
Authorized Translation



**LAW OF THE REPUBLIC OF INDONESIA
NUMBER 7 YEAR 2014
CONCERNING
TRADE**

**SECRETARIAT GENERAL OF
MINISTRY OF TRADE**

PRESIDENT OF THE REPUBLIC OF INDONESIA

LAW OF THE REPUBLIC OF INDONESIA

NUMBER 7 YEAR 2014

CONCERNING

TRADE

WITH THE BLESSING OF GOD ALMIGHTY

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering : a. that economic development has direction and implementation to promote public welfare through economic democracy within the principles of togetherness, equitable efficiency, sustainability, environmentally orientation, independence, and maintenance of the balance between the advances and the national economic unity as mandated by the 1945 Constitution of the Republic of Indonesia;

b. that the economic democracy through Trade activities constitutes the key driver in

the national economic development that can provide carrying capacity to increase the production and evenly distribute income and strengthen the competitiveness of Domestic Product;

- c. that Trade plays an important role in increasing the economic development, although, in this time, it has not yet fulfilled the needs to face challenges of the national development, and it is necessary to have preference for economic policy that increasingly gives opportunity, support, and people economic development to include cooperatives and micro, small, and medium business as the key pillars of the national economic development;
- d. that the laws and regulations in Trade sector requires harmonized Trade provisions within the scope of the national economic unity to address the growing Trade development in the present and future globalization era;
- e. that based on the considerations as referred to in points a, b, c, and d

it is necessary to establish a Law concerning Trade;

In view of : 1. Article 5 section (1), Article 11, Article 20, and Article 33 of the 1945 Constitution of the Republic of Indonesia;

2. Decree of the People's Consultative Assembly of the Republic of Indonesia Number XVI/MPR/1998 concerning Economic Politics in an Economic Democracy;

With The Joint Approval of

THE HOUSE OF REPRESENTATIVE OF THE REPUBLIC OF INDONESIA

and

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

HAS DECIDED:

To enact: THE LAW CONCERNING TRADE.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Law, the following terms have the following meanings:

1. Trade means a system that deals with a domestic and cross-border transaction in Goods and/or Services with

- the aim of transfer of right in Goods and/or Services for a fee or compensation.
2. Domestic Trade means Trade in Goods and/or Services within the territory of the Unitary State of the Republic of Indonesia, but excluding Foreign Trade.
 3. Foreign Trade means cross-border Trade that includes Export and/or Import of Goods and/or Trade in Services.
 4. Border Trade means Trade conducted by Indonesian citizens residing at Indonesia's border areas with neighboring residents to meet their daily needs.
 5. Good(s) means any object, tangible or intangible, movable or immovable, consumable or non-consumable, tradable, applicable, usable, or exploitable by a consumer or Business Operator.
 6. Service(s) means any handling and performance in the form of work or deliverables, which are traded by one party to the public to be used by a consumer or Business Operator.
 7. Domestic Products means Goods that are made and/or Services that are provided by a Business Operator in Indonesia.
 8. Standards means the technical requirements or something standardized, including a procedure and method prepared by a consensus among any parties/ government/

international decisions expressing concerns about the requirements for safety, safety, health, environment, science and technology development, experience, and present and future development to obtain the benefit to maximum extent possible.

9. Standardization means a process to formulize, set, apply, maintain, give effect to, and supervise the standards applied in an orderly manner and in cooperation with any parties.
10. Indonesian National Standard, hereinafter abbreviated to SNI is a standard that is established by an institution in charge of the development and guidance on Standardization.
11. Goods Distribution means direct or indirect distribution activities to a consumer.
12. Market means an economic institution where a buyer and a seller meet, either directly or indirectly, to conduct a Trade transaction.
13. Warehouse means an enclosed and/or open immovable space used not for public visit but a place for storage of Goods that are tradable and not for own use.
14. Business Operator means any individual of Indonesian citizen or a business entity which is a legal entity or

non-legal entity, incorporated and domiciled in the jurisdiction of the territory of the Unitary State of the Republic of Indonesia running business in Trade.

15. Customs Zone means s the territory of the Unitary State of the Republic of Indonesia including the lands, waters and air space, and some point within the Exclusive Economic Zone and continental shelf in which the Customs Law applies.
16. Export means an activity to bring Goods out of the Customs Zone.
17. Exporter means an individual or institution or business entity, either a legal entity or non-legal entity, that commits an act of exporting.
18. Import means an activity to bring Goods into the Customs Zone.
19. Importer means an individual or an institution or business entity, either a legal entity or non-legal entity, that commits an act of importing.
20. Trade Promotion means an activity to exhibit, demonstrate, introduce, and/or disseminate information on the products of Goods and/or Services to attract buying interest from consumers, both domestically and abroad,

within a definite period of time to enhance the sale, expand markets, and open trade relations.

21. Representative of the Republic of Indonesia in Foreign Country is a Diplomatic Representative and a Consular Representative of the Republic of Indonesia who officially represent and campaign in favor of the nation, the state, and Government of the Republic of Indonesia as a whole in a receiving state or international organization.
22. International Trade Cooperation means an activity of the Government to campaign for and safeguard the national interest through Trade relations with another country and/or an international institution/ organization.
23. Trade Information System means a system, procedure, and mechanisms by which integrated data and/or information on Trade is collected, processed, communicated, managed, and disseminated in support of the trade policies and control.
24. Trade through Electronic System means Trade by which a transaction is conducted through a set of electronic devices and procedures.

25. National Trade Committee means an institution that is established to accelerate the achievement in the objectives of the implementation of Trade.
26. The Central Government, hereinafter called the Government, means the President of the Republic of Indonesia, which holds the executive power of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
27. Local government means the governors, regents or mayors, and region instrumentalities that form components to administer the local governments.
28. Minister means a minister that administers governmental affairs in the field of Trade.

CHAPTER II

PRINCIPLES AND OBJECTIVES

Article 2

Trade Policy shall be prepared on the principle of:

- a. national interest;
- b. legal certainty;
- c. fair and healthy;
- d. business security;
- e. accountability and transparency;

- f. independence;
- g. partnership;
- h. benefit;
- i. simplicity;
- j. togetherness; and
- k. environmentally orientation.

Article 3

Regulation of Trade shall have the objectives to:

- a. enhance the national economic growth;
- b. increase the use and Trade in Domestic Product;
- c. increase the business opportunity and create job opportunity;
- d. ensure the smooth flow of Distribution and the availability of basic Goods and essential Goods;
- e. improve the Trade facilities, means, and infrastructure;
- f. intensify the partnerships between large business and cooperatives, micro, small, and medium, as well as the Government and private sector;
- g. enhance the competitiveness of national product and business;

- h. improve the images of Domestic Products, access to markets, and national Export;
- i. increase the Trade in creative economy-based products;
- j. intensify the consumer protection;
- k. intensify the use of SNI;
- l. intensify the protection of natural resources; and
- m. intensify supervision of Goods and/or services traded.

CHAPTER III

SCOPE OF REGULATION

Article 4

(1) The scope of regulation of Trade shall include:

- a. Domestic Trade;
- b. Foreign Trade;
- c. Border Trade;
- d. Standardization;
- e. Electronic Trade System;
- f. Trade protection and safeguards;
- g. empowerment of cooperatives and micro, small, and medium business;
- h. Export development;
- i. International Trade Cooperation;

- j. Trade Information System;
 - k. duties and authorities of the Government in the field of Trade;
 - l. National Trade Committee;
 - m. supervision; and
 - n. investigation.
- (2) In addition to the scope as referred to in section (1), also regulated tradable Services shall include:
- a. Business services;
 - b. Distribution services;
 - c. Communication services;
 - d. Education services;
 - e. Environment services;
 - f. Finance services;
 - g. Construction and relevant engineering services;
 - h. Health and social affairs services;
 - i. Recreation, culture, and sports services;
 - j. Tourism services;
 - k. Transportation services; and
 - l. Other services.
- (3) Services may be traded both in domestic and cross-border.

CHAPTER IV

DOMESTIC TRADE

Part One

General

Article 5

- (1) The Government shall regulate Domestic Trade activities through policies and controls.
- (2) Policies and controls of Domestic Trade as referred to in section (1) shall be directed towards:
- a. increase in the efficient and effective Distribution;
 - b. improve the business climate and business certainty;
 - c. integrated and expanded domestic market;
 - d. improve of access to markets for Domestic products;
and
 - e. consumer protection.
- (3) Domestic Trade Policy as referred to in section (1) shall govern at least:
- a. harmonization of the regulations, Standards, and procedures for trade activities between the central and regions and/or interregional;

- b. organization of the procedures for the licensing for the smooth flow of goods;
 - c. assurance of the availability and affordability of public basic goods;
 - d. development and consolidation of business in the field of Domestic Trade, including cooperatives and micro, small, and medium business;
 - e. provision of facilities for Trade facilities development;
 - f. increase in the use of Domestic Product;
 - g. Inter-insular Trade; and
 - h. consumer protection.
- (4) Control of Domestic Trade as referred to in section(1) shall include:
- a. licensing;
 - b. Standard; and
 - c. prohibition and restriction.

Article 6

- (1) Any Business Operator must use or affix an Indonesian language label to Goods traded within domestically.

- (2) Further provisions concerning the use or affixation of the Indonesian language labels shall be regulated by Ministerial Regulation.

Part Two

Distribution of Goods

Article 7

- (1) Direct or indirect Distribution of Goods traded domestically to consumers may be made through a Distribution Business Operator.
- (2) Indirect Distribution of Goods as referred to in section (1) shall be made through the general chain of Distribution:
- a. distributors and their networks;
 - b. agents and their networks; or
 - c. franchises.
- (3) Direct Distribution of Goods as referred to in section (1) shall use the benefit of special distribution through a direct selling system at:
- a. single level; or
 - b. multilevel.

Article 8

Goods with an exclusive Distribution right traded under a direct selling system may be marketed by authorized sellers registered as a member of the direct selling company.

Article 9

Any Distribution Business Operator is prohibited from adopting a pyramid scheme in the distribution of Goods.

Article 10

Any Distribution Business Operator as referred to in Article 7 shall distribute Goods in accordance with the laws and regulation as well as economic and business ethics to endure orderly business operations.

Article 11

Further provisions concerning the Distribution of Goods shall be regulated by the Ministerial Regulation.

Part Three

Trade Facilities

Article 12

(1) The Government, the Local Governments, and/or Business Operator shall individually or collectively develop Trade facilities in the form of:

- a. People's markets;

- b. shopping centers;
 - c. self-service stores;
 - d. Warehouses;
 - e. grocers;
 - f. auction markets;
 - g. futures trading; or
 - h. other trade facilities.
- (2) The Government, the Local Governments, and/or Business Operator shall, in the development of Trade facilities as referred to in section (1), refer to the laws and regulations.

Article 13

- (1) The Government in cooperation with the Local Government shall develop, empower, and improve the people's Market management quality in the scope of enhancement of competitiveness.
- (2) Development, empowerment, and improvement of the people's market management quality as referred to in section (1) shall be made through:
- a. developing and/or revitalizing of people's market;
 - b. implementing professional management;

c. facilitating access to supply of goods with good quality and at competitive prices; and/or

d. facilitating access to finance to market traders in people's markets.

- (3) Further provisions concerning development, empowerment, and improvement of the people's markets management quality shall be regulated by or under Presidential Regulation.

Article 14

- (1) The competent Government and/or Local Government shall regulate in an equal and fair manner the development, organization and guidance for people's Markets, shopping centers, self-service stores, and grocers to make business certainty and balanced cooperative relationship between suppliers and retailers by giving preference for cooperatives and micro, small, and medium business.

- (2) The development, organization, and guidance as referred to in section (1) shall be made by regulation of licensing, spatial planning, zoning with due regard to the distance and location of their establishment, partnership, and business cooperation.

- (3) Further provisions concerning regulation of licensing, spatial planning, and zoning as referred to in section

(2) shall be regulated by or under Presidential Regulation.

Article 15

- (1) A Warehouse as referred to in Article 12 section (1) point d shall be one of the Trade facilities to enhance the smooth flow of Distribution of Goods traded domestically and abroad.
- (2) A Warehouse as referred to in section (1) must be registered by a Warehouseman within the classification of Warehouse by size and storage capacity.
- (3) A Warehouseman failing to conduct Warehouse registration as referred to in section (2) shall be sentenced to administrative sanctions of closing of a Warehouse for a definite period and/or a fine not exceeding Rp 2,000,000,000 (two billion rupiah).
- (4) The provisions concerning procedure for Warehouse registration as referred to in section (2) shall be regulated by the Ministerial Regulation.
- (5) The provisions concerning the imposition of administrative sanctions as referred to in section (3) shall be regulated by or under Government Regulation.

Article 16

- (1) In addition to the provisions concerning Warehouse as referred to in Article 15, the Government and/or the Local Governments may provide Warehouse needed to ensure the availability of public basic Goods.
- (2) Warehouse provided by the Government and/or Local Governments as referred to in section (1) shall be exclusive and the quantity of public basic Goods stored shall be categorized as data used to a limited extent.

Article 17

- (1) Any Warehouseman, Warehouse operator, or Warehouse tenant engaged in storing Goods for trading must administratively record at least the quantity of Goods and the quantity of Goods entering and leaving the Warehouse.
- (2) Any Warehouseman, Warehouse operator, or Warehouse tenant failing to administratively record as referred to in section (1) shall be sentenced to administrative sanctions of revocation of the Trade licensing.
- (3) Further provisions concerning administrative recording of Goods as referred to in section (1) shall be regulated by the Ministerial Regulation.

Article 18

- (1) The Government and/or Local Governments shall organize, direct, and develop of auction Markets as referred to in Article 12 section (1) point f.
- (2) The provisions concerning organization, guidance and development of auction Markets as referred to in section (1) shall be regulated by or under the Presidential Regulation.

Article 19

- (1) The Government shall regulate, direct, supervise, and develop commodity futures trading as referred to in Article 12 section (1) point g.
- (2) The provisions concerning commodity futures trading as referred to in section (1) shall be regulated by the laws and regulations in the field of commodity futures trading.

Part Four

Trade in Services

Article 20

- (1) A Service provider engaged in the field of Trade in Services must be supported by competent technical personnel in accordance with the laws and regulations.

- (2) A Service Provider lacking competent technical personnel as referred to in section (1) shall be sentenced to administrative sanctions of:
- a. a written warning;
 - b. temporary suspension of business activities; and/or
 - c. revocation of business licenses.
- (3) Further provisions concerning obligations as referred to in section (1) and imposition of a sanction as referred to in section (2) shall be regulated by or under Government Regulation.

Article 21

The government may certify the competence technical personnel from another country based on mutual certification agreement bilaterally or regionally.

Part Five

Increase in Use of Domestic Products

Article 22

- (1) To develop, empower, and consolidate Domestic Trade, the Government, Local Governments, and/or other stakeholders shall individually or collectively seek increase in the use of Domestic Products.

- (2) Increase in use of Domestic Products as referred to in section (1) shall be made by giving preference for promotion, socialization, or marketing and performing an obligation of use of Domestic Products in accordance with laws and regulations.
- (3) Further provisions concerning increase in the use of Domestic Products shall be regulated by Ministerial Regulation.

Part Six

Inter-insular trade

Article 23

- (1) The Government shall regulate inter-insular trade for the benefit of integrated domestic markets.
- (2) Regulation as referred to in section (1) shall be directed to:
- a. maintain the balance between the surplus regions and the minus regions;
 - b. reduce the price gap among regions;
 - c. safeguard the Distribution of Goods that is subject to Trade restriction;
 - d. develop the marketing of superior product in each regions;

- e. provide facilities and infrastructure for inter-insular trade;
 - f. prevent smuggled Goods from entering and circulating domestically;
 - g. prevent goods from smuggling abroad; and
 - h. remove the inter-insular Trade barriers.
- (3) Further provisions concerning inter-insular trade shall be regulated by the Ministerial Regulation.

Part Seven

Licensing

Article 24

- (1) A Business Operator to engage in Trade must hold a Trade license that is issued by the Minister.
- (2) The Minister may assign or delegate the licensing to the local governments or specified technical institutions.
- (3) The Minister may exempt a Business Operator from an obligation to hold a Trade license as referred to in section (1).
- (4) Further provisions concerning Trade in as referred to in section (1), and exemption as referred to in section (3) shall be regulated by the Ministerial Regulation.

Part Eight

Controls of Basic Goods and/or Essential Goods

Article 25

- (1) The Government and Local Governments shall control the availability of basic Goods and/or essential Goods throughout the territory of the Unitary State of the Republic of Indonesia in adequate quantities, of good quality, and at affordable prices.
- (2) The Government and the Local Governments must foster increase and protection of domestic production of basic goods and essential goods to fulfill national needs.
- (3) Basic goods and essential goods as referred to in section (1) shall be determined by Presidential Regulation.

Article 26

- (1) In certain circumstance that may affect the national Trade activities, the Government is obliged to ensure the supply and price stabilization of basic Goods and essential Goods.
- (2) Assurance of supply and price stabilization of basic Goods and essential Goods as referred to in section(1) shall be to maintain the affordable prices at the consumer level and protect the income of producers.

- (3) To ensure the supply and price stabilization of basic goods and essential goods, the Minister shall determine price policy, stock and logistics management, as well as Export and Import.

Article 27

To control the availability, price stabilization, and Distribution of basic Goods and essential Goods, the Government may appoint a State Owned Enterprise.

Article 28

To perform obligations as referred to in Article 26, the Government shall allocate the budget from the State Budget and/or other sources in accordance with the laws and regulations.

Article 29

- (1) A Business Operator is prohibited from storing basic Goods and/or essential Goods in certain quantities and for a definite period of time during goods shortage, volatile prices, and/or prevented flow of Trade in Goods.
- (2) A Business Operator may store basic Goods storage and/or essential Goods in certain quantities and for a definite period of time if used as raw materials or auxiliary materials in the production process or as supplies of Goods for distribution.

- (3) Further provisions concerning storage of basic Goods and/or essential Goods shall be regulated by or under Presidential Regulation.

Article 30

- (1) The Minister may request data and/or information from a Business Operator on the supplies of basic Goods and/or essential Goods.
- (2) A Business Operator is prohibited from manipulating data and/or information on the supplies of basic Goods and/or essential Goods.

Article 31

In case of the Local Governments regulate measures to ensure the availability, price stabilization, and distribution of basic goods and/or essential goods, the Local Governments must refer to such policy as determined by the Government.

Article 32

- (1) A Producer or importer trading in Goods related to security, safety, health, and the environment must:
- a. register the Goods traded to the Minister; and
 - b. affix a registration number to the Goods and/or their containers.

- (2) An obligation to register Goods as referred to in section (1) shall be fulfilled by a producer or importer prior to Goods circulating at the markets.
- (3) An obligation to register goods as referred to in section (1) point a, shall exclude Goods subject to registration under the laws and regulations.
- (4) The criteria for security, safety, health, and the environment as referred to in section (1) may be determined under SNI or other Standards accepted but not mandatory applicable.
- (5) Goods as referred to in section (1) shall be determined by Presidential Regulation.
- (6) In case of Goods as referred to in section (5) are subject to mandatory SNI, such Goods must comply with the provision of mandatory SNI.

Article 33

- (1) A Producer or importer failing to fulfill the provisions for registration of Goods as referred to in Article 32 section (1) must cease the Trade in Goods activity and recall the Goods from:
 - a. distributors;
 - b. agents;
 - c. grocers;

- d. retailers; and/or
 - e. consumers.
- (2) An instruction to cease Trade activities and recall Goods from the distribution as referred to in section (1) shall be issued by the Minister.
- (3) A Producer or importer failing to fulfill the provisions as referred to in section (1) shall be sentenced to administrative sanctions of revocation of the business license.

Article 34

Further provisions concerning the registration of Goods as referred to in Article 32 section (1) and cessation of Trade activities in Goods and recall of goods as referred to in Article 33 section (1) shall be regulated by or under Presidential Regulation.

Part Nine

Prohibition and Restriction of Trade in Goods

and/or Services

Article 35

- (1) The Government shall determine prohibition or restriction of Trade in Goods and/or Services in the national interest for the following reasons:

- a. to protect the economic sovereignty;
- b. to protect the security of the state;
- c. to protect the public morals and culture;
- d. to protect the health and safety of people, animals, fish, plants, and the environment;
- e. to protect the excessive use of natural resources for production and consumption;
- f. to protect the balance of payments and/or the balance of trade;
- g. to implement the laws and regulations; and/or
- h. certain consideration in accordance with the duties the Government.

(2) Goods and/or Services subject to Trade prohibition or restriction as referred to in section (1) shall be determined by Presidential Regulation.

Article 36

Any Business Operator is prohibited from trading Goods and/or services that are specified as Goods and/or Services subject to Trade prohibition as referred to in Article 35 section (2).

Article 37

(1) Any Business Operator must comply with the provisions of determination of Goods and/or Services that are defined as

Goods and/or Services subject to Trade restriction as defined in Article 35 section (2).

- (2) Any Business Operator who violates the provisions of determination of goods and/or services as referred to in section (1) shall be sentenced to administrative sanctions of revocation of the Trade licensing.

CHAPTER V

FOREIGN TRADE

Part One

General

Article 38

- (1) The Government shall regulate the foreign trade activities through policies and controls of Export and Import.
- (2) Policies and controls of Foreign Trade as referred to in section (1) shall be directed towards:
- a. improvement of the competitiveness of Indonesia export products;
 - b. improvement and expansion of access to foreign markets; and
 - c. development of the capability of Exporters and Importers into a reliable Business Operator.

(3) Foreign Trade Policy shall include at least:

- a. increase in quantities and types as well as added-value of export products;
- b. harmonization of the standards and procedures for Trade activities with trading partner countries;
- c. consolidation of Foreign Trade institutions;
- d. development of supporting facilities and infrastructure of Foreign Trade; and
- e. protection and safeguards for the national interest of the negative impacts of foreign trade.

(4) Controls of Foreign Trade shall include:

- a. licensing;
- b. Standards; and
- c. prohibition and restriction.

Article 39

Cross-border Trade in Services shall be made by:

- a. cross-border supply;
- b. consumption abroad;
- c. commercial presence; or
- d. movement of natural persons.

Article 40

- (1) To increase added-value of the national economics, the Government may regulate methods of payment and methods of delivery of Export and Import Goods.
- (2) Further provisions concerning methods of payment and methods of delivery shall be regulated by Government Regulation.

Article 41

- (1) The Minister may postpone Import or Export in case of events of force majeure.
- (2) The President shall declare events of force majeure as referred by section (1).

Part Two

Export

Article 42

- (1) Export of Goods shall be conducted by a Business Operator that is registered and confirmed as an Exporter, unless otherwise provided by the Minister.
- (2) Provisions concerning confirmation as Exporters as referred by section (1) shall be regulated by Ministerial Regulation.

Article 43

- (1) An Exporter shall be fully responsible for the exported Goods.
- (2) An Exporter failing to be responsible for exported Goods as referred by section (1) shall be sentenced to an administrative sanction of revocation of the Trade licensing, approval, certification, and/or confirmation.
- (3) Further provisions concerning the procedures for imposition of administrative sanctions as referred to in section (2) shall be regulated by the Minister Regulation.

Article 44

An Exporter that misuses the confirmation as Exporter as referred by Article 42 section (1) shall be imposed an administrative sanction of cancelled confirmation as Exporter.

Part Three

Import

Article 45

- (1) Import of Goods may be conducted by an Importer holding an identification number as Importer upon confirmation by the Minister.

- (2) In certain circumstances, Import of Goods may be conducted by an Importer holding no identification number as Importer.
- (3) Provisions concerning identification numbers as Importers as referred to in section (1) shall be regulated by the Ministerial Regulation.

Article 46

- (1) An Importer shall be fully responsible for imported Goods.
- (2) An Importer failing to be responsible for exported Goods as referred to in section (1) shall be sentenced to an administrative sanction of revocation of the Trade licensing, approval, certification, and/or confirmation
- (3) Further provisions concerning procedures for imposition of administrative sanctions as referred to in section (2) shall be regulated by the Ministerial Regulation.

Article 47

- (1) Any Importer must import new Goods.
- (2) In a particular case, the Minister may confirm non-new imported Goods
- (3) The determination as referred to in section (2) shall be submitted to the minister administering the governmental affairs in the field of finance.

- (4) Further provisions concerning the determination of non-new imported Goods as referred to in section (2) shall be regulated by the Ministerial Regulation.

Article 48

A Letter of Approval for Import of non-new Goods as referred to in Article 47 section (2) shall be submitted upon payment of customs duties under the Customs laws and regulations.

Part Four

Export and Import Licensing

Article 49

- (1) In the conduct of Export and Import, the Minister shall require an Exporter and Importer to hold licensing that may be in the form of approval, registration, confirmation, and/or certification.
- (2) The Minister shall require an Exporter and Importer to hold licensing as referred to in section (1) in the conduct of temporary Export and temporary Import.
- (3) The Minister may assign or delegate the licensing as referred to in section (1) to the Local Governments or specified technical institutions.
- (4) To enhance the national competitiveness, the Minister may recommend import duty relief or surcharge on Temporary Import Goods.

- (5) Further provisions concerning licensing as referred to in section (1) and section (2) shall be regulated by the Ministerial Regulation.

Part Five

Prohibition and Restriction of Export and Import

Article 50

- (1) Any Goods may be exported or imported, unless those prohibited, restricted, or otherwise provided by law.
- (2) The Government shall prohibit Import or Export of Goods in the national interest for the following reasons:
- a. to protect the national security or the public interest, including social affairs, culture, and public morals;
 - b. to protect intellectual property rights; and/or
 - c. to protect the health and safety of people, animals, fish, plants, and the environment.

Article 51

- (1) An Exporter is prohibited from exporting Goods that are defined as goods subject to export prohibition.
- (2) An Importer is prohibited from importing goods are defined as goods subject to export prohibition.

- (3) Prohibited Goods as referred to in section (1) and section (2) shall be determined by Ministerial Regulation.

Article 52

- (1) An Exporter is prohibited from exporting Goods other than in accordance with the provisions concerning restriction of exported Goods.
- (2) An Importer is prohibited from importing Goods other than in accordance with the provisions concerning restriction of imported Goods.
- (3) Restricted Goods as described in section (1) and section (2) shall be determined by the Ministerial Regulation.
- (4) Any Exporter exporting Goods other than in accordance with the provisions concerning restriction of exported Goods as referred to in section (3) shall be imposed an administrative sanction and/or other sanctions provided by laws and regulations.
- (5) Any Importer importing Goods other than in accordance with the provisions concerning restriction of imported Goods as referred to in section (3) shall be imposed an administrative sanction and/or other sanctions provided by laws and regulations.

- (6) Provisions concerning imposition of an administrative sanction as referred to in sections (4) and (5) shall be regulated by the Ministerial Regulation.

Article 53

- (1) An Exporter imposed an administrative sanction as referred to in Article 52 section (4) shall have his/her export Goods possessed by the state under the laws and regulations.
- (2) An Importer imposed an administrative sanction as referred to in Article 52 section (5) must have his/her imported Goods re-exported, destroyed by the Importer, or otherwise determined by the Minister.

Article 54

- (1) The Government may restrict Export and Import of Goods in the national interest for the following reasons:
- a. to protect the national security or public interest;
and/or
 - b. to protect the health and safety of people, animals, fish, plants, and the environment.
- (2) The Government may restrict export of goods as referred to in section (1) for the following reasons:
- a. to ensure the fulfillment of domestic needs;

- b. to ensure the availability of raw materials needed by domestic processing industries;
 - c. to protect the sustainable natural resources;
 - d. to increase the economic added-value of raw materials and/or natural resources;
 - e. to anticipate steeply increasing price of certain export commodities at the international markets; and/or
 - f. to maintain the stable prices of certain domestic commodities.
- (3) The Government shall restrict Import of Goods as referred to in section (1) for the following reasons::
- a. to develop, accelerate and protect certain domestic industries; and/or
 - b. to maintain the balance of payments and/or the balance of trade.

CHAPTER VI

BORDER TRADE

Article 55

- (1) Any Indonesian citizens residing in the territory of the Unitary State of the Republic of Indonesia directly contiguous to other states may conduct Border Trade with

the residents of another state residing at the border areas.

- (2) Border Trade as referred to in section (1) may be conducted only at the land and sea border areas as determined by Government Regulation.
- (3) Border Trade as referred to in section (2) shall be conducted under a bilateral agreement under the laws and regulations.

Article 56

- (1) A bilateral agreement as referred to in Article 55 section (3) shall include at least:
 - a. the specified entry points or exit points at the border areas;
 - b. types of goods traded;
 - c. a maximum value of purchase of Goods outside the Customs Zone to bring into the Customs Zone;
 - d. a certain area where Border Trade can be conducted;
 - and
 - e. the ownership of identity by the border traders.
- (2) The Government shall supervise and control customs and excise, immigration, and quarantines at the exit cross-

border posts or at the entry cross-border posts or at certain points or areas under the laws and regulations.

- (3) The Minister shall coordinate and synchronize with the relevant ministers prior to entering into a Border Trade agreement as referred by Article 55 section (3).
- (4) Further provisions concerning Border Trade shall be regulated by or under Government Regulation.

CHAPTER VII

STANDARDIZATION

Part One

Standardization of Goods

Article 57

- (1) Goods traded domestically must comply with:
 - a. mandatorily-applicable SNI; or
 - b. mandatorily-applicable technical requirements.
- (2) A Business Operator is prohibited from trading Goods domestically not in compliance with mandatorily-applicable SNI or mandatorily-applicable technical requirements.
- (3) SNI or the technical requirements as referred to in section (1) shall be confirmed as applicable by the

Minister or the minister with the competent duties and responsibilities.

(4) SNI or the technical requirements as referred to in section (3) shall be made applicable in consideration of the following aspects:

- a. security, safety, health, and the environment;
- b. competitiveness of the national producers and fair business competition;;
- c. capability and preparedness of the national business world; and/or
- d. infrastructure readiness of the conformity assessment bodies.

(5) Goods to which SNI or the technical requirements are mandatorily applicable as referred to in section (1) must be affixed with an SNI mark or a conformity mark or documented with a certificate of conformity certified by the Government.

(6) Goods traded and to which SNI is not yet mandatorily applicable may be affixed with an SNI mark or a conformity mark to the extent that they are documented with a product certificate with an SNI mark or a certificate of conformity.

(7) A Business Operator trading Goods to which SNI or the technical requirements are mandatorily applicable but failing to affix an SNI mark or a conformity mark, or failing to have a certificate of conformity documented as referred to in section (5) shall be sentenced to an administrative sanction of recall of Goods from Distribution.

Article 58

(1) A Business Operator trading Goods to which SNI or the technical requirements are mandatorily applicable but failing to affix an SNI mark or a conformity mark, or failing to have a certificate of conformity documented as referred to in Article 57 section (5) shall be imposed an administrative sanction of recall of Goods from Distribution.

(2) In case of no conformity assessment bodies as referred to in section (1) are accredited, the Minister or the minister with the competent duties and responsibilities may appoint a conformity assessment body subject to certain conditions and for a definite term.

(3) A conformity assessment body as referred to in section (1) and section (2) must be registered at the institution designated by the Minister.

Article 59

Standards or conformity assessment adopted by other states shall be certified by the Government under a bilateral mutual certification agreement.

Part Two

Standardization of Services

Article 60

- (1) A Service Provider is prohibited from trading Services domestically not in compliance with mandatorily-applicable SNI, technical requirements, or qualifications.
- (2) SNI, the technical requirements, or the qualifications as referred to in section (1) shall be confirmed as applicable by the Minister or the minister with the competent duties and responsibilities.
- (3) SNI, the technical requirements, or the qualifications as referred to in section (2) shall be made applicable in consideration of the following aspects:
 - a. security, safety, health, and the environment;
 - b. competitiveness of the national producers and fair business competition;

- c. capability and preparedness of the national business world;
 - d. infrastructure readiness of the conformity assessment bodies; and/or
 - e. local culture, custom, or tradition on a local wisdom basis.
- (4) Services to which SNI, the technical requirements, or the qualifications are mandatorily applicable as referred to in section (2) must be documented with a certificate of conformity certified by the Government.
- (5) Services traded and in compliance with SNI, the technical requirements, or the qualifications not mandatorily applicable may use a certificate of conformity under the laws and regulations.
- (6) A Service Provider trading Services to which SNI, the technical requirements, or the qualifications are mandatorily applicable but failing to have a certificate of conformity documented as referred to in section (4) shall be sentenced to an administrative sanction of cessation of business activities.

Article 61

- (1) An SNI mark, a conformity mark, or a certificate of conformity as referred to in Article 60 section (4) shall

be issued by a conformity assessment body that is accredited by an accreditation institution under the laws and regulations.

- (2) In case of no conformity assessment bodies as referred to in section (1) are accredited, the Minister or the minister with the competent duties and responsibilities may appoint a conformity assessment body subject to certain conditions and for a definite term.
- (3) A conformity assessment body as referred to in section (1) and section (2) must be registered at the institution designated by the Minister.

Article 62

Standards, technical requirements, or qualifications adopted by other states shall be certified by the Government under a bilateral mutual certification agreement.

Article 63

A Service Provider trading Services but failing to have a certificate of conformity documented as referred to in Article 60 section (4) shall be imposed an administrative sanction of cessation of his/her Trade in Services.

Article 64

Further provisions concerning the procedures for issue and applicability of Standardization of Goods and/or Services shall be regulated by or under Government Regulation.

CHAPTER VIII

ELECTRONIC TRADE SYSTEM

Article 65

- (1) Any Business Operator trading Goods and/or Services through an electronic system must make available complete and true data and/or information.
- (2) Any Business Operator is prohibited from trading Goods and/or Services through an electronic system other than in accordance with data and/or information as referred to in section (1).
- (3) The use of electronic systems as referred to in section (1) must comply with the provisions of Law concerning Electronic Information and Transaction.
- (4) Data and/or information as referred to in section (1) shall include at least:
 - a. the identity and legality of the Business Operator as producer or the Distribution Business Operator;
 - b. the technical requirements of Goods offered;

- c. the technical requirements or qualifications of Services offered;
 - d. the prices and method of payment of Goods and/or Services; and
 - e. the method of delivery of Goods.
- (5) In case of a dispute arising out of a trade transaction through an electronic system, an individual or entity engaged in a dispute may resolve such dispute in court or through other dispute resolution mechanisms.
- (6) Any Business Operator trading Goods and/or Services through an electronic system and failing to make available complete and/or true data and/or information as referred to in section (1) shall be imposed an administrative sanction of revocation of the license.

Article 66

Further provisions concerning Electronic Trade System shall be regulated by or under Government Regulation.

CHAPTER IX

TRADE PROTECTION AND SAFEGUARD

Article 67

- (1) The Government shall establish a Trade protection and safeguards policy.

- (2) A Trade protection and safeguards policy as referred to in section (1) shall be made by the Minister.
- (3) A Trade protection and safeguards policy as referred to in section (2) shall include::
- a. defense of dumping allegations and/or subsidy allegations of Export of national Goods;
 - b. defense of Exporters whose Export Goods are alleged by a trade partner country to have resulted in increase in Import in that country;
 - c. defense of Export of national Goods that are disadvantaged by the policy and/or regulations adopted by another country;
 - d. imposition of anti-dumping measures or countervailing measures to address unfair Trade practices;
 - e. imposition of trade safeguard measures to address increase in Import; and
 - f. defense of the national Trade policy drawing opposition from another country.

Article 68

- (1) In case of any threat of policies, regulations, unfair Trade practice allegations, and/or increase in import allegations posed by a trade partner country against

Export of national Goods, the Minister must take defense.

- (2) In taking defense measures as referred to in section (1):
- a. the affected Exporter must support and provide the required information and data; and
 - b. the affected ministries/non-ministries Governmental institutions must support and provide the required information and data.

Article 69

- (1) In case of increase in Imported Goods that causes serious injury or serious threat of injury to domestic producers of Goods like or directly competitive with the imported Goods, the government must take Trade safeguard measures to eliminate or alleviate such serious injury or serious threat of injury.
- (2) Trade safeguard measures as referred to in section (1) shall be the imposition of safeguard duties and/or quota.
- (3) Safeguard duties as referred to in section (2) shall be determined by the minister administering the governmental affairs in the field of finance upon a recommendation that is decided by the Minister.

- (4) Quota as referred to in section (2) shall be determined by the Minister.

Article 70

- (1) In case of Imported products having at lower price than the regular value cause injury or threat of injury to the relevant domestic industries or prevent the development of the relevant domestic industries, the Government must take antidumping measures to eliminate or alleviate such injury or threat of injury or any barrier.
- (2) Antidumping measures as referred to in section (1) shall be the imposition of antidumping duties.
- (3) Antidumping duties as referred to in section (2) shall be determined by the minister administering the governmental affairs in the field of finance upon a recommendation that is confirmed by the Minister.

Article 71

- (1) If the Imported products receive subsidies directly or indirectly from the exporting country causing injury or threat of injury to domestic industries or preventing the development of domestic industries, the Government must take countervailing measures to eliminate or alleviate such injury or threat of injury or any barrier.

- (2) Countervailing measures as referred to in section (1) shall be the imposition of countervailing duties.
- (3) Import duties remuneration referred to in section (2) shall be determined by the minister administering the governmental affairs in the field of finance upon a recommendation that is decided by the Minister.

Article 72

Further provisions concerning safeguard measures as referred to in Article 69, antidumping measures as referred to in Article 70, and countervailing measures as referred to in Article 71 shall be regulated by or under Government Regulation.

CHAPTER X

EMPOWERMENT OF COOPERATIVES AND MICRO, SMALL, AND MEDIUM BUSINESS

Article 73

- (1) The Government and/or the Local Governments shall empower cooperatives and micro, small, and medium business in the trade sector.
- (2) Empowerment as referred to in Section (1) may be through the provision of facilities, incentives, technical directions, access and/or capital support, promotion support, and marketing.

- (3) The Government and/or the Local Governments may, in the empowerment of cooperatives and micro, small, and medium business in the Trade sector as referred to in section (2) may cooperate with other parties.
- (4) Further provisions concerning empowerment of cooperatives and micro, small, and medium business in the Trade sector as referred to in section (1) shall be regulated by or under Presidential Regulation.

CHAPTER XI

EXPORT DEVELOPMENT

Part One

Guidance on Export

Article 74

- (1) The Government shall guide Business Operator to develop Export of domestic Goods and Services to expand access to Markets.
- (2) Guidance as referred to in section (1) may be through the provision of incentives, facilities, information on Market opportunities, technical direction, and promotion support and marketing to develop Export.
- (3) The Minister may recommend incentives as referred to in section (2) through fiscal and/or non-fiscal incentives

in an effort to enhance the competitiveness of Export of domestic Goods and/or Services.

- (4) The Government in providing the guidance, as referred to in section (1), may cooperate with other parties.
- (5) Further provisions concerning guidance as referred to in by section (1) shall be regulated by the Ministerial Regulation.

Part Two

Trade Promotion

Article 75

- (1) To expand access to Markets for domestic Goods and/or Services, the Government and/or the Local Governments must introduce Goods and/or Services by:
 - a. conducting a Trade Promotion domestically and/or abroad; and/or
 - b. participating in a Trade Promotion done domestically and/or abroad.
- (2) A Trade Promotion as referred to in section (1) may be conducted through:
 - a. a trade fair; and
 - b. a trade mission.

- (3) A Trade Promotion conducted through a trade fair as referred to in section (2) point (a) shall include:
- a. an international trade fair;
 - b. a national trade fair; or
 - c. a local trade fair.
- (4) The Government shall, in hosting a trade fair abroad, involve cooperatives and micro, small, and medium business.
- (5) A Trade mission as referred to in section (2) point (b) shall be conducted through international business meetings to expand Export opportunities.
- (6) A Trade mission as referred to in section (2) point (b) shall be conducted through visits abroad paid by the Government, the Local Governments, Business Operators, and/or other institutions in the scope of business activities or improvement of bilateral Trade relationship.

Article 76

A Trade Promotion conducted abroad by the Government, the Local Government, institutions other than the Government/Local Governments, and/or Business Operators shall be coordinated with the Representatives of the Republic of Indonesia Abroad in the relevant country.

Article 77

- (1) Any Business Operator that hosts a trade fair and any trade fair participants must comply with the Standards to host and participate in a trade fair.
- (2) Any Business Operator that hosts a trade fair by involving foreign participants and/or foreign promoted products must acquire a license from the Minister.
- (3) Further provisions concerning Standards to host and participate in a trade fair as referred to in section (1) shall be regulated by the Regulation of the Minister.
- (4) Any Business Operator that hosts a trade fair and any trade fair participants failing to comply with the Standards to host and participate in a trade fair as referred to in section (1) shall be imposed an administrative sanction of cessation of activities.

Article 78

- (1) The Government and/or the Local Governments shall provide facilities and/or easy access to trade fair activities hosted by Business Operators and/or institutions other than the Government and/or the Local Governments under the laws and regulations.
- (2) Facilities and/or easy access to trade fair activities as referred to in section (1) shall be provided to:

- a. the host of a national Trade Promotion; and
 - b. the participating institutions other than the Government and/or the Local Governments and national Business Operators.
- (3) The Government and/or the Local Governments shall be in mutual support of trade fairs to develop Export of the national superior commodities.

Article 79

- (1) In addition to a Trade Promotion as referred to in Article 75 section (2), to introduce Goods and/or Services, it is necessary to campaign for Indonesia image-building domestically and abroad.
- (2) A campaign for Indonesia image-building may be conducted by the Government, the Local Governments, institutions other than the Government/Local Governments, and/or Business Operators either individually or collectively
- (3) A campaign for Indonesia image-building conducted abroad by the Government, the Local Governments, institutions other than the Government/Local Governments, and/or Business Operators shall be coordinated with the Representatives of the Republic of Indonesia Abroad in the relevant country.

- (4) Further provisions concerning campaigns for Indonesia image-building as referred to in section (3) shall be regulated by or under to Presidential Regulation.

Article 80

- (1) In support of Trade promotions abroad, a Trade Promotion body may be formed abroad.
- (2) Establishment of a Trade Promotion body abroad as referred to in section (1), including its facilities, shall be made by the Minister in coordination with the relevant ministers under the laws and regulations.

Article 81

Further provisions concerning procedures for the conduct, provision of easy access to, and participation in Trade Promotions in the scope of Indonesia image-building shall be regulated by the Ministerial Regulation.

CHAPTER XII

INTERNATIONAL TRADE COOPERATION

Article 82

- (1) To improve access to Markets and protect and safeguard the national interest, the Government may cooperate in Trade with other countries and/or international institutions/organizations.

- (2) Trade Cooperation as referred to in section (1) may be made under an international Trade agreement.

Article 83

The Government may, in negotiations on international Trade agreements as referred to in Article 82 section (2), consult with the House of Representatives.

Article 84

- (1) Any international Trade agreements as referred to in Article 82 section (2) shall be submitted to the House of Representatives within 90 (ninety) working days of the signing of the agreement.
- (2) An *international* Trade agreement submitted by the Government as referred to in section (1) shall be discussed with the House of Representatives to decide whether or not the House of Representatives passes the agreement.
- (3) A decision of whether or not the House of Representatives passes the international Trade agreement submitted by the Government as referred to in section (2) shall be made for not exceeding 60 (sixty) working days in session, subject to the following:
- a. In case of an international Trade agreement has a massive and significant effect on the life of the people with respect to the state's financial

burdens and/or requires amendment of a law or making or law, it shall be ratified by a law.

b. In case of international trade agreement has no effect as referred by point (a), it shall be ratified by the Presidential Regulation.

- (4) If the House of Representatives makes no decision within 60 (sixty) working days in session as referred to in section (3), the Government may decide whether or not the House of Representatives needs to pass the agreement.
- (5) The House of Representatives shall pass or reject to pass an international Trade agreement as referred to in section (3) point (a) not exceeding one session time at the next session.
- (6) In case of an international Trade agreement may endanger the national interest, the House of Representatives shall reject to pass the international Trade agreement.
- (7) Regulation of the President concerning ratification of an international Trade agreement as referred to in section (3) point (b) shall be notified to the House of Representatives.

Article 85

- (1) The Government upon consent of the House of Representatives may review and cancel an international Trade agreement that is ratified by law in consideration of the national interest.
- (2) The Government may review and cancel an international Trade agreement that is issued by Regulation of the President in consideration of the national interest.
- (3) Further provisions concerning procedures for review and cancellation of international Trade agreements as referred to in section (1) and section (2) shall be Government Regulation.

Article 86

- (1) In negotiation of international Trade agreements, the Government may form a team of negotiators in charge of preparation and negotiation.
- (2) Provisions concerning formation of a team of negotiators as referred to in section (1) shall be regulated by Presidential Regulation.

Article 87

- (1) The Government may give preference unilaterally to underdeveloped countries by giving precedence over the national interest.

- (2) Provisions concerning procedures for giving preference shall be regulated by or under Presidential Regulation.

CHAPTER XIII

TRADE INFORMATION SYSTEM

Article 88

- (1) The Minister, the governors, and the regents/mayors must develop the Trade Information System integrating with the information system developed by the ministries or non-ministries Governmental institution.
- (2) The information system as referred in section (1) shall be used for Trade policies and controls.

Article 89

- (1) The Trade Information System includes collection, processing, delivery, management, and dissemination of Trade data and/or information.
- (2) Data and/or trade information referred to in section (1) shall include at least data and/or information on Domestic Trade and Foreign Trade.
- (3) Trade data and/or information as referred to in section (2) shall be provided in an accurate, speedy and efficient manner as well as accessible to the public.

Article 90

- (1) The Minister in the development of Trade data and/or information may request Trade data and/or information from the ministries, non-ministries Governmental institutions, and the Local Governments, including the administrators of the governmental affairs in the field of customs and excise, Bank Indonesia, the Financial Services Authority, the Statistics Indonesia, and other bodies/institutions.
- (2) The ministries, non-ministries Governmental institutions, and the Local Governments, including the administrators of the governmental affairs in the field of customs and excise, Bank Indonesia, the Financial Services Authority, the Statistics Indonesia, and other bodies/institutions must provide updated, accurate and speedy data and information as referred by section as referred to in section (1).

Article 91

The Trade data and/or information shall be made transparent, unless otherwise provided by the Minister.

Article 92

Further provisions concerning Trade Information System shall be regulated by or under Government Regulation.

CHAPTER XIV

DUTIES AND AUTHORITIES OF GOVERNMENT

IN THE FIELD OF TRADE

Article 93

Duties of the Government in the field of Trade shall include:

- a. to formalize and adopt Trade policies;
- b. to formalize the national Standards;
- c. to formalize and adopt values, Standards, procedures, and criteria in the field of Trade;;
- d. to establish the Trade licensing system;
- e. to control the availability, stable prices, and Distribution of basic Goods and/or essential Goods;
- f. to foster the international Trade cooperation;
- g. to manage Trade information;
- h. to guide and supervise the Trade activities;
- i. to enhance the development of the national Export;
- j. to create a climate conducive to business;
- k. to develop the national logistics; and
- l. other duties under the laws and regulations.

Article 94

The Government in the performance of duties as referred to in Article 93 shall have the following authority:

- a. to issue the Trade licensing to Business Operators;
- b. to harmonize the domestic Trade policies to enhance efficient and effective national Distribution system, orderly commerce, integrated Markets, and business certainty;
- c. to cancel the Trade policies and regulations issued by the Local Governments in conflict with the policies and regulations of the Government;
- d. to impose prohibition and/or restriction of Trade in Goods and/or Service;
- e. to develop the national logistics to ensure the availability of basic Goods and/or essential Goods; and
- f. other authority under the laws and regulations.

Article 95

The Local Governments shall have the duties:

- a. to implement the Government policies in the field of Trade;
- b. to provide the Trade licensing in regions;

- c. to control the availability, stable prices, and Distribution of basic Goods and/or essential Goods;
- d. to monitor the implementation of the International Trade Cooperation in regions;
- e. to manage Trade information in regions;
- f. to guide and supervise the Trade activities in regions;
- g. to enhance the development of the national Export;
- h. to create a climate conducive to business;
- i. to develop the national logistics; and
- j. other duties in the field of Trade under the laws and regulations.

Article 96

- (1) The Local Governments in the performance of duties as referred to in Article 95 shall have the authority:
- a. to issue Trade policies and strategy in regions in the scope of implementation of the policies of the Government;
 - b. to issue the Trade licensing to Business Operators, as assigned or delegated by the Government;
 - c. to manage Trade information in regions in the scope of the Trade Information System;

- d. to guide and supervise the local Trade activities;
and
 - e. other authority in the field of trade in accordance
with the laws and regulations.
- (2) Implementation of the Local Government authority referred
to in section (1) must be consistent with the policies
issued by the Government.

CHAPTER XV

THE NATIONAL TRADE COMMITTEE

Article 97

- (1) In support of accelerated achievement of the objectives
of Trade regulation, the President may form a National
Trade Committee.
- (2) The National Trade Committee as referred to in section
(1) shall be chaired by the Minister.
- (3) The membership of the National Trade Committee shall
include the elements of:
- a. the Government;
 - b. the institution with duties to conduct
investigations into antidumping measures and
countervailing measures;

- c. the institution with duties to conduct investigations in the scope of Trade safeguard measures;
- d. the institution with duties to provide recommendations on consumer protection;
- e. Business Operators or business associations in the field of Trade; and
- f. academics or experts in the field of trade.

(4) The National Trade Committee shall have the duties:

- a. to provide input on determination of Trade policies and regulations;
- b. to give consideration to the Trade finance policies;
- c. to give consideration of the national interest to the recommendations on antidumping measures, countervailing measures, and Trade safeguard measures;
- d. to provide input and consideration on addressing the problems of Domestic Trade and Foreign Trade;
- e. to assist the Government in the supervision of Trade policies and practices in trade partner countries;
- f. to provide input on the determination of bargaining position in the International Trade Cooperation;

g. to assist the Government to socialize the public with the Trade policies and regulations; and

h. Other duties deemed necessary.

(5) The International Trade Cooperation shall be financed from the State Budget.

(6) Further provisions concerning the International Trade Cooperation shall be regulated by Presidential Regulation.

CHAPTER XVI

SUPERVISION

Article 98

(1) The Government and the Local Governments shall have the authorities to supervise the Trade activities.

(2) In the performance of supervisory duties as referred to in section (1) the Government shall issue Trade supervision policies.

Article 99

(1) Supervision by the Government as referred to in Article 98 shall be made by the Minister.

(2) The Minister in the performance of supervisory duties as referred to in section (1) shall have the authority to:

- a. prohibit from circulating temporarily and/or order to recall Goods from Distribution or cease the Service activities traded other than in accordance with the Trade laws and regulations; and/or
- b. revoke the Trade licensing.

Article 100

- (1) In the performance of supervisory duties as referred to in Article 99 section (1), the Minister shall appoint Trade supervisory officers.
- (2) Trade supervisory officers must, in the performance of supervisory duties, have an authorized and valid letter of assignment.
- (3) Trade supervisory officers as referred to in section (2) shall, in the exercise of their authorities, supervise at least:
 - a. Trade licensing;
 - b. Trade in Goods subject to supervision, prohibition, and/or regulation;
 - c. Distribution of Goods and/or Services;;
 - d. registration of Domestic Goods and Imported Goods incidental to security, safety, health, and the environment;

- e. mandatory SNI, technical requirements, or qualifications;
 - f. registration of Warehouse; and
 - g. storage of basic Goods and/or essential Goods.
- (4) In case of finding a suspected Trade violation, Trade supervisory officers as referred to in section (3) may:
- a. recommend recall of Goods from Distribution and/or destruction of Goods;
 - b. recommend cessation of the Trade activities; or
 - c. recommend revocation of the Trade licensing.
- (5) In case of in the performance of supervisory duties as referred to in section (3), Trade supervisory officers finds preliminary evidence of a suspected criminal offense of Trade, such officers shall report it to the investigators for further measures.
- (6) Trade Supervisory Officers as referred to in section (1) may, in the exercise of their authority, coordinate with the relevant agencies.

Article 101

- (1) The Government may specify Goods subject to supervision.

- (2) In specifying Goods subject to supervision as referred to in section (1), the Government may receive input from business organizations.
- (3) Goods subject to supervision as referred to in section (1) shall be determined by Presidential regulation.

Article 102

Further provisions concerning supervision of Trade and supervision of Goods confirmed as Goods subject to supervision shall be regulated by Ministerial Regulation.

CHAPTER XVII

INVESTIGATIONS

Article 103

- (1) In addition to police investigators of the state police of the Republic of Indonesia, special civil service officials in the agencies of the Government and the Local Governments with the duties and responsibilities in the field of Trade shall be granted special authorities as civil service investigators as referred by the Code of Criminal Procedure to conduct investigations under this Law.
- (2) Civil service investigators as referred to in section (1) shall be empowered to:

- a. receive reports or complaints of the commission of an act that is suspected of being a criminal offense of Trade;
- b. examine the truth of reports or testimonies in connection with a suspected criminal offense of Trade;
- c. summon individuals, entities, or legal entities for questioning and for evidence in connection with a criminal offense of Trade;
- d. summon individuals, entities, or legal entities to be heard and examined as a witness or suspect in connection with a suspected criminal offense of Trade;
- e. audit the book-keeping, records, and other documents in connection with a suspected criminal offense of Trade;
- f. hear, make inquiries into, and collect testimony in connection with a suspected criminal offense of Trade;
- g. examine and search the crime scene and specific places that are suspected of containing means of proof/evidence and seize and/or seal Goods that are suspected of being the proceeds of a violation to be

introduced into evidence in the case of a criminal offense of Trade;

h. seal Goods and preserve them as evidence in connection with a suspected criminal offense of Trade;

i. photograph and/or record using audiovisual media persons, Goods, means of transportation, or other objects to be introduced into evidence in the case of a criminal offense of Trade;

j. procure and seek expert's assistance or testimony in the performance of duties of investigations into a suspected criminal offense of Trade; and

k. cease investigations under the laws and regulations.

(3) In a particular case, where involving customs under the laws and regulations, the special civil service officials in the agencies of the Government and the Local Governments with the duties and responsibilities in the field of customs shall be empowered to make preliminary investigations and investigations in the field of Trade in coordination with the civil service investigators with the duties and responsibilities in the field of Trade.

(4) Civil Service Investigators as referred to in section (1) shall submit the findings of investigations to the public

prosecutors through police investigators of the state police of the Republic of Indonesia under the Law of Criminal Procedure.

- (5) Investigations into a criminal offense of Trade may be coordinated by the special units that may be formed in the agencies of the Government with the duties and responsibilities in the field of Trade.
- (6) Guidelines to deal with criminal offenses of Trade shall be made by the Minister.

CHAPTER XVIII

PENAL PROVISIONS

Article 104

Any Business Operator who fails to use or to affix an Indonesian-language label to Goods traded domestically as referred to in Article 6 section (1) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 105

Any Distribution Business Operator who uses a pyramid scheme in the distribution of Goods as referred to in Article 9 shall be sentenced to imprisonment for a term of not exceeding 10

(ten) years and/or a fine of not exceeding Rp 10,000,000,000 (ten billion rupiah).

Article 106

Any Business Operator engaged in Trade business without the Trade licensing issued by the Minister as referred to in Article 24 section (1) shall be sentenced to imprisonment for a term of not exceeding 4 (four) years or a fine of not exceeding Rp 10,000,000,000 (ten billion rupiah).

Article 107

Any Business Operator who stores basic Goods and/or essential Goods in certain quantities and for a definite period of time during Goods shortage, volatile prices, and/or prevented flow of Trade in Goods as referred to in Article 29 section (1) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 50,000,000,000 (fifty billion rupiah).

Article 108

Any Business Operator who manipulates data and/or information on the supplies of basic Goods and/or essential Goods as referred to in Article 30 section (2) shall be sentenced to imprisonment for a term of not exceeding 4 (four) years and/or a fine of not exceeding Rp 10,000,000,000 (ten billion rupiah).

Article 109

Producers or Importers who trade in Goods incidental to security, safety, health, and the environment, without registration with the Minister as referred to in Article 32 section (1) point (a) shall be sentenced to imprisonment for a term of not exceeding 1 (one) year and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 110

Any Business Operator trading Goods and/or Services that are confirmed as Goods and/or Services subject to Trade prohibition as referred to in Article 36 shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 111

Any Importer that imports non-new Goods as referred to in Article 47 section (1) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 112

(1) Any Exporter that exports Goods defined as goods subject to export prohibition as referred to in Article 51 section (1) shall be sentenced to imprisonment for a term

of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

- (2) Any Importer that imports Goods defined as goods subject to import prohibition as referred to in Article 51 section (2) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 113

Any Business Operator that trades Goods domestically not in compliance with mandatorily-applicable SNI or the mandatorily-applicable technical requirements as referred by Article 57 section (2) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 114

Any Service Provider that trades Services domestically not in compliance with mandatorily-applicable SNI, technical requirements, or qualifications as referred to in Article 60 section (1) shall be sentenced to imprisonment for a term of not exceeding 5 (five) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

Article 115

Any Business Operator that trades Goods and/or Services using an electronic system other than in accordance with data and/or information as referred to in Article 65 section (2) shall be sentenced to imprisonment for a term of not exceeding 12 (twelve) years and/or a fine of not exceeding Rp 12,000,000,000 (twelve billion rupiah).

Article 116

Any Business Operator that hosts a trade fair involving foreign participants and/or foreign promoted products without a license from the Minister as referred to in Article 77 section (2) shall be sentenced to imprisonment for a term of not exceeding 3 (three) years and/or a fine of not exceeding Rp 5,000,000,000 (five billion rupiah).

CHAPTER XIX

CLOSING PROVISIONS

Article 117

At the time this Law comes into force, the provisions governing Trade in *Bedrijfsreglementerings-ordonnantie* 1934, *Staatsblad* (State Gazette) Number 86 of 1938 shall be revoked and declared ineffective.

Article 118

At the time this Law comes into force:

- a. Law Number 2 Prp of 1960 concerning Warehousing (State Gazette of the Republic of Indonesia Number 14 of 1960), as amended by Law Number 11 of 1965 concerning Enactment of Regulation of the Government in Lieu of Law Number 5 of 1962 concerning Amendment of Law Number 2 Prp of 1960 concerning Warehousing into a Law (State Gazette of the Republic of Indonesia Number 54 of 1965, Supplement to the State Gazette of the Republic of Indonesia Number 2759).
- b. Law Number 10 of 1961 concerning Enactment of Regulation of the Government in Lieu of Law Number 1 of 1961 concerning Goods into a Law (State Gazette of the Republic of Indonesia Number 215 of 1961, Supplement to the State Gazette of the Republic of Indonesia Number 2210); and
- c. Law Number 8 Prp of 1962 concerning Trade in Goods Subject to Supervision (State Gazette of the Republic of Indonesia Number 42 of 1962, Supplement to the State Gazette of the Republic of Indonesia Number 2469),

are revoked and declared ineffective.

Article 119

At the time this Law comes into force, all laws and regulations concerning Trade are declared to remain in effect to the extent they are not contrary to this Law.

Article 120

At the time this Law comes into force, the exercise of all authorities in the field of Trade regulated in other laws prior to this Law comes into force shall be coordinated with the Minister.

Article 121

Implementing regulations to this Law shall be issued not exceeding 2 (two) years of the promulgation of this Law.

Article 122

This Law shall come into force on the date of promulgation.

In order that every person may know, order the promulgation of this Law by placing it in State Gazette of the Republic of Indonesia.

Issued in Jakarta

On 11 March 2014

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

signed

DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta

On 11 March 2014

THE MINISTER OF LAW AND HUMAN RIGHTS

OF THE REPUBLIC OF INDONESIA,

signed

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 45 OF 2014

Authenticated copy of the original document

MINISTRY OF STATE SECRETARIAT OF

THE REPUBLIC OF INDONESIA

Assistant Deputy for Legislations

Department of Economy

(Sealed & Signed)

Lydia Silvanna Djaman

**ELUCIDATION OF THE
PRESIDENT OF THE REPUBLIC OF INDONESIA

LAW OF THE REPUBLIC OF INDONESIA

NUMBER 7 YEAR 2014

CONCERNING

TRADE**

I. GENERAL

The national economic development makes preparation and implementation to promote public welfare through economic democracy within the principles of togetherness, just efficiency, sustainability, environmental orientation, independence, and maintenance of the balance between advances and national economic unity as mandated by the 1945 Constitution of the Republic of Indonesia. Within the perspective of a constitutional foundation, the national Trade of Indonesia reflects a series of economic activities carried out to realize public welfare and social justice for all the Indonesian people.

Trade activity is the key driver in the national economic development to enhance the carrying capacity to increase the production, to create job opportunity, to increase

Export and foreign exchange, to evenly distribute income, and to consolidate the competitiveness of Domestic Products in the national interest.

Indonesian national Trade as the economic key driver does not only cover the economic activities in connection with the transaction of Goods and/or Services made by Business Operators domestically or cross border, but also gives precedence to the Indonesian national interest consistently with the regulatory conception of Trade within the aspirations for the formation of the state of Indonesia, i.e., just and prosperous society, as mandated by the Preamble to the 1945 Constitution of the Republic of Indonesia.

Since the August 17, 1945 independence of Indonesia, there is no Law governing Trade comprehensively. The legal product equivalent to Trade law is the Dutch colonial law *Bedrijfsreglementeringsordonnantie 1934* that chiefly governs business licensing.

A wide variety of efforts has been exhausted to make and replace *Bedrijfsreglementerings-ordonnantie 1934* through partial Trade laws and regulations, such as Law concerning Goods, Law concerning Warehousing, Law concerning Trade in Goods Subject to Supervision, Law concerning Warehouse Receipts, and Law concerning Futures Trading. As aforesaid,

it is necessary to make a law that can synchronize the entire Trade laws and regulations to achieve just and prosperous society and to address the growing Trade development in the present and future globalization era.

This Law concerning Trade has, within the aforesaid objectives and principles, the following subject matters: Domestic Trade, Foreign Trade, Border Trade, Standardization, Electronic Trade, Trade protection and safeguards, empowerment of cooperatives and micro, small, and medium business, Export development, International Trade Cooperation, Trade Information System, duties and authorities of the government in the field of Trade, National Trade Committee, monitoring, and investigations.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Point a

“Principle of national interest” means any policy on Trade must give precedence to the people, the state, and the public over other interests.

Point b

“Legal certainty” means to lay down the law and laws and regulations upon which any Trade policies and controls are made.

Point c

“Principle of fair and healthy” means the existence of equal business opportunity and position among the producers, traders and other business operators to create a climate that is conducive to business in order to ensure equal business certainty and opportunity.

Point d

“Principle of business security” means assurance of security for all business operators in every stage of Trade activities, ranging from Trade preparation to its implementation.

Point e

“Principle of accountability and transparency” is the Trade activities must be held accountable and transparent to the public under the laws and regulations.

Point f

“Principle of independence” means any Trade activity is performed without reliance on other party.

Point g

“Principle of partnership” means there is direct or indirect business cooperation in the field of Trade based on principles of mutual need, trust, strength, and benefit to connect cooperatives and micro, small, and medium business with large business and between the Government and the private sector.

Point h

“Principle of benefit” means all Trade policies and controls must be benefit the national interest, particularly to realize the public welfare aspirations.

Point i

“Principle of simplicity” means simplified services to Business Operators and provide true information to the public with easy access.

Point j

“Principle of togetherness” means the state of being together amongst the Government, the Local

Governments, Business Operators, and the public
in dealing with Trade.

Point k

“Principle of environmental orientation” means
the Trade policy should be implemented with due
regard to the sustainable environment and the
sustainable development.

Article 3

Self-explanatory.

Article 4

Section (1)

Self-explanatory.

Section (2)

Point a

Self-explanatory.

Point b

Self-explanatory.

Point c

Self-explanatory.

Point d

Self-explanatory.

Point e

Self-explanatory.

Point f

Self-explanatory.

Point g

Self-explanatory.

Point h

Self-explanatory.

Point i

Self-explanatory.

Point j

Self-explanatory.

Point k

Self-explanatory.

Point l

Other services aim to anticipate the needs and developments of Trade in the future.

Section (3)

Self-explanatory.

Article 5

Self-explanatory.

Article 6

Section (1)

“Indonesian-language label” means any description of Goods in the Indonesian language in writing form, any combination of pictures and writings in the Indonesian language, or in another form that contains information on Goods and description of the Business Operator, and other information included together with Goods, inserted into, affixed to/attached to Goods, printed on Goods, and/or constitute a part of the container of Goods.

Section (2)

Self-explanatory.

Article 7

Section (1)

“Indirect distribution” means distribution of Goods conducted by distribution Business Operators to consumers through the general chain of distribution, in this way the distribution business operator can earn:

- a. margin (distributors, sub-distributors, supplying producers, retailers, and itinerant traders); and/or
- b. commission (agents, sub-agents, and itinerant traders).

“Direct distribution” means a distribution of goods through a direct selling system or using a special distribution system.

“Distribution Business Operator” means a Business Operator that engages in Distribution of Goods domestically and abroad, inter alia, distributors, agents, Exporters, Importers, producers, supplying producers, sub-distributors, sub-agents, and retailers.

Section (2)

Self-explanatory.

Section (3)

“Direct selling” means a system under which specific goods are sold through network marketing developed by a business partner working on commission and/or bonus based on the sales to consumers away from a retail location.

“Single-level direct selling” means the sale of specific goods not through multilevel network marketing.

“Multi-level direct selling” means the sale of specific goods through multilevel network marketing developed by a business partner working on commission and/or bonus based on the sales of goods to consumers.

Article 8

“Exclusive distribution right” means the right to distribute goods owned by one company in the territory of Indonesia, as acquired under an agreement with a trademark holder or through trademark ownership.

Article 9

“Pyramid scheme” means a term/ name of business activity which is non-sale of Goods. This business involves the participation of a business partner into the scheme in return for a fee or income, primarily from a participation fee of other people joining the scheme or after the business partner joins the scheme.

Article 10

“Economic and business ethics” means economic and business principles and behavior on which Business

Operators should make economic condition and reality to have a character of honest and fair competition, and should encourage economic work ethics, economic resilience, competitiveness to develop create an atmosphere conducive to the economic empowerment which is in favor of the common people through sustainable policies.

Article 11

Self-explanatory.

Article 12

Section (1)

Point a

“People’s market” means a place of business that is organized, developed and managed by the Government, local government, private sector, State-Owned Enterprises, and/or Region-owned enterprises in form of stores, kiosks, stalls and tents owned/ managed by small and medium-traders, self-reliant community, cooperatives and micro, small, and medium enterprises with the process of selling and buying goods through bargaining.

Point b

“Shopping center” means a specific area including one or several buildings erected vertically or horizontally that are sold or leased to Business Operators or self-managed to Trade Goods.

Point c

“Self-service store” means a store with self-service system that sells a wide variety of retail Goods in the form of minimarket, supermarket, department store, hypermarket, grocer.

Point d

Self-explanatory.

Point e

Self-explanatory.

Point f

“Commodity auction market” means an organized physical market for buyers and sellers to make commodity transactions through a bid and offer system by delivery of commodities.

Point g

“Commodity futures trading” means a system and/or facilities to sell and buy commodities under a term contract, sharia derivative contract, and/or other derivative contracts.

Point h

Other Trade facilities are, i.e. agribusiness, terminals, regional distribution centers, provincial distribution centers, or other Trade facilities as a Goods transaction or storage center, which developed by keeping abreast of the times.

Section (2)

Self-explanatory.

Article 13

Self-explanatory.

Article 14

Section (1)

“Supplier” means a business operator that supplies goods to retailers regularly to resell through business cooperation.

“Retailer” means an individual or business entity that mainly engages in direct sale end end-consumers.

Section (2)

“Spatial planning” means the manifestation of structure and pattern of the space as referred by Law concerning Spatial Planning.

Section (3)

Self-explanatory.

Article 15

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

Self-explanatory.

Article 20

Section (1)

“Competent technical personnel” means technical personnel with certain services is subject to holding a certificate according to their expertise under the laws and regulations.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Self-explanatory.

Article 23

Self-explanatory.

Article 24

Section (1)

Trade licensing shall include a business license, special license, registration, certification, and approval.

Section (2)

Self-explanatory.

Section (3)

Exemption from the requirement to hold a Trade license shall be given to micro trade.

Section (4)

Self-explanatory.

Article 25

Section (1)

"Basic goods" means goods that are highly needed to serve the life of many people and to be a supporting factor in public welfare, such as rice, sugar, cooking oil, butter, beef, chicken, eggs, milk, corn, soy, and iodized salt.

"Essential goods" means goods that have a strategic role in the smooth flow of the national development, such as fertilizer, cement, oil fuel and gas.

"Adequate quantities" means basic Goods and/or essential Goods that are needed by the public and available in sufficient quantities throughout the territory of the Unitary State of the Republic of Indonesia.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Article 26

Section (1)

Self-explanatory.

Section (2)

Self-explanatory.

Section (3)

"Price policy" means the governmental guideline for pricing at the producer level and at the consumer level.

Article 27

Self-explanatory.

Article 28

"Other sources" means the budget obtained from grants or assistance that are not binding and not threatening the state's sovereignty.

Article 29

Section (1)

This prohibition aims to prevent the hoarding of basic Goods and/or essential goods that may be difficult for customers to find.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Self-explanatory.

Article 32

Section (1)

Point a

Registration of Goods shall be made only for products other than food, beverages, medicines, cosmetics, household health supplies (PKRT), medical devices, and excisable goods as

these products are regulated by the other laws and regulations.

Point b

Goods circulating at the domestic markets without affixing the registration number to the goods shall be recalled from distribution as illegal.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Section (4)

Other standards accepted shall include, i.e. Standards or technical specifications other than SNI, partial requirements for SNI, International Organization for Standardization (ISO) or International Electrotechnical Commission (IEC), and international Standards/ guidelines related to food safety issued by the CODEX Alimentarius.

Section (5)

Self-explanatory.

Section (6)

Self-explanatory.

Article 33

Self-explanatory.

Article 34

Self-explanatory.

Article 35

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Self-explanatory.

Article 38

Self-explanatory.

Article 39

Point a

“Cross-border supply” means the supply of
Services from the territory of one country
into the territory of any other country,

such as online purchases (through a network) or through a call center.

Point b

"Consumption abroad" means the supply of Services in the territory of one country to serve a customer in another country, such as overseas lecture or overseas hospital treatment.

Point c

"Commercial presence" means the supply of Services by a service supplier of one country by establishing a commercial presence in the territory of any other country, such as a foreign bank that opens a branch in Indonesia or foreign hotel made in joint venture with an Indonesian business operator to open a hotel in Indonesia.

Point d

"Movement of natural persons" means the provision of services by individual citizens who enter the territory of another country for a while, such as

Indonesian citizens to go to another country to be security officers, nurses, and workers in the construction field.

Article 40

Self-explanatory.

Article 41

Section (1)

Force majeure includes war, riots, and natural disasters.

Section (2)

Self-explanatory.

Article 42

Section (1)

Exporters are exempted from the obligation to obtain the application as Exporter, among others, representatives of foreign countries, government agencies for humanitarian purposes, goods for exhibition or marketing examples, and Goods for research purposes.

Section (2)

Self-explanatory.

Article 43

Section (1)

"An Exporter shall be fully responsible for the Exported Goods" means an Exporter shall be responsible for any consequences arising out of the exported Goods.

In practice, an Exporter may export Goods through an agent or involving other parties to export Goods, but the responsibility for the exported Goods shall rest with the Business Operator that is confirmed as Exporter by the Minister.

Section (2)

An Exporter failing to be responsible for exported Goods" means an Exporter exporting Goods other than in accordance with the contract.

Section (3)

Self-explanatory.

Article 44

Self-explanatory.

Article 45

Section (1)

Self-explanatory.

Section (2)

"In a particular case" means this Import is conducted not for trade or transfer and done not continuously

Section (3)

Self-explanatory.

Article 46

Section (1)

"An Importer shall be fully responsible for the Imported Goods" means an Importer is deemed as a producer of the Imported Goods so that an Importer shall be held responsible for any consequences arising out of the imported Goods.

In practice, an Importer may import Goods through an agent or involving other parties to export Goods, but the responsibility for the exported Goods

shall rest with the Business Operator holding identification as Importer.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Article 47

Section (1)

Self-explanatory.

Section (2)

"In a particular case" means in of case goods that are needed by a Business Operator in the form of non-new capital Goods cannot be obtained from domestic sources and so they need to be imported meet the industrial production process with the aim of export development, enhanced competitiveness, efficient business, investment and industrial relocation, infrastructure development, and/or re-export. Furthermore, in case of a natural disaster, non-new goods or equipment are needed for recovery and restoration

following the natural disaster, and non-new Goods are also needed for other purposes under the laws and regulations.

Section (3)

Self-explanatory.

Section (4)

Self-explanatory.

Article 48

Self-explanatory.

Article 49

Self-explanatory.

Article 50

Self-explanatory.

Article 51

Self-explanatory.

Article 52

Self-explanatory.

Article 53

Section (1)

Self-explanatory.

Section (2)

Otherwise determined by the Minister means the Minister may at his/her own discretion use different measures other than destruction or re-export; for example, the Goods are confirmed under the control of the state.

Article 54

Self-explanatory.

Article 55

Self-explanatory.

Article 56

Self-explanatory.

Article 57

Self-explanatory.

Article 58

Self-explanatory.

Article 59

Self-explanatory.

Article 60

Self-explanatory.

Article 61

Self-explanatory.

Article 62

Self-explanatory.

Article 63

Self-explanatory.

Article 64

Self-explanatory.

Article 65

Section (1)

Self-explanatory.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Section (4)

Self-explanatory.

Section (5)

Other dispute resolution mechanisms shall include, inter alia, consultation, negotiation,

conciliation, mediation, or arbitration under the laws and regulations.

Section (6)

Self-explanatory.

Article 66

Self-explanatory.

Article 67

Self-explanatory.

Article 68

Section (1)

"Defense" means any effort conducted to protect and secure domestic industries from threats of unfair policies, regulations, Trade practice allegations, and/or allegations of increase in import posed by a trade partner country against Export of the national Goods.

Section (2)

Self-explanatory.

Article 69

Self-explanatory.

Article 70

Self-explanatory.

Article 71

Self-explanatory.

Article 72

Self-explanatory.

Article 73

Section (1)

Self-explanatory.

Section (2)

“Provision of facilities” means providing facilities to cooperatives and micro, small and medium business for the smooth flow of their business through, inter alia, renovation of stores or stalls, the granting of trading carts, cool boxes, and tents.

An incentive in this case is accelerated issue of a business license, Intellectual Property Rights registration fee relief, halal certification, and trade fair facilities at home and abroad.

“Technical direction” means a direction shared to cooperatives and micro, small, and medium business to improve knowledge and technical capability to develop their products and business in the field of, inter alia, packaging, financial management, entrepreneurship, and Export training.

Promotion support and marketing inter alia, involving cooperatives and micro, small and medium business in trade fairs, business meetings between cooperatives and micro, small and medium business and supermarkets/ buyers and trade missions.

Section (3)

“Other parties” means higher education institutions, business world, business associations, and other stakeholders

Section (4)

Self-explanatory.

Article 74

Section (1)

Self-explanatory.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Section (4)

"Other parties" means higher education institutions, business world, business associations, and other stakeholders.

Section (5)

Self-explanatory.

Article 75

Self-explanatory.

Article 76

"Coordinated" means to inform and discuss the hosting of or participation in a Trade Promotion abroad with the Representatives of the Republic of Indonesia Abroad in the country where the Trade Promotion takes place, ranging from planning, organization, implementation to evaluation for the smooth flow of the Trade Promotion.

Article 77

Self-explanatory.

Article 78

Section (1)

“Facilities” means facilities that may be provided by the Government and/or the Regional governments for the smooth flow of trade fairs. Facilities may include locations, data, information on Trade payment, provision of credit and connectivity.

“Easy access” means any efforts of the Government and/or the Local Governments to provide access easily for the smooth flow of trade fairs. Easy access also means, inter alia, the smooth access to approval to host a trade fair and approval for Export of promotion Goods, as necessary.

Section (2)

Self-explanatory.

Section (3)

“Mutual support” means cooperation between the Government and the Local Governments to give support to each other in hosting a trade fair.

Article 79

Section (1)

A campaign for Indonesia image-building aims to build the country's image within the scope of nation branding and shall be coordinated with the Minister and may further be coordinated together with Trade Promotion activities.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Section (4)

Self-explanatory.

Article 80

Section (1)

Formation of a Trade Promotion body abroad aims to promote Indonesian Goods and/or Services and to encourage investment and tourism.

Section (2)

"Relevant ministers" means the Minister of Foreign Affairs, the minister that administers governmental affairs in the field of finance,

and the minister that administers governmental affairs in the field of Reform of the State Apparatus.

Article 81

Self-explanatory.

Article 82

Self-explanatory.

Article 83

Self-explanatory.

Article 84

Section (1)

Self-explanatory.

Section (2)

Self-explanatory.

Section (3)

Self-explanatory.

Section (4)

Discussion to make a decision on an international Trade agreement at the House of Representatives shall be conducted by a commission in charge of Trade and its approval

shall be given through the Plenary Session of
the House of Representatives.

Section (5)

Self-explanatory.

Section (6)

Self-explanatory.

Section (7)

Self-explanatory.

Article 85

Self-explanatory.

Article 86

Self-explanatory.

Article 87

Self-explanatory.

Article 88

Self-explanatory.

Article 89

Section (1)

Self-explanatory.

Section (2)

Data and/or Information on Domestic and International Trade shall include supplies and prices of basic Goods and/or essential Goods, domestic and foreign Market opportunities, Export, Import, profile of Business Operators, potential regional Trade, products, and licensing.

Section (3)

Self-explanatory.

Article 90

Self-explanatory.

Article 91

Self-explanatory.

Article 92

Self-explanatory.

Article 93

Self-explanatory.

Article 94

Self-explanatory.

Article 95

Self-explanatory.

Article 96

Self-explanatory.

Article 97

Self-explanatory.

Article 98

Self-explanatory.

Article 99

Self-explanatory.

Article 100

Self-explanatory.

Article 101

Section (1)

Self-explanatory.

Section (2)

“Business organization” means an organization
that is regulated by laws.

Section (3)

Self-explanatory.

Article 102

Self-explanatory.

Article 103

Self-explanatory.

Article 104

Self-explanatory.

Article 105

Self-explanatory.

Article 106

Self-explanatory.

Article 107

Self-explanatory.

Article 108

Self-explanatory.

Article 109

Self-explanatory.

Article 110

Self-explanatory.

Article 111

Self-explanatory.

Article 112

Self-explanatory.

Article 113

Self-explanatory.

Article 113

Self-explanatory.

Article 114

Self-explanatory.

Article 115

Self-explanatory.

Article 116

Self-explanatory.

Article 117

Self-explanatory.

Article 118

Self-explanatory.

Article 119

Self-explanatory.

Article 120

Self-explanatory.

Article 121

Self-explanatory.

Article 122

Self-explanatory.

SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 5512