
AUTHORIZED TRANSLATION



MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

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

NUMBER 117/M-DAG/PER/12/2015

CONCERNING

PROVISIONS FOR IMPORT OF SUGAR

UPON GRACE OF THE ONE ALMIGHTY GOD

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

- Considering:
- a. that in order to encourage the improvement of the national competitiveness, it is necessary to simplify the licensing in the trade sector, particularly the import of sugar;
 - b. that the provisions for import of sugar, as regulated in the Decree of the Minister of Industry and Trade Number 527/MPP/Kep/9/2004 concerning Provisions for c Import of Sugar, as has been amended several times and latest with the Regulation of the Minister of Trade Number 19/M-DAG/PER/5/2008, are considered no more relevant;
 - c. that based on the consideration, as meant in letter b, it is necessary to withdraw the Regulation of the Minister of Industry

and Trade Number 527/MPP/Kep/9/2004 concerning Provisions for Import of Sugar, as has been amended several times and latest with the Regulation of the Minister of Trade Number 19/M-DAG/PER/5/2008 and reregulate the provisions for import of sugar;

- d. that based on the considerations as meant in letter a, letter b, and letter c, it is necessary to determine the Regulation of the Minister of Trade concerning Provisions for import of Sugar.

- In view of:
1. Law Number 7 of 1994 concerning Ratification of the Agreement Establishing the World Trade Organization (State Gazette of the Republic of Indonesia of 1994 Number 57, Supplement to the State Gazette of the Republic of Indonesia Number 3564);
 2. Law Number 10 of 1995 concerning Customs (State Gazette of the Republic of Indonesia of 1995 Number 75, Supplement to the State Gazette of the Republic of Indonesia Number 3612), as has been amended with Law Number 17 of 2006 (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4661);
 3. Law Number 5 of 1999 concerning Prohibition of Monopoly Practice and Unhealthy Business Competition (State Gazette of the Republic of Indonesia of 1999 Number 33, Supplement to the State Gazette of the Republic of Indonesia Number 3806);
 4. Law Number 8 of 1999 concerning Consumer Protection (State Gazette of the Republic of Indonesia of 1999 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 3821);

5. Law Number 39 of 2008 concerning State Ministry (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916);
6. Law Number 18 of 2012 concerning Food (State Gazette of the Republic of Indonesia of 2012 Number 227, Supplement to the State Gazette of the Republic of Indonesia Number 5360);
7. Law Number 3 of 2014 concerning Industry (State Gazette of the Republic of Indonesia of 2014 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 5492);
8. Law Number 7 of 2014 concerning Trade (State Gazette of the Republic of Indonesia of 2014 Number 45, Supplement to the State Gazette of the Republic of Indonesia Number 5512);
9. Government Regulation Number 28 of 2004 concerning Security, Quality and Nutrition of Food (State Gazette of the Republic of Indonesia of 2004 Number 107, Supplement to the State Gazette of the Republic of Indonesia Number 4424);
10. Government Regulation Number 17 of 2015 concerning Food Security and Nutrition (State Gazette of the Republic of Indonesia of 2015 Number 60, Supplement to the State Gazette of the Republic of Indonesia Number 5680);
11. Decree of the President of the Republic of Indonesia Number 57 of 2004 concerning Determination of Sugar as Goods under Control;
12. Presidential Decree Number 121/P of 2014 concerning Formation of Ministries and Appointment of Ministers of the Working Cabinet for the Period of 2014-2019;

13. Presidential Regulation Number 7 of 2015 concerning State Ministry Organization;
14. Presidential Regulation Number 48 of 2015 concerning Ministry of Trade;
15. Presidential Regulation Number 71 of 2015 concerning Determination and Storage of Basic Need Goods and Important Goods;
16. Presidential Decree Number 79/P of 2015 concerning Replacement of Several State Ministers of the Working Cabinet for the Period of 2014-2019;
17. Regulation of the Minister of Trade Number 20/M-DAG/PER/5/2009 concerning Provisions and control System on Goods and/or Service;
18. Regulation of the Minister of Industry Number 24/M-IND/PER/2/2010 concerning Affixing of Food Tare Logo and Recycle Code on packing of Food from Plastic;
19. Regulation of the Minister of Trade Number 46/M-DAG/PER/8/2014 concerning General Provisions for Verification or Technical Tracing in the Trade Sector;
20. Regulation of the Minister of Trade Number 53/M-DAG/PER/9/2014 concerning Trade Integrated Service;
21. Regulation of the Minister of Trade Number 48/M-DAG/PER/7/2015 concerning General Provisions in the Import Sector;
22. Regulation of the Minister of Trade Number 70/M-DAG/PER/9/2015 concerning Importer Identity Number.

HAS DECREED:

To determine: **THE REGULATION OF THE MINISTER OF TRADE CONCERNING PROVISIONS FOR IMPORT OF SUGAR.**

Article 1

The meaning of the following in this Regulation of the Minister is:

1. Sugar is Raw Crystal Sugar/Rough Sugar, Refined Crystal Sugar and Plantation White Sugar.
2. ICUMSA Number is a purity value parameter related to the color of sugar, which is measured based on the international standard, in International Unit (IU).
3. General Importer Identity Number, hereinafter referred to API-U, is the identity as general importer.
4. Producer Importer Identity Number, hereinafter referred to as API-P, is the identity as producer importer.
5. Recommendation is the letter issued by the minister who organizes the administration affairs in the industrial sector or the appointed official, which contains technical clarification on Sugar to be imported.
6. Import Approval is the approval used as license to import Sugar.
7. Verification or technical tracing is the technical investigation and examination on imported goods, which is carried out by the Surveyor.
8. Surveyor is the survey company that obtains the authorization to carry out the Verification or technical tracing on imported goods.

9. Minister is the minister who organizes the administration affairs in the trade sector.
10. Director General is the Director General of Foreign Trade, Ministry of Trade.
11. State Owned Company, hereinafter referred to a BUMN, is the business entity which entire or major part of its capital is owned by the state through direct participation and originates from the separated state assets.

Article 2

- (1) The import of Sugar is limited.
- (2) Sugar, which import is limited, as meant in paragraph (1), covers:
 - a. Raw Crystal Sugar/Rough Sugar with the Tariff Post/HS of 1701.12.00.00, ex. 1701.13.00.00, and ex. 1701.14.00.00, which has the ICUMSA number of minimum 1200 IU;
 - b. Refined Crystal Sugar with the Tariff Post/HS of 170.99.11.00 and 1701.99.19.00, which has the ICUMSA number of maximum 45 IU; and
 - c. Plantation White Sugar with Tariff post/HS of 1701.91.00.00 and 1701.99.90.00, which has the ICUMSA number between 70 IU and 200 IU.

Article 3

The total imported Sugar should be in accordance with the domestic need of Sugar, which determined and agreed upon in the inter ministry coordination meeting.

Article 4

The import of Plantation White Sugar may only be carried out in the framework of controlling that availability and stability of the Plantation White Sugar price.

Article 5

- (1) The import of Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar, as meant in Article 2 paragraph (2) letter a and letter b, may only be carried out by the API-P owner company after obtaining the Import Approval from the Minister.
- (2) The import of Plantation White Sugar, as meant in Article 2 paragraph (2) letter c, may only be carried out by the API-U owner BUMN after obtaining the Import Approval from the Minister.
- (3) The Minister provides the mandate to issue the Import Approval, as meant in paragraph (1) and paragraph (2), to the Director General.

Article 6

- (1) In order to obtain the Import Approval, as meant in Article 5 paragraph (1), the should electronically submit the request to the Minister, in this case the Director General, by attaching the following:
 - a. API-P; and
 - b. Recommendation from the Director General of Agro Industry, which minimum contains the data and/or information on the type, volume, Tariff Post/HS, country of origin, and port of destination.

- (2) In order to obtain the Import Approval, as meant in Article 5 paragraph (2), the BUMN should electronically submit the request to the Minister, in this case the the Director General, by attaching the API-U.
- (3) The Director General issues the Import Approval within not later than 3 (three) working days effective as of the date the requests, as meant in paragraph (1) and paragraph (2), are received completely and correctly.
- (4) In case the requests, as meant in paragraph (1) and paragraph (2), are incomplete and/or incorrect, then the Director General rejects to issue the Import Approval.

Article 7

- (1) The validity term of the Import Approval for the API-P owner company is in accordance with the validity term of the Recommendation, effective as of the date the Import Approval is issued.
- (2) The validity term of the Import Approval for the BUMN is maximum 1 (one) year, effective as of the date the Import Approval is issued.

Article 8

- (1) The submission of request to obtain the Import Approval, as meant in Article 6, may only be served with the electronic system through <http://inatrade.kemendag.go.id>.
- (2) In case of force majeure, which causes that the electronic system through <http://inatrade/kemendag.go.id> is not

functioning, then the submission of request, as meant in paragraph (1), is submitted manually.

Article 9

- (1) The Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar, which are imported by the API-P owner company, may only be used as raw material for the production process of the industry owned by the API-P owner company and are prohibited to be traded and/or transferred to another party.
- (2) The Refined Crystal Sugar, as result of the industry owned by the API-P owner company, which source of raw material is in form of imported Raw Crystal Sugar/Rough Sugar, may only be traded or with or distributed to the industry and is prohibited to be traded at the domestic market.

Article 10

- (1) The company that obtains the Import Facilities for Export Purpose (KITE) from the Ministry of Finances and the company located in the Bonded Zone may import Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar as raw material or supporting material for the production process of the industry in its possession.
- (2) The import of Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar, as meant in paragraph (1), should obtain the Import Approval from the Minister without being completed with the Recommendation.
- (3) The Minister provides the mandate to issue the Import Approval, as meant in paragraph (1), to the Director General.

Article 11

- (1) In order to obtain the Import Approval, as meant in Article 10 paragraph (2), the company should electronically submit the request to the Minister, in this case the Director General, by attaching the following:
 - a. API-P;
 - b. Goods Export Notification (PEB); and
 - c. Statement certifying not to enter its imported Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar into the domestic market and shall only use it as raw material for its own production process.
- (2) The Director General issues the Import Approval within not later than 3 (three) working days effective as of the date the request, as meant in paragraph (1) is received completely and correctly.
- (3) In case the request, as meant in paragraph (1), is incomplete and/or incorrect, then the Director General rejects to issue the Import Approval.

Article 12

The Import Approval, as meant in Article 11 paragraph (2), is applicable for 6 (six) months, effective as of the date of issuance.

Article 13

The Import Approval, as meant in Article 6 and Article 11, contains minimum the data and/or information on the following:

- a. Number and date of the API-P or API-U issuance;
- b. Number and date of the Recommendation, for the company that is required;

- c. Name and address of the company or BUMN;
- d. Type of Sugar;
- e. Volume of Sugar per port of destination;
- f. Tariff Post/HS;
- g. Country of origin;
- h. Number and date of the Import Approval issuance; and
- i. Validity term of the Import Approval.

Article 14

- (1) The Verification or technical tracing should first be carried out at the port of loading on each import implementation of Raw Crystal Sugar/Rough Sugar.
- (2) The implementation of Verification or technical tracing, as meant in paragraph (1), is carried out by the Surveyor, which is determined by the Minister.

Article 15

In order to be determined as Surveyor to implement the Verification or technical tracing on the import of Raw Crystal Sugar/Rough Sugar, as meant in Article 14 paragraph (2), the Surveyor should comply with the requirements as follows:

- a. In possession of the Survey Service Business License (SIUJS);
- b. Having the experience as Surveyor for minimum 5 (five) years;
- c. Has branches or representatives and/or affiliates abroad and has the network to support the effectiveness of the Verification or technical tracing service;
- d. In possession of good track records in the sector of the import Verification or technical tracing activity management.

Article 16

- (1) The Verification or technical tracing, as meant in Article 14 paragraph (1), covers minimum the checking on the following:
 - a. Licensing and administrative requirements documents;
 - b. Type and ICUMSA number of Raw Crystal Sugar/Rough Sugar;
 - c. Volume of Raw Crystal Sugar/Rough Sugar per port of destination;
 - d. Tariff Post/HS;
 - e. Time of shipment;
 - f. Country of origin; and
 - g. Port of destination.

- (2) The result of Verification or technical tracing, as meant in paragraph (1), is entered into the form of Surveyor Report (LS) in order to be used as the customs complementary document for the customs clearance in the import sector, and is submitted through <http://inatrade.kemendag.go.id>, which is then passed on to Indonesia National Single Window (NSW) portal.

- (3) The Surveyor Report (LS), as meant in paragraph (2), should contain the statement on the correctness of the result of Verification or technical tracing and is the full responsibility of the Surveyor.

- (4) The Surveyor collects the service reward from the importer of Raw Crystal Sugar/Rough Sugar for carrying out the implementation of the Verification or technical tracing, which amount is determined by taking account of the benefit principle.

Article 17

- (1) Each company and BUMN that has obtained the Import Approval should electronically submit to the Minister the report on the implementation of Sugar import, either realized or not realized, through <http://inatrade.kemendag.go.id> with copies to the:
 - a. Director General of Agro Industry, Ministry of Industry;
 - b. Director General of Plantation, Ministry of Agriculture;
 - c. Director General of Domestic Trade, Ministry of Trade.
- (2) The report, as meant in paragraph (1), is submitted monthly within not later than the 15th (fifteenth) day of the following month.
- (3) The report, as meant in paragraph (1), should be completed with the import realization control card, which is submitted in writing to the Director General, within not later 15 (fifteen) days effective as of the expiry date of the Import Approval validity term.

Article 18

- (1) The Surveyor, as meant in Article 14 paragraph (2), should electronically submit the report through <http://inatrade.kemendag.go.id> on the implementation of the Verification or technical tracing on the implemented import of Raw Crystal Sugar/Rough Sugar to the Director General every month within not later than the 15th (fifteenth) day of the following month.
- (2) In case of force majeure, which causes that the electronic system through <http://inatrade.kemendag.go.id> is not functioning, then the report, as meant in paragraph (1), is submitted manually.

Article 19

The company and BUMN that have obtained the Import Approval and do not carry out the obligation of submitting the report, as meant in Article 17 during 2 (two) times, are imposed the sanction of postponement of the Import Approval issuance for the next period.

Article 20

The company and BUMN that have obtained the Import Approval are imposed the sanction of withdrawal of the Import Approval if:

- a. They are proven as trading and/or transferring the imported Raw Crystal Sugar/Rough Sugar and Refined Crystal Sugar directly to the consumer, distributor and/or retailer;
- b. They are proven as trading the imported Refined Crystal Sugar at the domestic market;
- c. They are proven as amending the data and/or information contained in the Import Approval;
- d. They are proven as submitting incorrect data and/or information as the requirements to obtain the Import Approval after such Import Approval has been issued;
- e. They are proven as conducting violation based on the judgment and recommendation from the related technical agency; and/or
- f. They are declared guilty based on the court sentence that has permanent legal power for the criminal act related to the misuse of the Import Approval.

Article 21

The postponement of the Import Approval, as meant in Article 19, and the withdrawal of the Import Approval, as meant in Article 20, are determined by the Director General on behalf of the Minister.

Article 22

The company that has been imposed the sanction of the Import Approval withdrawal, as meant in Article 20, may only resubmit the request for the Import Approval after 1 (one) year as of the date of withdrawal.

Article 23

The determination as Surveyor to implement the Verification or technical tracing for import of Raw Crystal Sugar/Rough Sugar is withdrawn in case the Surveyor:

- a. Conducts violation in the implementation of the Verification or technical tracing on the import of Raw Crystal Sugar/Rough Sugar; and/or
- b. Does not comply with the provision of obligation to report, as meant in Article 18, during 2 (two) times.

Article 24

The withdrawal of the determination as Surveyor to implement the Verification or technical tracing on the import of Raw Crystal Sugar/Rough Sugar, as meant in Article 23, is determined by the Minister.

Article 25

In the framework of monitoring and evaluating the policy of Sugar import, the Directorate General of Foreign Trade, Ministry of Trade, carries out the control on the import of Sugar carried out by the Sugar importer.

Article 26

The provisions in this Regulation of the Minister do not apply on the Import of Sugar that is:

- a. Goods for the need of research and science development;
- b. Sample that is not for trade;
- c. Personal belonging of passengers or crew of transportation means or border crossers;
- d. Goods for promotion; and
- e. Dispatched goods.

Article 27

The provisions on the interisland and interregional control, trade, or distribution of Sugar are separately regulated with the Regulation of the Minister.

Article 28

Exception from the provisions that are regulated in this Regulation of the Minister should be upon the approval from the Minister based on the agreement in the coordination meeting with the related agencies.

Article 29

Technical instructions for the implementation of this Regulation of the Minister may be determined by the Director General.

Article 30

The recognition as IP-Sugar, determination as IT-Sugar, Import Approval, and Survey Report (LS), that have been issued based on the Decree of the Minister of Industry and Trade Number 527/MPP/Kep/9/2004 concerning Provisions for Import of Sugar, as has been amended several times and latest with the Regulation of the

Minister of Trade Number 19/M-DAG/PER/5/2008, is declared still applicable until expiration of its validity term.

Article 31

At the time this Regulation of the Minister commences applicable, the Decree of the Minister of Industry and Trade Number 527/MPP/Kep/9/2004 concerning Provisions for Import of Sugar, as has been amended several times and latest with the Regulation of the Minister of Trade Number 19/M-DAG/PER/5/2008, is withdrawn and declared as not applicable.

Article 32

This Regulation of the Minister commences applicable on 1 January 2016.

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

Determined in Jakarta

On 23 December 2015

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

signed

THOMAS TRIKASIH LEMBONG

Copy conforms to the original
Secretariat General
Ministry of Trade
Head of Legal Bureau,
signed and sealed
LASMININGSIH

Translated from Indonesian Language
Jakarta, September 30, 2016
Authorized and Sworn Translator,

FIKRI SAID OBED