#### AUTHORIZED TRANSLATION



#### The Trade Minister of the Republic of Indonesia

## REGULATION OF MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA NUMBER: 13 / M-DAG / PER / 3 / 2010

#### REGARDING

# NOMINATION AND TERMINATION OF MEMBER OF CONSUMER DISPUTE RESOLUTION AGENCY AND SECRETARIAT CONSUMER DISPUTES RESOLUTION AGENCY

## BY THE GRACE OF ALLAH THE ONE SUPREME GOD

#### MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

Considering : a. that in order to improve the effort of handling and consumer dispute resolution outside court through Consumer Dispute Resolution Agency (BPSK) and to implement Articles 49 and 51 of Law Number 8 of 1999 regarding Consumer Protection, it is necessary to regulate the appointment and termination of members of BPSK and secretariat BPSK;

b. that based on the consideration as referred to in item a, it is necessary to stipulate the Regulation of Minister of Trade;

In view of

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- Law Number 8 of 1999 regarding Consumer Protection (State Gazette of the Republic of Indonesia of 1999 Number 42, Supplement to State Gazette of the Republic of Indonesia Number 3821);
  - Law Number 32 of 2004 regarding Local Government (State Gazette of the Republic of Indonesia of 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437) as lastly amended several times by virtue of Law Number 12 of 2008 (State Gazette of the Republic of Indonesia of 2008 Number 59, Supplement to State Gazette of the Republic of Indonesia 4844);

- Law Number 33 of 2004 regarding Financial Balancing between Central Government and Local Government (State Gazette of the Republic of Indonesia of 2004 Number 126, Supplement to State Gazette of the Republic of Indonesia Number 4438);
- Law Number 29 of 2007 regarding Government of Jakarta Special Capital Region Province as the State Capital of the Republic of Indonesia (State Gazette of the Republic of Indonesia of 2007 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4744);
- Law Number 39 of 2008 regarding State Ministry (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to State Gazette of the Republic of Indonesia Number 4916);
- Government Regulation Number 58 of 2001 regarding the Development and Supervision of Consumer Protection Organization (State Gazette of the Republic of Indonesia of 2001 Number 103, Supplement to State Gazette of the Republic of Indonesia Number 4126);
- Government Regulation Number 38 of 2007 regarding the Distribution of Governmental Affairs between Government, Provincial Government, and Local Government of Regency/Municipality (State Gazette of the Republic of Indonesia of 2007 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 4737);
- Presidential Regulation Number 10 of 2005 regarding Organization Unit and Duty Echelon I of the State Ministry of the Republic of Indonesia as lastly amended several times by virtue of Presidential Regulation Number 50 of 2008;
- 9. Presidential Decree Number 84/P of 2009 regarding the Formation of Kabinet Indonesia Bersatu II;
- 10. Presidential Regulation Number 47 of 2009 regarding the Formation and Organization of State Ministry;
- Decree of Minister of Industry and Trade Number 350/MPP/KEP/12/2001 regarding the Implementation of Duties and Authorities of Consumer Dispute Resolution Agency;



 Regulation of Minister of Trade Number 01/M-DAG/PER/3/2005 regarding the Organization and Working Method of Ministry of Trade as lastly amended several times by virtue of Regulation of Minister of Trade Number 24/M-DAG/PER/6/2009;

#### HAS DECIDED:

To Stipulate

REGULATION OF MINISTER OF TRADE REGARDING THE APPOINTMENT AND TERMINATION OF MEMBERS OF CONSUMER DISPUTE SETTLEMENT AGENCY AND SECRETARIAT CONSUMER DISPUTES RESOLUTION AGENCY

## CHAPTER I GENERAL PROVISIONS

#### Article 1

The terms of this Ministerial Regulation are:

- 1. Consumer Dispute Resolution Agency hereinafter abbreviated to BPSK means any agency in charge of handling and resolving the dispute between business player and consumer.
- 2. Consumer means each user of goods and/or services available in the community, both for own interest, family, other people, and other creatures and not for sale.
- 3. Business player means each individual or corporate body, both in the form of legal and non-corporate body established and domiciled or operated business activity in the domicile of the Republic of Indonesia, both severally and jointly through the agreement to carry out business activities in various fields of economy.
- 4. Public Self-Supporting Consumer Protection hereinafter referred to as LPKSM means Non-Government Agency as registered and admitted by Government having the activities to handle consumer protection.
- 5. Regent/Mayor means local government head of regency/municipality as referred to in Law Number 32 of 2004 regarding Local Government.
- Governor of DKI Jakarta means DKI Jakarta Province Head as referred to in Law Number 29 of 2007 regarding Jakarta Special Capital Region Province Government as

the Capital of Unitary State of the Republic of Indonesia.

- Director General Domestic Trade hereinafter Dirjen PDN means Director General supervising the domestic trade affairs.
- 8. Minister means Minister supervising the trade affairs.

# CHAPTER II COMPOSITIONS OF BPSK MEMBERSHIP

#### Article 2

- (1) The compositions of BPSK membership consist of:
  - a. Chief cum members;
  - b. Deputy chief cum members; and
  - c. Members.
- (2) BPSK in running its duties shall be assisted by secretariat.

- (1) The members of BPSK consist of the elements of government, consumer, and business player.
- (2) Government elements as referred to in paragraph (1) come from the Working Unit of Local Instruments (SKPD) at DKI Jakarta Province Government for DKI Jakarta Province or local regency/municipality.
- (3) The elements of consumer as referred to in paragraph (1) come from the LPKSM representative in the DKI Jakarta special for DKI Jakarta Province or local regency/municipality.
- (4) In the event that LPKSM as referred to in paragraph (3) is not established, the consumer elements may come from the local public figure.
- (5) The elements of business players as referred to in paragraph (1) come from the organization representative of company and/or employer organization in the territory of DKI Jakarta special for the Jakarta DKI Province or local regency/municipality.
- (6) Each element as referred to in paragraphs (2), (3), and
  (5) shall amount to at least 3 (three) persons and at most 5 (five) persons adjusted to the workload of local BPSK 5 WC

- (1) The members of BPSK as referred to in Article 3 paragraph (6) shall amount to at least 9 (nine) persons or at most 15 (fifteen) persons and be prioritized having the education of Strata I (S1).
- (2) The members of BPSK as referred to in paragraph (1) at least 1 (one) person shall have education background of Strata 1 (S1) in the legal area.

### Article 5

Term of BPSK membership for 5 (five) years and may be reappointed as long as it meets the requirements as provided in the Ministerial Regulation.

### Article 6

- (1) Chief BPSK as referred to in Article 2 paragraph (1) item a come from the government elements.
- (2) Deputy Chief BPSK as referred to in Article 2 paragraph(1) item b comes from outside the government elements.
- (3) Chief and deputy chief BPSK shall hold the title for 5 (five) years and may be re-elected as long as it meets the requirements as provided in the Ministerial Regulation.

# CHAPTER III

# **REQUIREMENTS FOR THE MEMBERS OF BPSK**

- (1) General requirements to be appointed become BPSK as follows:
  - a. Indonesian National;
  - b. Good condition;
  - c. Good behavior;
  - d. Never punished due to crime;
  - e. Having knowledge and experience in the area of consumer protection; and
  - f. Having age at least 30 (thirty) years.
- (2) Special requirements to be appointed as members of BPSK as follows:



- a. prioritized to live in the local regency/municipality and for DKI Jakarta Province living in the areas of Jakarta, Bogor, Depok, Tangerang, and Bekasi;
- b. Prioritized to have education at least Strata I (S1) from the accredited university;
- c. Candidate coming from the element of government with the rank at least Penata/group III/c and prioritized, which have no position in the structural function; and
- d. Candidate coming from the element of consumer and business player is not under the executive for one of the political parties.

Candidate members of BPSK for each element shall furnish with the following documents:

- a. curriculum vitae;
- b. photocopy of Resident Identity Card (KTP) by indicating the original;
- c. photocopy of the current education certificate already legalized by the competent authority;
- d. medical certificate from the doctor of hospital or puskesmas (community health center);
- e. Police Record Certificate (SKCK) from local police;
- f. photocopy of decision of the last rank increase for the candidate coming from the element of government;
- g. photocopy of Consumer Protection Institution Register (TDLPK) for the candidate members of BPSK coming from the element of consumer representing LPKSM;
- h. duly stamped statement that the concerned has experience in the field of consumer protection;
- i. duly stamped statement that the concerned is not under the executive of political parties;
- j. proposal for the candidate members of BPSK from the management of agency they represent; and



k. the current photograph with size of 4x6 of 2 (two) sheets.

## CHAPTER IV PROCEDURE FOR ELECTION AND APPOINTMENT Article 9

- (1) Governor of DKI Jakarta for DKI Jakarta Province shall establish the selection team of candidate members of BPSK by virtue of decision of governor, with the following compositions of membership:
  - a. chairman cum : Governor of DKI Jakarta or member appointed authority;
  - b. Secretary cum : Head of province office member supervising the trade affairs or appointed authority;
  - c. Member : SKPD representative of government of DKI Jakarta Province, business player and consumer.
- (2) Regent/mayor shall establish the selection team of candidate members of BPSK by virtue of decree of regent/mayor, with the following compositions of membership:
  - a. chairman cum : regent/mayor or appointed member authority;
  - b. secretary cum : head of regency/municipality office supervising the trade affairs or appointed authority;
  - c. member : SKPD representative of government of DKI Jakarta regency/municipality, business player and consumer.
- (3) Members of selection team of candidate members of BPSK as referred to in paragraphs (1) and (2) may not be proposed to be the candidate members of BPSK.
- (4) Selection team of candidate members of BPSK as referred to in paragraphs (1) and (2) shall have the following tasks:



- a. to make appraisal for the completeness and authentication of requirement documents for the candidate members BPSK;
- b. to carry out fit and proper tests of candidate members of BPSK;
- c. to stipulate candidate members of BPSK stated qualified; and
- d. to submit candidate members of BPSK already stated qualified to the Governor of DKI Jakarta for DKI Jakarta Province or regent/mayor for local regency/municipality.
- 5. Technical guidance on procedure for the selection of candidate members of BPSK shall be stipulated by Director General of PDN.

- (1) Governor of DKI Jakarta for DKI Jakarta Province or regent/mayor shall submit candidate members of BPSK coming from the list of candidate members of BPSK already stated qualified by the selection team of candidate members of BPSK to the Minister in this case Director General of PDN along with the minutes of selection.
- (2) Minister shall appoint members of BPSK in the period at least 30 (thirty) working days as of the receipt of the proposal of candidate members of BPSK.
- (3) Before performing the tasks, the members of BPSK are installed and pronounce oath of office before the Governor of DKI Jakarta for DKI Jakarta Province or regent/municipality in accordance with the prevailing laws and regulation.
- (4) The members of BPSK who have been installed and pronounced the oath of office as referred to in paragraph (3), within the period at least 7 (seven) business days as of the inauguration shall have conducted the selection of chairman and vice chairman of BPSK.
- (5) Technical guidance on the appointment of chairman and vice chairman of BPSK shall be stipulated by Director General of PDN.



# CHAPTER V TERMINATION

# Article 11

- (1) Membership of BPSK shall terminate in case of:
  - a. demise;
  - b. resignation at own request;
  - c. prolonged sickness for 6 (six) months, thereby unable to perform the tasks;
  - d. termination of term of office as the members of BPSK;
  - reach of 65 (sixty five) years in age, for the members of BPSK coming from the element of consumer and business player;
  - f. reach of the earlier retirement age for the members coming from the element of government; or
  - g. termination.
- (2) Proposed termination on ground that as referred to in paragraph (1), shall be submitted by the Governor of DKI Jakarta for the DKI Jakarta Province or regent/mayor to the Minister in this case Director General of PDN.

### Article 12

- (1) Members of BPSK terminated before the expiration of their membership period shall be replaced by the substitute members meeting the requirements as referred to in Articles 7 and 8.
- (2) Substitute members as referred to in paragraph (1) shall be proposed by the Governor of DKI Jakarta for DKI Jakarta Province or regent/mayor to the Minister in this case Director General of PDN.
- (3) Minister shall appoint the substitute members within period at least 30 (thirty) business days as of the receipt of the proposal.
- (4) Membership period of the substitute members as referred to in paragraph (1) shall conform to the expiration of membership period they replace.

# CHAPTER VI SECRETARIAT

### Article 13

(1) Secretariat BPSK consists of head secretariat a member of secretariat.

- (2) Head secretariat supervises in the field of:a. administration;
  - b. complaint and consultation services; and
  - c. registration.
- (3) Head secretariat and members of secretariat as referred to in paragraph (1) comes from government apparatus and non-members of BPSK.
- (4) Total members of secretariat as referred to in paragraph
  (1) at least 4 (four) persons shall be determined taking into account the workload of BPSK.
- (5) Head secretariat and members of secretariat shall be prioritized to have knowledge and experience in the field of consumer protection.

- (1) Minister shall have the authority to appoint and terminate the Secretariat and members of secretariat.
- (2) Minister shall delegate the authority as referred to in paragraph (1) to Director General of PDN.

- Head secretariat and members of secretariat shall be proposed by Chairman of BPSK to Director General of PDN.
- (2) Director General of PDN shall appoint head secretariat and members of secretariat within at least 30 (thirty) business days as of the receipt of proposal.
- (3) Before the inauguration of the tasks, head secretariat and members of secretariat and they pronounce oath of office before chairman of BPSK in accordance with the prevailing laws and regulation.
- (4) Term of office of head secretariat and members of secretariat for 6 (six) years and may be re-appointed as long as they are still active as the government apparatus.
- (5) Head secretariat and members of secretariat shall terminate in case of:
  a. demise;



- b. resignation at own request;
- c. prolonged sickness for 6 (six) months, thereby being unable to perform the tasks;
- d. expiration of term of office;
- e. reach of retirement age; or
- f. termination.
- (6) Proposal for the termination on ground that as referred to in paragraph (5) shall be proposed by chairman BPSK to Director General of PDN.

### CHAPTER VII CLOSING PROVISIONS Article 16

Upon the implementation of the Ministerial Regulation, the Decree of Minister of Industry and Trade Number 301/MPP/Kep/10/2001 regarding the Appointment, Termination of Member and Secretariat Consumer Disputes Settlement Board, shall be revoked and stated null and void.

#### Article 17

The Ministerial Regulation shall apply as of stipulation.

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

Stipulated in Jakarta On : March 17, 2010

#### MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

#### MARI ELKA PANGESTU

Translated from Indonesian Language Jakarta, October 1, 2010 Authorized and Sworn Translator,

