#### **AUTHORIZED TRANSLATION**



### Minister of Trade of the Republic of Indonesia

### REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA NUMBER: 54/M-DAG/PER/10/2009

## REGARDING GENERAL REQUIEREMENTS IN IMPORT SECTOR

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

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

#### Considering

- a. that the import trade activity in Indonesia, beside of an open market economic system which allows that activity to take place, is also conducted in the context of fulfilling demand on goods not obtainable yet from domestic sources both for the purpose of national industrial production and people's consumption;
- b. that the globalization and liberalization process of international trade which grows rapidly nowadays, while on one side has promoted a widening openness of global market and on the other side also creates a stricter market competition, has brought an effect on the implementation of import activity in Indonesia which in the end could harm the interest of national economic development;
- c. that in the context of protecting the interest of national economic development from any negative effect of global market, the improvement of producing farmers' living

standard also to promote the creation of fair domestic trade and market condition as well as a conducive business atmosphere, it needs to take some efforts to enhance the re-arrangement of import order by re-improving the requirements in import sector to become more transparent, effective and efficient as well as sustainable;

 that based on such considerations as referred to in letter a, letter b, and letter c it needs to stipulate a Regulation of the Minister of Trade;

In view of

- Bedrijfsreglementerings Ordonantie 1934 (State Gazette of 1938 Number 86);
- Law Number 8 Prp of 1962 regarding Trade of Goods
   Under Monitoring (State Gazette of the Republic of Indonesia of 1962 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 2469);
- Law Number 3 of 1982 regarding Company Mandatory Registration (State Gazette of the Republic of Indonesia of 1982 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 3214);
- Law Number 5 of 1984 regarding Industry (State Gazette of the Republic of Indonesia of 1984 Number 22, Supplement to the State Gazette of the Republic of Indonesia Number 3274);
- Law Number 16 of 1992 regarding Quarantine of Animals,
   Fish, and Plants (State Gazette of the Republic of Indonesia of 1992 Number 56, Supplement to the State Gazette of the Republic of Indonesia Number 3482);
- Law Number 23 of 1992 regarding Health (State Gazette of the Republic of Indonesia of 1992 Number 100, Supplement to the State Gazette of the Republic of Indonesia Number 3482);
- 7. Law Number 7 of 1994 regarding the Ratification of

Agreement on the Establishment of 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);

- 8. Law Number 10 of 1995 regarding the Customs Affairs (State Gazette of the Republic of Indonesia of 1995 Number 75, Supplement to the State Gazette of the Republic of Indonesia Number 3612) as amended by Law No. 17 of 2006 (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4661);
- Law Number 7 of 1996 regarding Food (State Gazette of the Republic of Indonesia of 1996 Number 99, Supplement to the State Gazette of the Republic of Indonesia Number 3656);
- Law Number 23 of 1997 regarding Living Environment Management (State Gazette of the Republic of Indonesia of 1997 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 3699);
- Law Number 5 of 1999 regarding Prohibition on Monopolistic And Unfair Business Competition Practices (State Gazette of the Republic of Indonesia of 1999 Number 33, Supplement to the State Gazette of the Republic of Indonesia Number 3806);
- Law Number 8 of 1999 regarding Consumers Protection (State Gazette of the Republic of Indonesia of 1999 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 3821);
- Law Number 15 of 2001 regarding Brand (State Gazette of the Republic of Indonesia of 2001 Number 110, Supplement to the State Gazette of the Republic of Indonesia Number 4131);
- 14. Law Number 3 of 2002 regarding State Defense State

- Gazette of the Republic of Indonesia of 2002 Number 3, Supplement to the State Gazette of the Republic of Indonesia Number 4169);
- 15. Law Number 19 of 2002 regarding Copyright (State Gazette of the Republic of Indonesia of 2002 Number 85, Supplement to the State Gazette of the Republic of Indonesia Number 4220);
- 16. Law Number 32 of 2004 regarding Regional Governments (State Gazette of the Republic of Indonesia of 2004 Number 125, Supplement to the State Gazette of the Republic of Indonesia Number 4437) as amended several times lastly by Law No. 8 of 2005 (State Gazette of the Republic of Indonesia of 2005 number 108, Supplement to the State Gazette of the Republic of Indonesia Number 4548);
- 17. Law Number 25 of 2007 regarding Capital Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to the State Gazette of the Republic of Indonesia Number 4724);
- 18. Governmental Regulation Number 102 of 2000 regarding National Standardization (State Gazette of the Republic of Indonesia of 2000 Number 199, Supplement to the State Gazette of the Republic of Indonesia Number 4020):
- 19. Governmental Regulation Number 38 of 2007 regarding the Division of Governmental Affairs Between the Government, Regional Government of Province, and Regional Government of Regency/Municipality (State Gazette of the Republic of Indonesia of 2007 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 4737);
- 20. Governmental Regulation Number 32 of 2009 regarding the Bonded Stacking Place (State Gazette of the Republic of Indonesia of 2009 Number 61, Supplement to the State

- Gazette of the Republic of Indonesia Number 4998);
- 21. Presidential Decree Number 260 of 1967 regarding the Confirmation on the Duties and Responsibilities of the Minister of Trade In Foreign Trade Sector;
- 22. Decree of the President of the Republic of Indonesia Number 187/M of 2004 regarding the Establishment of the Cabinet of United Indonesia as amended by the Decree of the President of the Republic of Indonesia Number 171/M of 2005:
- 23. Regulation of the President of the Republic of Indonesia Number 9 of 2005 regarding the Position, Duties, Functions, Authorities, Composition of Organization and Working Procedure of the State Ministries of the Republic of Indonesia as amended lastly by the Regulation of the President of the Republic of Indonesia Number 20 of 2008;
- 24. Regulation of the President of the Republic of Indonesia 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 Regulation of the President of the Republic of Indonesia Number 21 of 2008;
- 25. 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 amended several times lastly by the Regulation of the Minister of Trade of the Republic of Indonesia Number 24/M-DAG/PER/6/2009;

#### HAS DECIDES:

To stipulate

REGULATION OF THE MINISTER OF TRADE REGARDING GENERAL REQUIREMENTS IN IMPORT SECTOR.



#### Article 1

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

- Import is the activity of introducing goods into a customs office area.
- Goods are any objects both tangible and intangible, movable and immovable, consumable and unconsumable, which are tradable, usable, made us of, or utilizable.
- 3. Importer is any individual person or enterprise, whether in corporate form or not, which conducts the import.
- 4. Importer Identity Number, hereinafter shall be referred to as API, is the identity number for each importer.
- 5. Import arrangement is an import activity arranged specifically by the Minister.
- 6. Minister is the Minister whose duties and responsibilities are in trade sector.

#### Article 2

The stipulation authority on trade policy in import sector is assumed by the Minister.

#### Article 3

- (1) Import can only be done by importers holding an API.
- (2) Certain importers may do the import holding no API based on the considerations and reasons stipulated by the Minister.
- (3) Requirements and procedure of API ownership by such importers going to do the import as referred to in paragraph (1) as well as the requirements of import with no API as referred to paragraph (2) shall be governed by a Regulation of the Minister.

#### Article 4

(1) The API issuance authority is assumed by the Minister

(2) Such authority of API issuance as referred to in paragraph (1) can be delegated to another governmental instance and/or regional governmental instance handling the trade sector.

#### **Article 5**

Other than those requirements on API ownership obligation as referred to in article 3 section (1) and such requirements on no API ownership as referred to in article 3 section (2), any importers going to do the import are obliged to fulfill other requirements stipulated in accordance with the provisions of statutory regulation.

#### Article 6

- (1) Goods imported must be in brand new state.
- (2) In certain conditions, Minister may stipulate non brand new imported goods based on:
  - a. Statutory regulations;
  - b. Minister's Authority; and/or
  - c. Technical recommendations or considerations from other governmental instances.

#### Article 7

- (1) Upon the import of certain goods it can be stipulated a separate import arrangement, except for goods strictly prohibited to be imported under the provisions of statutory regulation.
- (2) Such import arrangement on certain goods as referred to in paragraph (1) shall be stipulated on the basis of considerations and in the context of:
  - a. security protection;
  - b. consumers' safety protection;
  - c. health protection in respect of human, fauna and flora life;

- d. living environment protection;
- e. protection on intellectual property rights;
- f. people's social, cultural and moral protection;
- g. protection on the interest of other national economic development, including the effort to improve producing-farmers living standard, the creation of a fair domestic trade and market condition, and a conducive business atmosphere; and/or
- h. the implementation of statutory regulation provisions.
- Such import arrangement on certain goods as referred to in paragraph (1) shall be governed by a Regulation of the Minister according to his/her authority and/or based on technical recommendations and/or considerations from other governmental instances.

#### **Article 8**

- (1) The implementation of such import arrangement on certain goods as referred to in Article 7 shall be conducted by the mechanism of:
  - a. recognition as importers of certain goods doing the import activity for own requirement;
  - recognition as importers of certain goods doing the import activity for trading purpose and/or to be handed over to other parties;
  - c. import approval; and/or
  - d. verification or import technical tracing.
- (2) Provisions and requirements for importers of certain goods going to obtain such recognition, stipulation, import approval and/or verification or import technical tracing as referred to in section (1), shall be governed by a Regulation of the Minister.
- (3) Minister to stipulate a surveyor as the implementer of such verification or import technical tracing as referred

to in section (1) letter d.

#### Article 9

- (1) The issuance process of such recognition, stipulation, import approval, and/or the implementation of verification or import technical tracing as referred to in Article 8 paragraph (1) shall be conducted in accordance with Standard Operating Procedure and Service Level Agreement.
- (2) The issuance process of such recognition, stipulation, import approval, and/or the implementation of verification or import technical tracing as referred to in paragraph (1) shall be governed by a Regulation of the Minister.

#### Article 10

- (1) Upon goods imported to a Bonded Piling Yard or import originating goods transferred from a Bonded Piling Yard to another place within customs area can be applied the provisions in import arrangement.
- (2) The enforcement of such provisions in import arrangement as referred to in paragraph (1) shall be governed by a Regulation of the Minister.

#### Article 11

- (1) Import to a certain zone and/or import made by certain importers which are stipulated and receiving a special treatment or facility based on the provisions of statutory regulation can be excluded from such import arrangement as referred to in Article 7 and Article 8.
- (2) The implementation of such provisions as referred to in paragraph (1) shall be governed and stipulated separately by the Minister or stipulated by Minister based on technical recommendations and

- considerations from other governmental instances.
- (3) Import prohibition based on the provisions of statutory regulation shall remain valid on such importation to certain zone and/or importation made by certain importers as referred to in paragraph (1).

#### Article 12

Importers violating the provisions in Article 3 and Article 6 shall be imposed with sanctions of:

- a. suspension or revocation of API; and/or
- suspension or revocation of such recognition, stipulation, and/or import approval as referred to in Article 8 paragraph (1).

#### Article 13

As of the effective date of this Regulation of the Minister:

- Decree of the Minister of Industry and Trade Number 229/MPP/Kep/7/1997 regarding General Requirements In Import Sector is revoked and declared as null and void; and
- Decree of the Minister of Industry and Trade, and any Regulation of the Minister of Trade in import sector are declared as remain valid as long as they are not on contrary to the provisions in this Regulation of the Minister.

#### Article 14

This Regulation of the Minister shall be in effect 30 (thirty) days since its stipulation date.

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



Stipulated in Jakarta

On: October 9, 2009

# MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

**MARI ELKA PANGESTU** 

Copy corresponds with the original

Secretary General of

Ministry of Trade

Head of Legal Bureau,

signed

ETARIAT JENO

**WIDODO** 

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

