

AUTHORIZED TRANSLATION



**Minister of Trade of the Republic of Indonesia  
REGULATION OF THE MINISTER OF TRADE OF  
THE REPUBLIC OF INDONESIA  
NUMBER : 66/M-DAG/PER/12/2009**

**REGARDING**

**THE IMPLEMENTATION OF WAREHOUSE RECEIPT SUBSIDY SCHEME**

**BY THE GRACE OF ALLAH THE ONE SUPREME GOD**

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

Considering : a. that in the context of making use the Warehouse Receipt subsidy scheme as provided for in the Regulation of the Minister of Finance Number 171/PMK.05/2009 regarding the Scheme of Warehouse Receipt Subsidy, it needs to arrange the provisions on the implementation of Warehouse Receipt subsidy scheme;

b. that based on such considerations as referred to in letter a, it needs to stipulate a Regulation of the Minister of Trade on the implementation of Warehouse Receipt Subsidy Scheme;

In view of . : 1. Law Number 7 of 1992 regarding Banking (State Gazette of the Republic of Indonesia of 1992 Number 31, Supplement to the State Gazette of the Republic of Indonesia Number 3472), as amended by Law No. 10 of 1998 (State Gazette of the Republic of Indonesia of 1998



- Number 182, Supplement to the State Gazette of the Republic of Indonesia Number 3790);
2. Law Number 25 of 1992 regarding Cooperative Affairs (State Gazette of the Republic of Indonesia of 1992 Number 116, Supplement to the State Gazette of the Republic of Indonesia Number 3502);
  3. Law No. 23 of 1999 regarding Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843), as amended by Law Number 3 of 2004 (State Gazette of the Republic of Indonesia of 2004 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4357);
  4. Law Number 17 of 2003 regarding State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286);
  5. Law Number 1 of 2004 regarding State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355);
  6. Law Number 9 of 2006 regarding the Warehouse Receipt System (State Gazette of the Republic of Indonesia of 2006 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 4630);
  7. Law Number 20 of 2008 regarding Micro, Small and Medium Businesses (State Gazette of the Republic of Indonesia of 2008 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4866);
  8. Law Number 39 of 2008 regarding State Ministries (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916);



9. Governmental Regulation Number 36 of 2007 regarding the Implementation of Law Number 9 of 2006 regarding Warehouse Receipt System (State Gazette of the Republic of Indonesia of 2007 Number 79, Supplement to the State Gazette of the Republic of Indonesia Number 4735);
10. Presidential Decree Number 84/P of 2009 regarding the Establishment and Appointment of the Cabinet of United Indonesia II Period 2009-2014;
11. Presidential Regulation Number 47 of 2009 regarding the Formation and Organization of State Ministries;
12. Presidential Regulation Number 10 of 2005 regarding the Organization Unit and Duties of Echelon I of the State Ministries of the Republic of Indonesia as amended several times lastly by the Presidential Regulation Number 50 of 2008;
13. Bank Indonesia's Regulation Number 1/9/PBI/1999 regarding the Monitoring on the Foreign Exchange Traffic Activity at Banks and Non-Bank Financial Institutions (State Gazette of the Republic of Indonesia of 1999 Number 207, Supplement to the State Gazette of the Republic of Indonesia Number 3915);
14. Bank Indonesia's Regulation Number 7/2/PBI/2005 regarding Valuation on the Quality of Public Banks' Assets (State Gazette of the Republic of Indonesia of 2007 Number 54, Supplement to the State Gazette of the Republic of Indonesia Number 4715) as amended several times lastly by Bank Indonesia's Regulation Number 11/2/PBI/2009 (State Gazette of the Republic of Indonesia of 2009 Number 28, Supplement to the State Gazette of the Republic of Indonesia Number 4977);
15. Regulation of the Minister of Trade Number 26/M-DAG/PER/6/2007 regarding Goods Allowable to be Stored at a Warehouse in the Implementation of Warehouse



Receipt System;

16. Regulation of the Minister of Trade Number 01/M-DAG/PER/3/2005 regarding the Organization and Working Procedure of the Ministry of Trade as several times amended lastly by Regulation of the Minister of Trade Number 24/M-DAG/PER/6/2009;
17. Regulation of the Minister of Finance Number 171/PMK.05/2009 regarding Warehouse Receipt Subsidy Scheme;

**HAS DECIDED:**

To stipulate : **REGULATION OF THE MINISTER OF TRADE REGARDING THE IMPLEMENTATION OF WAREHOUSE RECEIPT SUBSIDY SCHEME.**

**CHAPTER I**

**GENERAL PROVISIONS**

**Article 1**

In this Regulation of the Minister, what's meant by:

1. Warehouse Receipt Subsidy Scheme which hereinafter shall be referred to as S-SRG, is a credit receiving a subsidy on interest from the government under the security of Warehouse Receipt issued by Executing Banks/Non-Bank Financial Institutions to Farmers, Farmers' Groups, Associations of Farmers' Groups, and Cooperatives.
2. Warehouse Receipt is an ownership certifying document on goods stored in a Warehouse which is issued by Warehouse Operator.
3. Farmer is an Indonesian citizen individual who runs a business in agriculture/plantation/fishery cultivation sector.
4. Farmers' Group is a Group of Farmers/planters/fishery cultivators which is established under the sameness of interest, the sameness of environmental (social, economy,



resources, place) condition and closeness of relationship to improve and develop the members' business.

5. Association of Farmers' Groups is an association of several Farmers' Groups which join and cooperate to upgrade the economic scale and business efficiency.
6. Cooperative is a primary cooperative as referred to in Law Number 25 of 1992 regarding Cooperative affairs the members of which consist of Farmers/planters/fishery cultivators.
7. S-SRG Participants are Farmers, Farmers' Groups, Associations of Farmers' Groups or Cooperatives approved by Executing Banks / Non-Bank Financial Institutions as S-SRG receivers.
8. Subsidy on Interest is a portion of interest becoming the government's burden at a rate equal to difference between the applicable interest rate of S-SRG and the same charged on S-SRG participants.
9. Warehouse Receipt System Supervisory Body which hereinafter shall be referred to as Supervisory Body is an organizational unit under the Minister assigned the authority to perform the nurturing, regulation and supervision on the implementation of Warehouse Receipt System.
10. Warehouse is all of immobile and immovable rooms with the purpose of not to be visited by public, but for an exclusive use as the storage place of goods capable of being traded publicly and fulfilling other requirements stipulated by Minister.
11. Warehouse Operator is a party engaged in warehouse business, either its-own warehouse or other persons' who operate the storage, maintenance and supervision on goods stored by goods owners as well as entitled to issue a Warehouse Receipt.



12. Center of Warehouse Receipts Registration which hereinafter shall be referred to as Registration Center, is a corporate enterprise receiving an approval from the Supervisory Body to perform the administration of Warehouse Receipts and Warehouse Receipts' Derivatives which covers recording, storage, ownership book transferring, security right encumbrance, reporting as well as the provision of information system and network.
13. Executing Bank is a public bank as referred to in Article 1 number 3 of Law Number 7 of 1992 regarding Banking as amended by Law Number 10 of 1998.
14. Non-Bank Financial Institution which hereinafter shall be referred to as LKNB, is a financing company which runs the management on public funds as referred to in Bank Indonesia's Regulation Number 1/9/PBI/1999 regarding the Monitoring on the Foreign Exchange Traffic Activity at Banks and LKNB.
15. Regional Government is Governor, Regency Head, or Mayor, and regional apparatus as the elements of regional government administrator, as referred to in Article 1 number 3 of Law Number 32 of 2004 regarding Regional Government.
16. Minister is the Minister who handles the trade affairs.

## CHAPTER II

### OBJECT OF FINANCING

#### Article 2

- (1) Any productive businesses in agricultural sector can be financed through S-SRG.
- (2) Such business activity as referred to in section (1) may receive an S-SRG by using Warehouse Receipts as collateral without being required to add another collateral.



**CHAPTER III**  
**THE REQUIREMENTS OF AN S-SRG RECEIVER**  
**CANDIDATE**

**Article 3**

Those parties eligible to receive S-SRG are:

- a. Farmers;
- b. Farmers' Group;
- c. Association of Farmers' Groups;
- d. Cooperative;

**Article 4**

Such parties as referred to in Article 3 who are going to receive an S-SRG shall have to possess a Warehouse Receipt and follow as well as observing the provisions as S-SRG participants as regulated in the Regulation of the Minister of Finance Number 171/PMK.05/2009 regarding Warehouse Receipt Subsidy Scheme.

**Article 5**

A farmer going to receive an S-SRG shall have reached a minimum age of 21 (twenty-one) years old or already married and submit the requirements of:

- a. personal identity card; and
- b. a duly stamped statement letter certifying him/her as a Farmer and acknowledged by the Local Village Head/Urban-Village Head.

**Article 6**

A Farmers' Group going to receive S-SRG, through its appointed chairperson shall have to submit the requirements as follows:

- a. a duly stamped statement letter certifying it as a Farmers' Group and acknowledged by the Village Head/Urban-Village Head if the concerned Farmers are domiciled in one



Village or Urban-Village or by District Head if such Farmers are domiciled in several villages in one district or by the relevant instance office if the concerned Farmers are domiciled in several districts in one Regency / Municipality;

- b. composition of active managing committee of the Farmers' Group consists of at least a chairperson and a secretary/treasurer; and
- c. a power of attorney from the members of Farmers' Group appointing the Group Chairperson of members.

#### **Article 7**

An association of farmers' groups going to receive S-SRG, through its appointed chairperson shall have to submit the requirements as follows:

- a. a duly stamped statement letter certifying it as an Association of Farmers' Groups and acknowledged by the Village Head/Urban-Village Head if the concerned Farmers' Groups are domiciled in one Village or Urban-Village or by District Head if such Farmers' Groups are domiciled in several villages in one district or by the relevant instance office if the concerned Farmers' Groups are domiciled in several districts in one Regency / Municipality;
- b. composition of active managing committee of the Association of Farmers' Groups consists of at least a chairperson and a secretary/treasurer;
- c. a power of attorney from the members of Association of Farmers' Groups appointing the Chairperson of same; and
- d. The regulation of such Association of Farmers' Groups which is agreed by all of the members.

#### **Article 8**

A cooperative going to receive S-SRG, through its chairperson shall have to submit the requirements as follows:

- a. the legalization letter as a Cooperative corporate from the



- authorized instance;
- b. the Articles of Association and Rules of Association containing activities of, among others, business activity in agricultural sector; and
  - c. list of members which contains of Farmers.

#### **Article 9**

A Farmer, Farmers' Group, Association of Farmers' Groups or Cooperative going to receive S-SRG, in addition to fulfilling such requirements as referred to in Article 5, Article 6, Article 7 or Article 8, shall have to fulfill other requirements defined by Executing Banks / LKNB.

### **CHAPTER IV**

#### **S-SRG APPLICATION PROCEDURE**

#### **Article 10**

- (1) A Farmer, Farmers' Group, Association of Farmers' Groups or Cooperative going to use an S-SRG, shall submit an application of S-SRG credit with Warehouse Receipt as a collateral to the Executing Banks / LKNB along with other documents required.
- (2) In the event that such S-SRG as referred to in section (1) is approved, the S-SRG receiver shall have to sign a credit contract along with all of the documents required by Executing Banks / LKNB.
- (3) If the receiver of S-SRG is a Farmers' Group or Association of Farmers' Groups, the signing of such credit contract along with all of documents required as referred to in section (2) shall be made by the Chairperson of Farmers' Group or the Chairperson of Farmers' Groups Association as the power assignee.
- (4) Such Chairperson of Farmers' Group or Chairperson of Farmers' Groups Association as referred to in section (3), is obliged to distribute the S-SRG from Executing Banks /



LKNB to their members.

#### **Article 11**

- (1) Such Chairperson of Farmers' Groups Association as referred to in Article 10 section (4), shall distribute the S-SRG from Executing Banks / LKNB to the Chairpersons of Farmers' Groups.
- (2) Such Chairperson of Farmers' Group as referred to in section (1), shall have to distribute the S-SRG from Executing Banks/LKNB to the members of the concerned Farmers' Group.

### **CHAPTER V**

#### **THE OBLIGATIONS OF REGISTRATION CENTER IN S-SRG**

#### **Article 12**

- (1) In the context of paying the S-SRG Interest Subsidy to Executing Banks / LKNB, the Registration Center is obliged to submit the data of Warehouse Receipts requested by the Ministry of Finance c.q. the Director General of Treasury periodically or occasionally either electronically or non-electronically.
- (2) Such Data of Warehouse Receipts as referred to in section (1), must be submitted by the Registration Center at the latest 3 (three) business days since the data requisition letter was received.
- (3) In case the Registration Center does not submit such data of Warehouse Receipts as referred to in section (1) and/or section (2), it shall be imposed an administrative sanction according to the provisions of statutory regulation regarding Warehouse Receipt System.



## **CHAPTER VI**

### **NURTURING, MONITORING, EVALUATION AND INSPECTION**

#### **Article 13**

- (1) Nurturing, monitoring, evaluation and inspection in the implementation of S-SRG at central level shall be conducted by the Supervisory Body.
- (2) Such nurturing, monitoring, and evaluation as referred to in section (1) at regional level shall be conducted by Governor, District Head/Mayor through the Office of trade sector in the concerned province and District/Municipality and coordinates with the Supervisory Body.
- (3) Governor, District Head/Mayor shall make a policy in the context of such nurturing, monitoring and evaluation so the realization of S-SRG will be efficient and effectively targeted.

#### **Article 14**

Such activities of nurturing, monitoring, and evaluation at the central and regional levels as referred to in Article 13 cover:

- a. inventory taking of Farmers, Farmers' Groups, Associations of Farmers' Groups and Cooperatives that need S-SRG;
- b. providing the guidance to Farmers, Farmers' Groups, Associations of Farmers' Groups and Cooperatives in the context of S-SRG use;
- c. monitoring the progress of S-SRG distribution to Farmers, Farmers' Groups, Associations of Farmers' Groups and Cooperatives; and
- d. in the context of monitoring and evaluating the implementation of S-SRG periodically or occasionally, a coordination can be made with Executing Banks/LKNB.



## **CHAPTER VII REPORTING**

### **Article 15**

- (1) Governor, District Head/Mayor through the trade Office in Province and District/Municipality shall submit a quarterly report on the results of nurturing, monitoring and evaluation during the implementation of S-SRG in his/her region to the Head of Supervisory Body.
- (2) The Supervisory Body shall make a recapitulation of monthly report on the progress of S-SRG distribution and repayment.
- (3) Head of Supervisory Body shall submit a quarterly report on the development of S-SRG implementation to the Minister with a cc to the Heads of Trade Offices in the Provinces and Districts/Municipalities whose regions receive the S-SRG.

## **CHAPTER VIII TRANSITIONAL PROVISIONS**

### **Article 16**

- (1) Prior to the establishment of Supervisory Body based on Law Number 9 of 2006 regarding Warehouse Receipt System, the duties, functions, and authorities of Supervisory Body shall be carried out by the Supervisory Body of Commodities Future Trade.
- (2) Prior to the establishment of Registration Center based on Law Number 9 of 2006 regarding Warehouse Receipt System, the registration function shall be carried out by the Future Clearance Institution.

## **CHAPTER IX OTHER PROVISIONS**

### **Article 17**

Further provisions on the technical instructions of S-SRG implementation shall be stipulated by the Head of Supervisory Body.



## CHAPTER X

### CLOSING

#### Article 18

This Regulation of the Minister shall be in effect as of its stipulation date.

In order to let everyone be aware of, instructing the enactment of this Regulation of the Minister by posting it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

Dated December 29, 2009

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

*signed*

**MARI ELKA PANGESTU**



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

**FIKRI SAID OBED**

