

AUTHORIZED TRANSLATION



Minister of Trade of the Republic of Indonesia

**REGULATION OF THE MINISTER OF TRADE OF
THE REPUBLIC OF INDONESIA
NUMBER: 57/M-DAG/PER/12/2008**

REGARDING

PROVISION OF IMPORT OF NON NEW CAPITAL GOODS

**BY THE GRACE OF ALLAH THE ONE SUPREME GOD
THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,**

- Considering :
- a. whereas the Indonesian economic condition is entirely not conducive caused by still weak affordability in several industrial sectors, especially in the procurement of capital goods, therefore it is deemed necessary to make an effort to supply the capital goods that could be covered by the industrial sector;
 - b. that based on the considerations as referred to in item a and since the implementation period of provisions on import of non-new capital goods as provided for in the Regulation of the Minister of Trade Number 49/M-DAG/PER/12/2007 will expire on December 31, 2008, it is necessary to continue the policy on import of non-new capital goods;
 - c. that in this respect, it is necessary to stipulate the Regulation of the Minister of Trade;
- In view of :
- 1. *Bedrijfsreglementerings Ordonantie* 1934 (State Gazette of 1938 Number 86);



2. Law of the Republic of Indonesia Number 3 of 1982 regarding Company Register (State Gazette of 1982 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 3214);
3. Law of the Republic of Indonesia Number 5 of 1984 regarding Industry (State Gazette of the Republic of Indonesia of 1984 Number 22, Supplement to State Gazette of the Republic of Indonesia Number 3274);
4. Law of the Republic of Indonesia Number 10 of 1995 regarding Customs (State Gazette of the Republic of Indonesia of 1995 Number 75, Supplement to State Gazette of the Republic of Indonesia Number 3612) as already amended by the Law of the Republic of Indonesia Number 17 of 2006 (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4661);
5. Law of the Republic of Indonesia Number 25 of 2007 regarding Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to State Gazette of the Republic of Indonesia Number 4724);
6. Government Regulation of the Republic of Indonesia Number 17 of 1986 regarding Authority of Regulation, Building and Development of Industry (State Gazette of the Republic of Indonesia of 1986 Number 23, Supplement to State Gazette Number 3330);
7. Government Regulation of the Republic of Indonesia Number 13 of 1995 regarding Industrial Business Permit (State Gazette of 1995 Number 25, Supplement to State Gazette Number 3596);
8. Decree of the President of the Republic of Indonesia Number 260 of 1967 regarding Confirmation of Tasks and Responsibilities of the Minister of Trade in Foreign Trade Sector;
9. Decree of the President of the Republic of Indonesia Number 187/M of 2004 regarding Establishment of



Indonesia Bersatu Cabinet, as already several times recently amended by the Decree of the President of the Republic of Indonesia Number 171/M of 2005;

10. Regulation of the President of the Republic of Indonesia Number 9 of 2005 regarding Position, Task, Function, Organizational Composition and Work System of the Ministry of the Republic of Indonesia as already amended several times recently by the Regulation of President of the Republic of Indonesia Number 20 of 2008;
11. Regulation of the President of the Republic of Indonesia Number 10 of 2005 regarding Organization Unit and Task of Echelon I of State Ministries of the Republic of Indonesia as already amended several times recently by the Regulation of the President of the Republic of Indonesia Number 21 of 2008;
12. Decree of the Minister of Finance of the Republic of Indonesia Number 291/KMK.05/1997 regarding Bonded Zone, as already amended several times, recently by the Regulation of the Minister of Finance Number 101/PMK.04/2005 regarding Seventh Amendment to Decree of the Minister of Finance Number 291/KMK.05/1997 regarding Bonded Zone;
13. Decree of the Minister of Industry and Trade of the Republic of Indonesia Number 229/MPP/Kep/7/1997 regarding General Provisions on Import;
14. Regulation of the Minister of Trade of the Republic of Indonesia Number 01/M-DAG/PER/3/2005 regarding Organization and Work System of the Ministry of Trade as amended several times recently by the Regulation of Ministry of Trade Republic of Indonesia Number 34/M-DAG/PER/8/2007;
15. Regulation of the Minister of Trade of the Republic of Indonesia Number 31/M-DAG/PER/7/2007 regarding Importer Identity Number (API);



16. Regulation of the Minister of Finance of the Republic of Indonesia Number 124/PMK.04/2007 regarding Importer Registration.

HAS DECIDED:

To stipulate : **REGULATION OF MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA REGARDING PROVISION OF IMPORT OF NON NEW CAPITAL GOODS**

Article 1

In this Regulation of the Minister, by:

1. Non-new capital goods shall mean the goods that are still eligible to be used or reconditioned, remanufactured, re-functioned and not a scrap.
2. Direct user company shall mean a company already having a business permit to import the non-new capital goods for its production process or used by the company itself for other purposes not in the production process.
3. Reconditioning or remanufacturing company shall mean a company already having a reconditioning industrial business permit to process the non-new capital goods into a final product for export or fulfill the order of user in the home country.
4. Industrial Business Permit or other Business Permit shall mean the permit issued to the industry/company to run business issued by the competent authority according to the provisions in the prevailing legislation.
5. Surveyor shall mean the survey company established by the Minister of Industry and Trade based on the Decree of the Minister of Industry and Trade Decree Number 492/MPP/Kep/8/2004 regarding Appointment of Surveyor As Executive of Survey of Non-New Capital Goods.
6. PDKB shall mean the Company in the Bonded Zone.
7. DPIL shall mean other Indonesian Customs Area.
8. KB shall mean Bonded Zone.
9. Director General shall mean the Director General of Foreign



Trade.

10. Minister shall mean the Minister of Trade.

Article 2

- (1) Non-new capital goods can only be imported by:
 - a. direct user companies, and / or
 - b. reconditioning or remanufacturing company.
- (2) Non-new capital goods can be imported by the company as referred to in paragraph (1), covering the Tariff Post/HS as per Attachment I forming integral part hereof.
- (3) The application by a company as referred to in paragraph (1) item a, that may import non-new capital goods shall have:
 - a. photocopy of Business Permit issued to the company to run business activity issued by the competent authority according to the provisions in the legislation;
 - b. photocopy Importer Identity Number (API);
 - c. photocopy of the Taxpayer Reference Number (NPWP);
and
 - d. copy of Customs Identity Number (NIK).
- (4) The application by the reconditioning or remanufacturing company as referred to in paragraph (1) item b, that may import the non-new capital goods shall have:
 - a. photocopy of the reconditioning or remanufacturing Industrial Business Permit issued to the industrial company by the competent authority according to the provisions in the legislation;
 - b. photocopy Importer Identity Number (API);
 - c. photocopy of the Taxpayer Reference Number (NPWP);
and
 - d. copy of Customs Identity Number (NIK).
 - e. photocopy of the technical feasibility of restoration and improvement service business including machine, equipment facilities and after-sale service capability;
 - f. shall have evidence of order from the user in the home country; and



- g. Recommendations from the Ministry of Industry;
- (5) The application of the company as referred to in paragraph (3) and paragraph (4) shall be submitted in writing to the Director for Import.

Article 3

- (1) Every implementation of import of non-new capital goods as referred to in Article 2 paragraph (2) shall firstly obtain the import approval from the Director for Import of the Ministry of Trade, by attaching the requirements as referred to in Article 2 paragraph (3) and paragraph (4).
- (2) The Director for Import of the Ministry of Trade as referred to in paragraph (a) shall issue the import approval within 5 (five) business days as of the receipt date of the application for import of non-new capital goods from the company as referred to in Article 2 paragraph (5).

Article 4

- (1) The import of non-new capital goods already obtaining the import approval as referred to in Article 3 paragraph (1) shall firstly be subjected to technical examination by the Surveyor about the use feasibility and technical specification of the non-new goods.
- (2) The implementation of technical examination as referred to in paragraph (1) shall be carried out by the Surveyor in the country of origin of goods loading.
- (3) The result of technical examination by the Surveyor as referred to in paragraph (1) shall be contained in the Certificate of Examination stating:
- a. the non-new capital goods is still feasible for use or re-function;
 - b. it is not a scrap; and
 - c. the information on quantity, value and technical specification.



- (4) The Certificate of Examination as referred to in paragraph (3) shall be attached together with the customs document upon the import of non-new capital goods to the Indonesian customs region.

Article 5

- (1) The non-new capital goods as referred to in Article 2 paragraph (2) included in Tariff Post/HS 88 and 89 contained in Attachment I forming integral part hereof is exempted from the provision on technical examination as referred to in Article 4 .
- (2) The provisions on and procedure of stipulation of use feasibility and information on technical specification for the non-new capital goods included in Tariff Post/HS 88 and 89 as well as the procedure of its examination as referred to in paragraph (1) shall be stipulated by the Minister of Transportation based on the provisions in the legislation and procedure applicable for the civil aircraft and vessel.

Article 6

- (1) The Importer as referred to in Article 2 paragraph (1) already obtaining approval of import of non-new capital goods shall submit the quarterly written report on realization to the Director for Import, Directorate General of Foreign Trade, within not later than the 15th day of the next month of every month of realization of import implementation.
- (2) The form of report on realization as referred to in paragraph (1) shall be contained in Attachment II forming integral part hereof.

Article 7

- (1) To develop the export and investment, including the industrial relocation activity (factory movement (bedol)), infrastructure development, and for export purpose, the approval of non-new capital goods excluded in Attachment I hereto can be issued by the Director General of Foreign Trade for and on behalf of the Minister.



- (2) The approval of Import as referred to in paragraph (1) can be processed after obtaining the recommendation/technical consideration of the Ministry for Industry.

Article 8

- (1) The non-new capital goods controlled by PDKB and already used can be transferred to the other company in DPIL.
- (2) The transfer of goods as referred to in paragraph (1) shall firstly be subjected to technical examination by the Surveyor on the use feasibility and technical specification of non-new goods in KB location and requires no the import approval and the implementation of its exit shall be according to the legislation.
- (3) The transfer of goods as referred to in paragraph (2) shall be made through a minutes signed by the Head Office of KB and Head of local Customs Service Office and its carbon copy shall be submitted to the Director General.

Article 9

The company as referred to in Article 2 paragraph (1) breaching the provisions hereof shall be subjected to sanction in terms of:

- a. revocation of Importer Identity Number (API), and/or
- b. imprisonment according to the provisions in the legislation.

Article 10

The Surveyor appointed by the Minister as referred to in Article 4 shall submit a written monthly report on the implementation of survey of import of non-new capital goods to the Director General in this case the Director for Import, Ministry of Trade, within not later than the 15th day of the next month.

Article 11

- (1) The approval of import already issued based on the Regulation of the Minister of Trade Number 49/MDAG/PER/12/2007 regarding Provisions on Import of Non-New Capital Goods shall remain effective until the expiry date of import approval.



- (2) In case the goods is not yet imported until the expiry of import approval, the import implementation shall be allowed until February 28, 2009 provided that the examination has been made by the Surveyor before December 31, 2008 proven by the Certificate of Inspection.

Article 12

This Regulation of Minister shall become effective January 1, 2009 and expire on December 31, 2009.

For public cognizance, it is instructed to promulgate this Regulation of Minister by inserting the same in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on December 24, 2008

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

MARI ELKA PANGESTU



Copy corresponds with the original

Secretariat General of

Ministry of Trade

Plt. Head of Legal Bureau,

signed

INAYAT IMAN



ATTACHMENT TO REGULATION OF MINISTER OF TRADE OF THE REPUBLIC
OF INDONESIA

Number : 57/M-DAG/PER/12/2008

Dated : December 24, 2008

LIST OF APPENDICES

1. Attachment I : List of Non-New Capital Goods that is Allowed to be Imported
2. Attachment II : Form of written report on import realization

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

Signed

MARI ELKA PANGESTU



Copy corresponds with the original
Secretariat General of
Ministry of Trade
Plt. Head of Legal Bureau,

signed

INAYAT IMAN



ATTACHMENT I

REGULATION OF MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

Number : 57/M-DAG/PER/12/2008

Dated : December 24, 2008

LIST OF NON-NEW CAPITAL GOODS THAT IS ALLOWED TO BE IMPORTED

No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
	84.05	Generator Producer gas or water gas generator, with or without their purifiers; acetylene gas generators and gas generators with similar water process, with or without their purifiers.	
1.	8405.10.00.00	- Generator Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and gas generators with similar water process, with or without their purifiers:	
	84.07	Combustion piston engine-fire snapped back and forth or spinning.	
		- Prime movers-water vehicles:	
	8407.29	-- Other:	
2.	8407.29.10.00	--- With an output not exceeding 750 kW	
3.	8407.29.90.00	--- With an output exceeding 750 kW	
	84.08	Engine compression ignition internal	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
		combustion piston engines (diesel or semi-diesel).	
	8408.10	- Prime movers-water vehicles:	
4.	8408.10.40.00	-- With a power not exceeding 750 kW	only for diesel motor of above 100 HP
5.	8408.10.90.00	-- With a power exceeding 750 kW	
	8408.20	-- Engines of a kind used for propulsion of vehicles of Chapter 87:	
		-- output not exceeding 60 kW:	
6.	8408.20.12.00	--- Other, fully assembled	only for diesel motor of above 25 kW
	84.11	Turbo-jets, turbo-propeller and other gas turbines.	
		- Other gas turbines:	
7.	8411.81.00.00	-- With a power not exceeding 5,000 kW	
8.	8411.82.00.00	-- With a power exceeding 5,000 kW	
	84.14	Air pump or vacuum pump, air compressor or gas compressors and fans; ventilating or recycling hood DIGA-mate with the fan, equipped with a filter or not.	
9.	8414.40.00.00	- Air compressor mounted on the wheels chassis to be drawn	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
10.	8414.59.10.00	--- With capacity not exceeding 125 kW	compressor, fan
	84.17	Furnaces and industrial ovens or laboratory including incinerators, non-electric.	
	8417.10.00.00	- Furnaces and ovens for roasting, melting or other heat treatment of ores, pyrites or metals	
	84.18	Refrigerators, freezers and equipment when refrigerating or freezing equipment, electric or other; heat pumps other than machinery lawyer-set temperature of post 84.15.	
	8418.69	-- Other:	
12.	8418.69.20.00	-- Water chiller with cooling capacity of 100,000 l or more	
	84.22	Dishwasher; machinery for cleaning or drying bottles or other containers, machinery for filling, closing, sealing or labeling bottles, cans, boxes, bag or other containers; machine to cover the membrane on the bottles, jars, tubes and similar containers, packing or wrapping products (including heat-shrink wrapping machinery); machinery for aerating beverages.	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
13.	8422.30.00.00	- Machinery for filling, closing, sealing or labeling bottles, cans, boxes, bags or other containers; engine cover with the membrane on the bottles, jars, tubes and similar containers, machinery for aerating beverages	
14.	8422.40.00.00	- Machinery for packing or wrapping products (including heat-shrink wrapping machinery)	
	84.23	Weighing machine (not including the scales with scales sensitivity of 5 cg or better), including a calculating machine or her sin examiner operated with weights, weights of all types of weighing machines.	
	8423.89	-- Other:	
15.	8423.89.10.00	--- Electrically operated	
	84.25	Pulley tackle and hoists, other than skip hoists, winches and capstans; jack.	
		- Pulley tackle and hoists other than skip hoists or hoists of a kind used for raising vehicles:	
16.	8425.11.00.00	-- Powered by electric motor	
		- Other winches; capstans:	
17.	8425.31.00.00	-- Powered by electric motor	
	8425.42	-- Other jacks and hoists, hydraulic:	
18.	8425.42.10.00	--- Jacks are used in the shedding	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
		mechanism for trucks	
	8425.49	-- Other:	
19.	8425.49.10.00	--- Electrically operated	
	84.26	Tow boats, cranes including cable cranes; movable lifter frame, straddle carriers and works trucks equipped with cranes.	
		- Overhead traveling cranes, transporter cranes, gantry cranes, bridge cranes, movable lifter frame and straddle carriers:	
20.	8426.12.00.00	-- Movable lifter frame with wheels and straddle carriers	except truck cranes
21.	8426.19	-- Other:	
22.	8426.19.10.00	--- Bridge cranes and gantry cranes	
23.	8426.19.90.00	--- Other	
	8426.20.00.00	- Tower cranes	
		-- Other machinery, self propelled:	
24.	8426.41.00.00	-- With the wheels	except truck cranes
		- Other machinery:	
25.	8426.91.00.00	-- Designed to be installed on ground vehicles	
	84.27	Forklift trucks, other works trucks fitted-capitalist with lifting or handling equipment.	
26.	8427.10.00.00	- Self-propelled truck driven with electric motor	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
27.	8427.20.00.00	- Other self-propelled truck	except self propelled forklift trucks below 5 Tons
	84.29	Bulldozer, angledoser, grader, Levellers, scrapers, mechanical, excavators, shovel loaders, compactor machines and road rollers, self propelled.	
		- Bulldozers and angledoser:	
28.	8429.11.00.00	-- Track laying	except bulldozer, having 160-250 HP
29.	8429.19.00.00	-- Other	except bulldozer, having 160-250 HP
30.	8429.20.00.00	- Graders and grader	except motor grader having 125-135 HP
	8429.40	- Tamping machines and road rollers:	
31.	8429.40.10.00	-- road milling machine	except road roller having gross weight up to 12 Ton
32.	8429.40.30.00	-- Tamping Machine	except road roller having gross weight up to 12



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
			Ton
		- Mechanical shovels, excavators and shovel loaders:	
33.	8429.51.00.00	-- Front-end shovel loaders	
34.	8429.52.00.00	-- The machine that rotates 360° on the building blocks	except the excavator having the power 70-325 HP
	84.30	Moving, grading, leveling, scraping, excavating, compactor, fire, stirrer or boring machinery, for earth, minerals or ores; sinking and sinking or drilling mast; snow plows and snow blowers.	
35.	8430.10.00.00	- Pile sinking and sinking or drill	
		- Rock or coal cutters and tunneling machinery maker:	
36.	8430.31.00.00	-- Helpless own motion	
		- Other boring or sinking machinery:	
37.	8430.41.00.00	-- Helpless own motion	
	8430.40	-- Other:	
38.	8430.49.10.00	--- Wellhead platform and module production integrated for use in drilling operations	
39.	8430.50.00.00	- Other machinery, self propelled	
	84.31	Parts suitable for use solely or especially with the machine of post 84.25 up to 84.30.	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
	8431.10	- From the machines of post 84.25:	
		-- From machines operated electrically:	
40.	8431.10.13.00	--- From goods of sub post 8425.19, 8425.39 and 8425.49	
41.	8431.43.00.00	Part of boring or sinking machinery of sub post 8430.41 or 8430.49	
	84.39	Machinery for making pulp of fibrous cellulose material or for making or finishing paper or paperboard.	
42.	8430.10.00.00	- Machinery for making pulp of fibrous cellulose	
43.	8439.20.00.00	- Machinery for making paper or paperboard	
44.	8439.30.00.00	- Machinery for finishing paper or cardboard	
	84.40	- Book binding machinery, including book-sewing machines	
	8440.10	- Engine:	
45.	8440.10.10.00	-- Electrically operated:	
	84.41	Other machinery for making paper pulp, paper or paperboard, including cutting machines of all kinds.	
	8441.10	- Cutting machines:	
46.	8441.10.10.00	-- Electrically operated	
	8441.20	- Machines for making bags, sacks or envelopes:	
47.	8441.20.10.00	-- Electrically operated	



No.	TARIFF POST/HS	DESCRIPTION OF GOODS	REMARKS
(1)	(2)	(3)	(4)
	8441.30	- Machines for making cartons, boxes, crates, tube, drums or similar containers, other than by printing:	
48.	8441.30.10.00	-- Electrically operated	
	8441.40	- Machines for printing articles of paper pulp, paper or paperboard:	
49.	8441.40.10.00	-- Electrically operated	
	8441.80	- Other machinery:	
50.	8441.80.10.00	-- Electrically operated	
	84.42	Machinery, apparatus and equipment (other than machine tools of heading 84.56 to 84.65), for preparing or making plates, cylinders or other printing components; plates, cylinders and Lithograph stones, prepared for printing purposes (for example, planed, grained or polished).	
	8442.30	- Machinery, apparatus and equipment:	
51.	8442.30.10.00	-- Electrically operated	
	84.43	Printing machinery used for printing by means of plates, cylinders and other printing components of post 84.42; printing machines, copying machines and facsimile machines, combined or not, parts and other accessories.	

