
AUTHORIZED TRANSLATION



MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

**REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA
NUMBER 03 OF 2018
CONCERNING
PROVISIONS ON PEARL IMPORT**

UPON GRACE OF THE ONE ALMIGHTY GOD

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

- Considering :
- a. that the policy on pearl import as set forth in the Regulation of the Minister of Trade Number 02/M-DAG/PER/1/2012 concerning Provisions on Pearl Imports as amended by Regulation of the Minister of Trade Number 37/M-DAG/PER/7/2014 concerning Amendments to the Regulation of the Minister of Trade Number 02/M-DAG/PER/1/2012 concerning Provisions on Pearl Imports is no longer relevant thereby it is necessary to amend the same;
 - b. that based on the considerations as referred to in item a and to improve the effectiveness of the implementation of the policy on pearl import, it is necessary to re-regulate the provisions on pearl import;
 - c. that based on the considerations as referred to in items a and b, it is necessary to stipulate a Regulation of the Minister of Trade concerning Provisions on the Pearls import;

- In view of : 1. Law Number 7 of 1994 concerning Ratification of the 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);
2. Law Number 10 of 1995 concerning Customs (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 the Law Number 17 of 2006 concerning Amendment to Law Number 10 of 1995 concerning Customs (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4661);
3. Law Number 39 of 2008 concerning 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);
4. Law Number 7 of 2014 concerning Trade (State Gazette of the Republic of Indonesia of 2014 Number 45, Supplement to the State Gazette of the Republic of Indonesia Number 5512);
6. The Regulation of President Number 7 of 2015 concerning Organization of State Ministries (State Gazette of the Republic of Indonesia of 2015 Number 8);
7. Presidential Regulation Number 48 of 2015 concerning the Ministry of Trade (State Gazette of the Republic of Indonesia of 2015 Number 90);
8. Regulation of the Minister of Trade Number 46/M-DAG/PER/8/2014 concerning General Provisions on Verification or Technical examination in the Trade Field (State Gazette of the Republic of Indonesia of 2014 Number 1104);
9. Regulation of the Minister of Trade Number 48/M-DAG/PER/6/2015 concerning General Provisions on Import (State Gazette of the Republic of Indonesia of 2015 Number

1006);

10. Regulation of the Minister of Trade Number 70/M-DAG/PER/9/2015 concerning Importer Identity Number (State Gazette of the Republic of Indonesia of 2015 Number 1516);
11. Regulation of the Minister of Trade Number 08/M-DAG/PER/2/2016 concerning Organization and Work Procedure of the Ministry of Trade (State Gazette of the Republic of Indonesia of 2016 Number 202);
12. Regulation of the Minister of Trade Number 85/M-DAG/PER/12/2016 concerning Trade Integrated Services (State Gazette of the Republic of Indonesia of 2016 Number 2007);

HAS DECIDED:

To stipulate : **REGULATION OF THE MINISTER OF TRADE CONCERNING PROVISIONS ON PEARLS IMPORT.**

Article 1

In this Regulation of the Minister the following Terms shall have meaning as follows:

1. Pearl shall mean any fishery products in the form of precious grain produced by sea or freshwater pearl shells.
2. Import shall mean activities to import goods into the customs area.
3. Importer Identity Number, hereinafter abbreviated as API, shall mean the identity as importer.
4. Import Approval shall mean an approval used as a permit to carry out Pearl Import.
5. Customs Area shall mean an area with certain boundaries at sea ports, airports, or other places designated for goods traffic that are fully under the supervision of the Directorate General of Customs.
6. Import Verification or Technical examination shall mean survey and inspection of imported goods carried out by surveyors

7. Surveyor shall mean a survey company authorized to carry out Verification or technical examination of imported goods
8. Minister shall mean the Minister of Trade.
9. Director General shall mean the Director General of Foreign Trade, Ministry of Trade.
10. The Director shall mean the Director of Import, Directorate General of Foreign Trade, Ministry of Trade

Article 2

Pearls of which the import is restricted shall be as those listed in the Appendix forming integral part hereof.

Article 3

- (1) Pearl import as referred to in Article 2 may only be carried out by companies having API that have obtained import approval from the Minister.
- (2) The Minister may provide the mandate on the issue of the Import Approval as referred to in paragraph (1) to the Director General.

Article 4

- (1) To obtain the Import Approval as referred to in Article 3, the company shall submit an application electronically to the Director General, by attaching the Importer Identity Number (API).
- (2) In case the application as referred to in paragraph (1) has been complete and correct, the Minister or Director General shall issue the Import Approval within no later than 3 (three) business days.
- (3) In the event that the application as referred to in paragraph (1) is declared incomplete and / or incorrect, the Import Approval could not be issued.

Article 5

The Pearl Import Approval as referred to in Article 4 paragraph (2) shall be valid for 6 (six) months as of the date of issue.

Article 6

The Import Approval as referred to in Article 4 paragraph (2) shall contain data and/or information at least on:

- a. number and date of API issue;
- b. name and address of the importer;
- c. Pearl volume per port of destination;
- d. Tariff Heading/ HS;
- e. country of origin;
- f. number and issue date of Import Approval; and
- g. validity term of Import Approval.

Article 7

- (1) The Minister or Director General may extend the validity term of the Import Approval as referred to in Article 5 within not later than 30 (thirty) calendar days
- (2) The application for extension of the validity term of the Import Approval as referred to in paragraph (1) shall be submitted before the expiry thereof
- (3) To obtain the extension of the validity term of the Import Approval as referred to in paragraph (1), the company must submit an application electronically to the Director General, by attaching the documents:
 - a. Valid Import Approval; and
 - b. Bill of Lading (B / L) or Airway Bill (AWB).
- (4) To the application as referred to in paragraph (3), the Minister or Director General shall issue an extension of the validity term of the Import Approval within not later than 3 (three) business days as of the receipt date of complete and correct applications.

Article 8

- (1) The company shall report and submit an application for change of the Import Approval to the change of the API document as referred to in Article 4 paragraph (1).
- (2) The company may submit an application for change of the Import Approval in the event there is change of the description of goods, Tariff Heading/ HS, quantity and unit of goods, country of origin, port of loading and / or port of import destination
- (3) To obtain the change of the Import Approval as referred to in paragraph (1) and paragraph (2), the Importer shall submit an application electronically by attaching:
 - a. API;
 - b. Import Approval; and
 - c. duly stamped statement letter from the importer on the reason of submitting an application for change of Import Approval, for the application for change as referred to in paragraph (2).
- (4) For the application as referred to in paragraph (3), the Minister or Director General shall issue change of the Import Approval within not later than 3 (three) business days as of the receipt date of the application in complete and correctly.

Article 9

- (1) Submission of application for:
 - a. Import Approval as referred to in Article 4;
 - b. extension of Import Approval as referred to in Article 7; and
 - c. change of Import Approval as referred to in Article 8,may only be served by an electronic system through <http://inatrade.kemendag.go.id>.
- (2) In the event of a force majeure resulting in failure to the electronic system through <http://inatrade.kemendag.go.id>, the application as referred to in paragraph (1) shall be submitted manually.

Article 10

Every Pearl import may only be conducted through the destination port:

- a. Soekarno Hatta Airport in Jakarta; and
- b. Juanda Airport in Surabaya.

Article 11

- (1) Every implementation of Pearl Import shall firstly be subjected to Verification or technical examination in the country of loading port before shipment.
- (2) The verification or technical examination as referred to in paragraph (1) shall be carried out by the Surveyor determined by the Minister.

Article 12

To be eligible as the executor of Verification or technical examination as referred to in Article 11 paragraph (2), the Surveyor shall meet the following requirements:

- a. having a Survey Service Business License (SIUJS);
- b. having experience as Pearl Import Surveyor for at least 5 (five) years;
- c. having branches or representatives and / or affiliates overseas and having networks to support the effectiveness of Verification or technical examination services; and
- d. having good track records in the management of Import Verification or technical examination activities.

Article 13

- (1) Import Verification or technical examination as referred to in Article 11 paragraph (1) shall at least include:
 - a. description and specification of goods covering Tariff Heading Number / HS;
 - b. quantity (volume) per type of item;
 - c. shipping time;

- d. data or information on loading port and destination port; and
 - e. Certificate of Origin.
- (2) The results of the import verification or technical examination by the Surveyor as referred to in paragraph (1) shall be contained in the form of Surveyor Report (LS).
 - (3) LS as referred to in paragraph (2) shall contain statement on truth of the results of Verification or technical examination and become the Surveyor's full responsibility.
 - (4) For the implementation of Verification or technical examination as referred to in paragraph (1), the Surveyor shall collect service fee from the importer of which the amount shall be determined by taking into account the principle of benefit.

Article 14

- (1) Examination to the fulfillment of Pearl import requirements shall be carried out after passing the Customs Area.
- (2) Import requirements as referred to in paragraph (1) shall be in the form of:
 - a. Import Approval; and
 - b. Surveyor Report.
- (3) The importers shall make a self declaration stating that they have fulfilled Pearl import requirements before the imported goods are used, traded and / or transferred.
- (4) The importers shall submit the declaration as referred to in paragraph (3) electronically via <http://inatrade.kemendag.go.id> by mentioning the Goods Import Notification number (PIB).
- (5) The Importers shall maintain the import requirements documents as referred to in paragraph (2) and Goods Import Notification (PIB) for at least 5 (five) years for the purposes of examination as referred to in paragraph (1).

Article 15

- (1) Any Pearl Importer shall submit a report to the Director General on the implementation of Pearl Import, whether realized or not,

electronically via <http://inatrade.kemendag.go.id>.

- (2) The report as referred to in paragraph (1) shall be submitted by monthly within not later than the 15th (fifteenth day) of the following month.
- (3) In the event of force majeure resulting in failure to the electronic system through <http://inatrade.kemendag.go.id>, the reporting as referred to in paragraph (1) shall be submitted manually.

Article 16

- (1) The surveyor as referred to in Article 11 paragraph (2) shall electronically submit the progress report of Verification or technical Examination to Pearl Import already carried out via <http://inatrade.kemendag.go.id>, to the Director General within not later than the 15th (fifteenth day) of the subsequent month.
- (2) In the event of force majeure resulting in failure to the electronic system via <http://inatrade.kemendag.go.id>, reporting as referred to in paragraph (1) shall be submitted manually.

Article 17

- (1) The import of pearl constituting:
 - a. goods for the purposes of research and development of science at maximum quantity of 100 (one hundred) grams; and
 - b. goods for exhibition purposes, at maximum quantity of 1000 (one thousand) grams for each exhibition participant from abroad,shall obtain Import Approval and be excluded from provisions on Import Verification or Technical Examination as referred to in Article 11.
- (2) The import of pearl constituting:
 - a. personal goods of passengers and crew of transportation means at maximum quantity of 50 (fifty) grams
 - b. consignment goods at maximum quantity of 50 (fifty) grams per shipment; or

- c. goods already exported for exhibition purposes or rejected by purchaser overseas, then re-imported as evidenced by the Goods Export Notification (PEB) and Certificate of Origin (SKA) from Indonesia, shall excluded from the provisions hereof.

Article 18

Any Companies failing to perform the obligation to submit reports as referred to in Article 15 for 2 (two) times, shall be subjected to sanction in terms of suspension of application for Pearl Import Approval for the subsequent 6 (six) month- period.

Article 19

The Import Approval shall be revoked in case the company:

- a. changes, adds, and / or replaces the content stated in the Import Approval document;
- b. is proven of submitting untrue data and/or information in the application for Import Approval, after the Import Approval is issued;
- c. imports pearls with the type and/or quantity not in accordance with those mentioned in the Import Approval;
- d. commits a breach based on the assessment and recommendation of the relevant technical agency; and / or
- e. declared guilty by the court for the violation in the criminal offense related to the abuse of Pearl imported.

Article 20

No Pearl importers already subjected to sanctions in terms of revocation of import approval shall be allowed to submit applications for re-import approval for 2 (two) years and they shall be recorded in the list of importers under supervision.

Article 21

The suspension of the issue and revocation of the Import Approval as referred to in Article 18 and Article 19 shall be carried out by the Minister or the Director General.

Article 22

- (1) Any Companies failing to comply with the provisions herein in conducting the import of pearl shall be subjected to sanction in accordance with the provisions of the legislation.
- (2) Any pearl imported not in accordance with the provisions herein shall be recalled from circulation and destroyed by the importer.
- (3) The cost of execution of recalling from circulation and destruction as referred to in paragraph (2) shall be borne by the Importer.

Article 23

Every implementation of Pearl import shall remain comply with provisions of legislation on Pearl quality control, fish quarantine, and / or customs.

Article 24

- (1) The Directorate General of Consumer Protection and Well-Ordered Commerce shall carry out regular or incidental examination and supervision
- (2) (2) The examination as referred to in paragraph (1) shall be carried out to:
 - a. Pearl import requirement; and
 - b. other import supporting documents.
- (3) The supervision as referred to in paragraph (1) shall be carried out to:
 - a. truth of report on import realization;
 - b. conformance of Pearls imported with data listed in Import Approval; and
 - c. compliance with legislation related to the pearls.

Article 25

If required, the technical direction on implementation hereof shall be stipulated by the Director General and / or Director General of Consumer Protection and Well-Ordered Commerce in accordance with their respective authorities.

Article 26

- (1) Import Approval and LS issued based on the Regulation of the Minister of Trade No.02/M-DAG/PER/1/2012 concerning Provisions on Pearl Imports (Official Gazette of the Republic of Indonesia of 2012 Number 83) as amended by the Regulation of the Minister of Trade No.37/M-DAG/PER/7/2014 concerning Amendment to Regulation of the Minister of Trade Number 02/M-DAG/PER/1/2012 concerning Provisions on the Pearl import (State Gazette of the Republic of Indonesia of 2014 Number 939), shall be declared remain effective until the expiry date thereof.
- (2) Determination of Surveyors as executive of Verification or technical examination of Pearl import issued based on the Regulation of the Minister of Trade Number 02/M-DAG/PER/1/2012 concerning Provisions on Pearl Import (Official Gazette of the Republic of Indonesia of 2012 Number 83) as amended by the Regulation of the Minister of Trade No.37/M-DAG/PER/7/2014 concerning Amendment to Regulation of the Minister of Trade No. 02 / M-DAG / PER / 1/2012 concerning Provisions on Pearl import (Official Gazette of the Republic of Indonesia Number 939 of 2014), shall be declared remain effective up to the issue of stipulation of Surveyors as executive of Verification or technical examination of the pearl import hereunder.

Article 27

Upon effectiveness hereof, the Regulation of the Minister of Trade Number 02 / M-DAG / PER / 1/2012 concerning Provisions on Pearl

Import (Official Gazette of the Republic of Indonesia of 2012 Number 83) as amended by the Regulation of the Minister of Trade Number 37/M-DAG/PER/7/2014 concerning Amendment to Regulation of the Minister of Trade No.02/M-DAG/PER/1/2012 concerning Provisions on Pearl import (Official Gazette of the Republic of Indonesia Number 939 of 2014), shall be revoked and declared null and void.

Article 28

This Regulation of the Minister shall come into effect on February 1, 2018.

So that it is known by everyone, the enactment of this Regulation of the Minister is instructed with its placement in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On : January 10, 2018

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

signed

ENGGARTIASTO LUKITA

Enacted in Jakarta

On : January 15, 2018

DIRECTOR GENERAL OF LEGISLATIVE REGULATIONS

MINISTRY OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA

signed

WIDODO EKATJAHJANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2018 NUMBER 90.

Copy conforms to the original

Secretariat General

Ministry of Trade

Head of Legal Bureau

signed and sealed

SRI HARIYATI

APPENDIX

REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

NUMBER 03 OF 2018

CONCERNING

PROVISIONS ON PEARL IMPORT

SUBJECTED TO IMPORT RESTRICTION

No.	Tariff Heading / HS	Description of goods
1	2	3
	71.01	Pearls, natural or cultivated, whether or not its quality is processed or upgraded, but without stranding, fixing or milking; pearls, nature or cultivation, temporarily stranded for easy transportation
1.	7101.10.00	- Natural pearls
	7101.20	- Cultivated Pearls
2.	7101.21.00	- not processed
3.	7101.22.00	- processed
	71.16.	- Goods made of natural pearls or cultivated pearls, precious stones or semi-precious stones (natural, synthetic or reconstructed).
4.	7116.10.00	-Made of natural or cultivated pearls

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

signed

ENGGARTIASTO LUKITA

Copy conforms to the original

Secretariat General

Ministry of Trade

Head of Legal Bureau

signed and sealed

SRI HARIYATI

I, **Anang Fahkcrudin**, a sworn and authorized translator, practicing in Jakarta, do solemnly and sincerely declare that the foregoing document is a true and faithful translation from **Indonesian into English** of the original version.

Jakarta, July 29, 2019