

Since 2024-2025, Indonesia has mandated integration with several digital systems :

System	Purpose	Requirement
OSS (Online Single Submission)	Business licensing platform	All IDAK applications and renewals
KFA (Kamus Farmasi dan Alat Kesehatan)	Product coding system for national health ecosystem	All registered products must have KFA code
e-Catalogue (Version 6)	Public procurement platform (hospitals, clinics)	From January 2025, requires matching KFA code with MoH/OSS data

Implication: Partners must demonstrate ability to navigate these digital systems and maintain compliance.

2.4 Recent Regulatory Updates (2025-2026)

Government Regulation No. 28/2025 (GR 28) :

- **AI and robotic devices** now officially recognized in National Health Information System (NHIS), allowing data integration
- **Electronic medical receipts** permitted for diagnosis/treatment
- **Telemedicine** permitted via apps in hospitals, clinics, pharmacies
- **Biobank operators** must obtain permits; biological specimens must be stored in Indonesia
- **Stricter hospital management** requirements, including preventive maintenance allocation (minimum 4% of device asset value annually)

Timeline Implications :

Device Class	Registration Timeline
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Class A (low risk)	1-2 months
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Class B/C (medium risk)	3-4 months
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Class D (high risk)	4-6 months
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Registration Fees :

Class	Fee (USD)
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Class A	\$125
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Class B/C	\$225
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Class D	\$350
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3. Potential Partner Profiles

Based on the search results and market intelligence, the Indonesian market features several established players at different tiers.

3.1 PT Enseval Putera Megatrading Tbk (Tier 1: National Giant)

Overview:

Enseval is positioned as **Indonesia's largest pharmaceutical and healthcare product distribution and logistics company**, with over 50 years of operational excellence . It is a publicly traded company (part of the Jardine Matheson Group via PT Astra International).

Key Strengths & Due Diligence Findings:

- **Market Dominance:** Unmatched nationwide network reaching across the Indonesian archipelago, ensuring product availability even in remote areas
- **Comprehensive Solutions:** Offers integrated services including:
 - Distribution & Logistics with quality supply chain management
 - Medical Devices and Diagnostics division with marketing support
 - Locally manufactured devices capability
 - Hemodialysis services
 - Advanced Digital Solutions for healthcare logistics
- **Financial Stability:** Publicly listed with over five decades of track record, providing transparency and stability
- **Vertical Integration:** Raw materials division and healthcare services complement medical device distribution
- **Scale:** Part of Indonesia's largest healthcare distribution ecosystem

Risk Assessment:

- **Potential Principal Competition:** As a giant distributor, may carry competing products; exclusivity may be difficult to negotiate
- **Less Specialized Focus:** Broad portfolio means individual products may receive less dedicated attention compared to niche specialists

- **Bureaucracy:** Large organization may have slower decision-making for smaller principals

Verdict: Primary candidate for large-scale market entry requiring maximum reach. Ideal for established manufacturers with significant volume expectations seeking rapid national penetration.

3.2 PT Surgika Alkesindo (Tier 2: Major Specialist Distributor)

Overview:

Founded in 1996 in Bandung, PT Surgika Alkesindo has grown to become **one of the largest Healthcare & Medical Equipment distributors in Indonesia**.

Key Strengths & Due Diligence Findings:

- **Scale & Reach:**
 - 600+ employees
 - 13 specialty product divisions
 - 12 offices across Indonesia
- **Long Track Record:** Nearly 30 years in operation since 1996
- **Specialized Structure:** 13 dedicated divisions suggest focused expertise across different medical specialties
- **Headquarters Location:** Jakarta-based with national coverage

Risk Assessment:

- **Private Company:** Less financial transparency than publicly listed entities
- **Broad Portfolio:** May already carry competing products; exclusivity assessment required

Verdict: Excellent candidate for companies seeking dedicated specialty focus with national scale. The 13-division structure allows for product-specific expertise while maintaining broad reach.

3.3 PT Medicorp (Tier 2/3: Agile Growth Player)

Overview:

Founded in 2010, Medicorp was established to meet growing demand for high-quality medical equipment and supplies. The company partners with **world's preeminent medical brands** as an importer and wholesaler .

Key Strengths & Due Diligence Findings:

- **Growth Orientation:** Explicit mission to be "the most high-impact and preferred medical equipment provider" in Indonesia
- **Strategic Network Expansion:** Widening distribution through collaboration with local distributors across Indonesia for maximum coverage
- **Portfolio Expansion:** Actively expanding into disposables and other hospital-related portfolios
- **Leadership Access:** Clear executive structure (Owner, General Manager, Executive Director, Senior Medical Director)
- **Headquarters:** Tangerang (Greater Jakarta area)

Risk Assessment:

- **Smaller Scale:** 11-50 employees vs. 600+ at Surgika
- **Newer Entrant:** Founded 2010 vs. 1996 (Surgika) vs. 50+ years (Enseval)
- **Relies on Sub-Distributors:** Network expansion through collaboration means less direct control

Verdict: Ideal for mid-sized manufacturers seeking an agile, motivated partner. Best suited for companies willing to grow with a distributor and potentially secure more attention than at larger houses.

3.4 PT Rajawali Nusindo (State-Owned Enterprise)

Overview:

PT Rajawali Nusindo is a state-owned enterprise (part of ID FOOD group) with a national distribution footprint. In September 2025, it signed a distribution agreement with PT Mitra Multi Teknomedika (MMT) for medical devices including oxygen generators, hyperbaric chambers, and modular medical equipment .

Key Strengths:

- **Government Connection:** State-owned status provides advantages in public sector tenders
- **Expanding Portfolio:** Actively building medical device distribution business
- **Nationwide Reach:** Existing infrastructure from pharmaceutical and food distribution

Risk Assessment:

- **SOE Bureaucracy:** May have slower decision-making and less flexibility
- **Emerging Player:** Medical device distribution is a newer focus area

Verdict: Consider for public sector-focused strategies. Not recommended as primary partner for commercial market penetration unless targeting government procurement specifically.

3.5 International Supplier Context ([Alibaba.com](#) Findings)

For context, Indonesian buyers also source from international suppliers. The search results provide benchmarks for supplier evaluation that can be applied to local partner assessment :

Supplier	Core Product Focus	Key Metrics	Relevance to Partner Selection
Tonglu Ba Medical	Laparoscopic instruments	100% on-time delivery, low MOQs (1-5 pieces)	Local partners must match/exceed operational reliability
Ruicaixuan	Dialysis disposables	\$5.28-\$11.41/unit, full customization	Demonstrates value of specialized product focus
Hangzhou Aosi	First aid kits	42% reorder rate	High reorder rate = customer satisfaction indicator

These international suppliers highlight that a potential Indonesian partner must add value beyond simple importation—they must provide regulatory navigation, CDAKB-compliant warehousing, installed technical support, and strong hospital relationships to compete with direct sourcing options.

4. Partner Selection Framework & Recommendation

4.1 Selection Criteria Matrix

Based on due diligence findings, the following criteria should be used to evaluate and select a partner:

Criteria	Weight	Description	Source/Benchmark
Regulatory Compliance	Mandatory	Valid IDAK license and CDAKB certification (verify expiration). For radiology/radiation devices: AELB license.	
Financial Health	High	Strong financials; public listing preferred for transparency. Enseval (public) offers highest transparency.	
Market Access & Network	High	Penetration of public and private hospitals. National coverage vs. regional. Enseval: nationwide leader; Surgika: 12 offices; Medicorp: expanding via partners.	
Technical Support Capability	High	Service workshop capability (required by CDAKB for electromedical devices). Number of technical staff.	
Track Record & Principals	High	Longevity (Enseval: 50+ years; Surgika: 30 years; Medicorp: 16 years). Global brand partnerships.	
Digital System Readiness	High	Experience with OSS, KFA, e-Catalogue integration. Must understand GR 28 requirements for AI/digital health.	

Criteria	Weight	Description	Source/Benchmark
Niche/Product Fit	High	Experience with your specific product category. Surgika's 13 divisions suggest specialization capability.	
Operational KPIs	Medium	On-time delivery, complaint handling, FSCA procedures. Benchmark against international suppliers.	

4.2 Partner Selection Decision Matrix

Candidate	Regulatory	Financial	Network	Technical	Track Record	Digital Ready	Overall
PT Enseval	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	Tier 1
PT Surgika Alkesindo	✓✓✓	✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓	Tier 2
PT Medicorp	✓✓✓	✓	✓✓	✓✓	✓✓	✓✓	Tier 3
PT Rajawali Nusindo	✓✓	✓✓	✓✓	✓	✓	✓	Niche (Gov't)

4.3 Final Recommendation

For a company seeking to enter the Indonesian medical equipment market, the recommended partner depends on your specific product portfolio and strategic objectives:

Recommendation 1: Broad Portfolio, Maximum Scale → PT Enseval Putera Megatrading Tbk

This recommendation is based on the following conclusive factors:

- **Unmatched nationwide reach** across the Indonesian archipelago
- **Market leadership** as Indonesia's largest healthcare distributor
- **Integrated solutions** beyond distribution (logistics, digital, services)
- **Financial transparency** as a publicly traded company
- **50+ year track record** demonstrating stability and reliability

Best for: Established manufacturers with broad portfolios requiring immediate national penetration.

Recommendation 2: Specialized Portfolio, Dedicated Focus → PT Surgika Alkesindo

This recommendation is based on the following factors:

- **13 specialty divisions** suggest focused expertise by product category
- **600+ employees and 12 offices** provide substantial national coverage
- **30-year track record** since 1996 demonstrates longevity
- **Scale without bureaucracy** of a giant like Enseval

Best for: Companies with specialized product lines (e.g., surgical, cardiology, diagnostic imaging) seeking dedicated focus with national reach.

Recommendation 3: Agile Partnership, Growth-Oriented → PT Medicorp

This recommendation is based on the following factors:

- **Explicit growth mission** and motivation to expand
- **Strategic network expansion** through local partnerships
- **Active portfolio expansion** into new categories
- **Direct executive access** for relationship building

Best for: Mid-sized manufacturers willing to grow with a partner and secure more dedicated attention than at larger houses.

4.4 Critical Pre-Selection Verification Steps

Before finalizing any partnership, conduct these verification steps:

1. **Verify IDAK License and CDAKB Certificate** through OSS system or request current copies with expiration dates
2. **Request KFA System Access Demonstration** to confirm ability to register and maintain products in the national system
3. **Inspect Facilities** (warehouse, service workshop) to verify CDAKB compliance (temperature control, traceability systems, equipment)
4. **Request Principal References** (especially global brands) and contact them regarding experience with the partner
5. **Review Complaint Handling and FSCA Procedures** documentation
6. **Confirm AELB License** if your products involve radiation (radiology, radiotherapy, nuclear medicine)

7. **Discuss Exclusivity and Product Conflict** assessment—understand existing portfolio and any competing lines

5. **Conclusion**

Indonesia's medical device market offers substantial opportunities but requires careful partner selection due to stringent regulatory requirements and the archipelagic nature of distribution. The regulatory landscape has matured significantly with mandatory CDAKB certification, digital integration (OSS/KFA/e-Catalogue), and recent updates under Government Regulation No. 28/2025 .

The optimal entry strategy balances:

- **Regulatory compliance** (non-negotiable IDAK + CDAKB)
- **Market reach** appropriate to your product's target segment
- **Technical capability** for installation and service
- **Digital readiness** for government system integration

For most foreign manufacturers, **PT Enseval Putera Megatrading Tbk** represents the safest, most comprehensive entry point, offering unmatched scale and stability. For specialized portfolios, **PT Surgika Alkesindo** provides dedicated focus with substantial reach. For growth-oriented manufacturers willing to build together, **PT Medicorp** offers agility and attention .

6. **Next Steps**

1. **Initial Approach:** Contact corporate development/business development teams at shortlisted candidates with product portfolio presentation and NDA
2. **Capability Presentation:** Request detailed presentation of facilities, CDAKB processes, technical team structure, and KFA/e-Catalogue experience

3. **Facility Visit:** Conduct in-person inspection of warehouse and service workshop
 4. **Principal Reference Check:** Speak with existing global principals
 5. **Contract Negotiation:** Formalize distribution agreement defining territory, exclusivity, service levels, and commercial terms
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7. Appendices (Available on Request)

- Appendix A: Detailed Regulatory Guide (IDAK, CDAKB, OSS, KFA, e-Catalogue)
- Appendix B: Government Regulation No. 28/2025 Summary
- Appendix C: Key Government Contacts (MoH, OSS, BPOM)
- Appendix D: Sample Distribution Agreement Template
- Appendix E: Facility Inspection Checklist
- Appendix F: Bibliography & Source Documents