
AUTHORIZED TRANSLATION



MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

**REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF
INDONESIA**

NUMBER: 23/M-DAG/PER/5/2013

CONCERNING

PROGRAM OF STABILIZING SOYBEAN PRICE

**BY THE GRACE OF ALLAH THE AL MIGHTY
MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,**

- Considering : a. that in order to stabilize price of soybean price in the farmer level and stabilize the selling price of the soybean at the level of tofu/tempe maker jointly, it is necessary to prepare program of stabilizing soybean price;
- b. that based on the consideration as referred to in item a, it is necessary to stipulate the Ministerial Regulation of Trade concerning Program of Stabilizing Soybean Price;
- In view of 1. *Bedrijfsreglementerings Ordonnantie* 1934 (State Gazette of 1938 Number 86);
2. Law Number 7 of 1994 concerning Ratification of Agreement Establishing The World Trade Organization, (State Gazette of the Republic of Indonesia of 1994 Number 57, Supplement to the State Gazette of the Republic of Indonesia Number 3564);
3. Law Number 19 of 2003 regarding State Owned Company

(State Gazette of the Republic of Indonesia of 2003 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 4286);

4. Law Number 39 of 2008 concerning State Ministry (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916);
5. Law Number 17 of 2012 concerning Cooperative Affairs (State Gazette of the Republic of Indonesia of 2012 Number 212, Supplement to the State Gazette of the Republic of Indonesia Number 5355);
6. Law Number 18 of 2012 concerning Food (State Gazette of the Republic of Indonesia of 2012 Number 227, Supplement to the State Gazette of the Republic of Indonesia Number 5360);
7. Government Regulation Number 68 of 2002 concerning Food Resistance (State Gazette of the Republic of Indonesia of 2002 Number 142, Supplement to State Gazette of the Republic of Indonesia Number 4254);
8. Presidential Decree Number 84/P of 2009 concerning Establishment of Kabinet Indonesia Bersatu II as already amended by virtue of Presidential Decree Number 59/P of 2011;
9. Presidential Regulation Number 47 of 2009 concerning the Establishment and Organization of State Ministry as already amended lastly by virtue of Presidential Regulation Number 91 of 2011;
10. Presidential Regulation Number 24 of 2010 concerning Position, Duty, and Function of State Ministry and Organizational Structure, Duty, and Function of Echelon I of State Ministry as already amended lastly by virtue of Presidential Regulation Number 92 of 2011;
11. Presidential Regulation Number 32 of 2013 concerning Assignment to the General Company of BULOG for the

Security of Price and Soybean Distribution;

12. Regulation of the Minister of Trade Number 31/M-DAG/PER/7/2010 concerning Organization and Working Procedure of Ministry of Trade as already amended by virtue of Ministerial Regulation of Trade Number 57/M-DAG/PER/8/2012;

HAS DECIDED:

To Stipulate : **REGULATION OF MINISTER OF TRADE CONCERNING STABILIZING PROGRAM SOYBEAN PRICE**

Article 1

The terms of the Regulation of Minister are:

1. Soybean means the crops of soybean (*Glycine max. Merr*) in terms of yellow-dried bean already removed from pod skin and removed in the classification of Tariff Post/HS 1201.90.00.00.
2. Program of Stabilizing Soybean Price, hereinafter referred to as the Program of SHK means regulation of purchasing Soybean from farmer, Soybean import, and sales of Soybean to the tofu (tahu)/tempe maker.
3. Tofu/tempe maker means a group of people carrying out the business activity of Soybean processing business to be tofu/tempe supervised in any organization.
4. Soybean Purchase Price of Farmer hereinafter referred to as HBP Soybean means purchase reference price of the Soybean at farmer level in the SHK Program.
5. Sale Price of Soybean at the level of tofu/tempe maker hereinafter referred to as HJP Soybean means sale reference price of the Soybean to the tofu/tempe Maker in the SHK program.
6. Stabilization Team of Soybean Price hereinafter referred to as SHK Team means team established by the Minister and in charge of providing recommendation on the need of national Soybean and determination of the amount of HBP and HJP.

- 7 Public Company of Logistic Agency, hereinafter referred to as the Public Company of BULOG means State Owned Company, in which all capital are owned by state in terms of State assets separated and undivided to the Shares.
8. Minister means minister carrying out governmental affairs in the sector of trade.

Article 2

- (1) Stabilization of Soybean price is made by regulating the following items:
 - a. purchase of Soybean from farming group, combined farming group or farming cooperative with the price, number, and particular time and in the determined location.
 - b. soybean import; and
 - c. sale of Soybean to the tofu/tempe maker with the price, amount, and particular time and in the given location.
- (2) The implementation of stabilizing Soybean price as referred to in paragraph (1) may only be made by Public Company of BULOG, cooperative and/or private participating in the SHK Program.
- (3) Public Company of BULOG, cooperative and/or private participating in the SHK Program shall sign declaration of participation in the SHK Program with the form as contained in attachment of the Ministerial Regulation.

Article 3

- (1) Soybean Purchase is gained from the domestic production or through import.
- (2) Public Company of BULOG, cooperative and/or private shall conduct purchase of domestic production Soybean from farming group, combined farming group or farming cooperative per area chiefly in the great harvest period of the Soybean.
- (3) Great harvest Soybean Period as referred to in paragraph (2)

shall be stipulated by the Minister of Agriculture.

- (4) Soybean purchased from the domestic products as referred to in paragraph (2) shall meet Soybean quality standard of the consumption in accordance with SNI 01-3922-1995, as follows:
 - a. content of water at most 14% (fourteen percent);
 - b. split granule at most 3% (three percent);
 - c. damaged granule at most 3% (three percent);
 - d. other color granule at most 5% (five percent);
 - e. dirt at most 2% (two percent); and
 - f. wrinkled granule at most 3% (three percent).

Article 4

- (1) Planned purchase of Soybean from farming group, combined farming group or farmer cooperative per area by the Public Company of BULOG, cooperative and/or private especially during the great harvest period as referred to in Article 3 paragraph (2) based on the availability data of the Soybean as proposed by the Minister of Agriculture.
- (2) Proposal as referred to in paragraph (1) shall be submitted in writing to the Minister through Team Leader of SHK at least 30 (thirty) business days before the beginning of the procurement especially in the following great harvest soybean for discussion in the SHK Team.
- (3) The discussion of proposal as referred to in paragraph (2) shall be prepared in the form of recommendation and submitted to the Minister.

Article 5

- (1) Soybean imported by the Public Company of BULOG, cooperative and/or private in the Program of SHK shall be stipulated by the Minister with due observance to the need of national Soybean so recommended by the SHK Team and has been resolved in the Limited Coordinating Meeting at the level of Minister for Economy.

- (2) Public Company of BULOG, cooperative and/or private to import the soybean as referred to in paragraph (1) shall meet provisions on Soybean import.
- (3) Provisions on import of the Soybean shall be separately regulated by virtue of the Ministerial Regulation.

Article 6

- (1) Planned sales of Soybean by the Public Company of BULOG, cooperative and/or private to the tofu/tempe maker based on the need of Soybean proposed by the Minister of Industry on the recommendation of the Minister of Cooperative and UKM.
- (2) Proposal as referred to in paragraph (1) shall be submitted in writing to the Minister through Team Leader of SHK at least 10 (ten) business days before the expiration date of the validity of HJP of Soybean for discussion in the SHK Team.
- (3) Result of proposal discussion as referred to in paragraph (2) shall be prepared in the form of recommendation and submitted to the Minister.

Article 7

Public Company of BULOG, cooperative and/or private may build partnership to purchase the Soybean in the domestic production from the farming group, combined farming group or farmer cooperative and sales of Soybean to the tofu/tempe marker.

Article 8

- (1) Minister with due observance to the recommendation of SHK Team, shall stipulate:
 - a. Soybean purchased from the farming group, combined farming group or farmer cooperative by the Public Company of BULOG, cooperative and/or private in the SHK Program;
 - b. Soybean sold to the tofu/tempe by the Public Company of BULOG, cooperative and/or private in the SHK Program;

and

- c. HBP and HJP Soybean periodically.
- (2) Minister shall delegate authority of stipulation as referred to in paragraph (1) to the Director General of Domestic Trade.

Article 9

Public Company of BULOG, cooperative, and/or private which participate in the SHK Program shall purchase the Soybean in the domestic production from the farming group, combined farming group or farmer cooperative and sales of Soybean to the tofu/tempe Maker as referred to in Article 2 paragraph (1) items a and c.

Article 10

Soybean HBP as referred to in Article 8 paragraph (1) item c shall be stipulated considering the amount of Soybean farming business activity, at inflation level in the domestic, and profit of the farmer.

Article 11

Soybean HJP as referred to in Article 8 paragraph (1) item c shall be stipulated considering Soybean HBP, and average international daily price of the Soybean during the particular period from the main world bourse.

Article 12

To guarantee the implementation of SHK Program accurately, accurate in the amount and on time, SHK Team shall periodically monitor and evaluate every 3 (three) month.

Article 13

- (1) Public Company of BULOG, cooperative and/or private which participate in the SHK Program shall submit:
 - a. monthly report on the purchase of Soybean; and
 - b. monthly report of sales of the Soybean.
- (2) Report as referred to in paragraph (1), shall be submitted to the Minister copied to Team Leader of SHK at least every 10 in

the subsequent month.

Article 14

- (1) Public Company of BULOG, cooperative and/or private in violation of the provisions as referred to in Article 5 paragraph (2) and Article 9 shall be subject to administrative sanction in terms of termination from the SHK Program.
- (2) Public Company of BULOG, cooperative and/or private in violation of the provisions as referred to in Article 13 shall be subject to administrative sanction in terms of:
 - a. written warning at most 3 (three) times consecutively with a grace period of 2 (two) weeks as of the warning; and
 - b. Public Company of BULOG, cooperative and/or private which fails to meet provisions on the written warning as referred to in item a, shall be subject to sanction in terms of termination from the SHK Program.
- (3) Administrative sanction as referred to in paragraphs (1) and (2) shall be stipulated by the Director General of Domestic Trade for and on behalf of the Minister.

Article 15

Exception from the provisions as regulated in this Regulation of Minister shall be with the approval of Minister considering the proposal from the related technical minister.

Article 16

This Regulation of Minister becomes effective as of promulgation.

For public cognizance, it is ordered to promulgate this Ministerial Regulation by publicizing the same in the State Gazette of the Republic of Indonesia.

Stipulated in : Jakarta
On : May 28, 2013

**MINISTER OF TRADE OF THE REPUBLIC OF
INDONESIA,**

signed

GITA IRAWAN WIRJAWAN

Copy conforms to original

Secretariat General

Ministry of Trade of the Republic of Indonesia

Head of Legal Bureau,

signed and sealed

LASMININGSIH