AUTHORIZED TRANSLATION

Minister of Trade of the Republic of Indonesia

REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA NUMBER : 01/M-DAG/PER/1/2008

REGARDING

PROVISIONS ON IMPORT OF LIQUEFIED PETROLEUM GAS/LPG AND 3 KILOGRAM LPG CYLINDER

BY THE GRACE OF ALLAH THE ONE SUPREME GOD

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

Considering : a. that for the security and the smooth implementation of government policy through the conversion program of kerosene use to liquefied natural gas *(Liquefied Petroleum Gas*/LPG) designated for domestic use and micro-business scale, it is necessary to set forth the provision on import of LPG and 3 kilogram-LPG cylinder;

b. that the procurement of LPG and 3 kilogram-LPG cylinder for conversion program of kerosene use to liquefied natural gas can be made by import, if the domestic production is insufficient;

c. that in this respect, it is deemed in letter a and letter b necessary to stipulate the Regulation of the Minister of

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Trade;

In view of : 1. *Bedrijfsreglementerings Ordonantie* 1934 (State Gazette of 1938 Number 86);

2. Law of the Republic of Indonesia Number 5 of 1984 regarding Industry (State Gazette of the Republic of Indonesia of 1984 Number 22, Supplement State Gazette of the Republic of Indonesia State Gazette of the Republic of Indonesia Number 3274);
3. Law of the Republic of Indonesia Number 7 of 1994 regarding Ratification of the Agreement Establishing the World Trade Organization (State Gazette of the Republic of Indonesia of 1994 Number 57, Supplement State Gazette of the Republic of Indonesia Number 3564);
4. Law of the Republic of Indonesia Number 10 of 1995 regarding Customs (State Gazette of the Republic of Indonesia of 1995 Number 75, Supplement State Gazette of the Republic of Indonesia Number 3612) as already amended by the Law of the Republic of Indonesia Number 17 of 2006 (State Gazette of the Republic of Indonesia of 2006 Number 1993, Supplement State Gazette of the Republic of Indonesia Number 4661);
5. Law of the Republic of Indonesia No. 5 of 1999 regarding Prohibition of Monopoly Practices and Unfair Business Competition (State Gazette of the Republic of Indonesia Of 1999 Number 33, Supplement State Gazette of the Republic of Indonesia Number 3817);
6. Law of the Republic of Indonesia Number 8 of 1999 regarding Consumer Protection (State Gazette of the Republic of Indonesia Of 1999 Number 42, Supplement State Gazette of the Republic of Indonesia Number 3821);

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7. Law of the Republic of Indonesia Number 15 of 2001 on Marks (State Gazette of the Republic of Indonesia of 2001 Number 110, Supplement State Gazette of the Republic of Indonesia Number 4131);
8. Law of the Republic of Indonesia Number 22 of 2001 regarding Oil and Gas (State Gazette of the Republic of Indonesia of 2001 Number 136, Supplement State Gazette of the Republic of Indonesia Number 4152);
9. Government Regulation of the Republic of Indonesia Number 102 of 2000 regarding National Standardization (State Gazette of the Republic of Indonesia of 2000 Number 199, Supplement State Gazette of the Republic of Indonesia Number 4020);
10. Government Regulation of the Republic of Indonesia Number 58 of 2001 regarding Building and Supervision of Consumer Protection Implementation (State Gazette of the Republic of Indonesia of 2001 Number 103, Supplement State Gazette of the Republic of Indonesia Number 4126);
11. Decree of the President of the Republic of Indonesia Number 260 of 1967 regarding Confirmation of Tasks and Responsibilities of the Minister of Trade in Foreign Trade Sector;
12. Decree of the President of the Republic of Indonesia Number 187 / M of 2004 regarding Establishment of Indonesia Bersatu Cabinet, as already several times recently amended by the Decree of the President of the Republic of Indonesia Number 171 / M Of 2005;
13. Regulation of the President of the Republic of Indonesia Number 9 of 2005 regarding Position, Task, Function, Organizational Composition and Work System of the Ministry of the Republic of Indonesia as already amended several times recently by the Regulation of

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President of the Republic of Indonesia Number 94 of 2006;

14. Regulation of the President of the Republic of Indonesia Number 10 of 2005 regarding Organization Unit and Task of Echelon I of State Ministries of the Republic of Indonesia as already amended several times recently by the Regulation of the President of the Republic of Indonesia Number 17 of 2007;
15. Regulation of the President of the Republic of Indonesia Number 104 of 2007 regarding Supply, Distribution, and Pricing of Liquefied Petroleum Gas of 3 kilogram cylinder;
16. Decree of the Minister of Industry and Trade of the Republic of Indonesia Number 229/MPP/Kep/7/1997 regarding General Provisions on Import;
17. Decree of the Minister of Industry and Trade of the Republic of Indonesia Number 634/MPP/Kep/9/2002 regarding Terms and Procedures on Supervision of Goods and/or Services Circulated in the Market;
18. Regulation of the Minister of Trade of the Republic of Indonesia Number 01/M-DAG/PER/3/2005 regarding Organization and Work System of the Ministry of Trade as amended several times recently by the Regulation of Ministry of Trade Republic of Indonesia Number 34/M-DAG/PER/8/2007;
19. Regulation of the Minister of Industry of the Republic of Indonesia Number 19/M-IND/PER/5/2006 regarding Standardization, Building, and Supervision of the Indonesian National Standard in Industry Sector;
20. Regulation of the Minister of Trade of the Republic of Indonesia Number 14/M-DAG/PER/3/2007 regarding Standardization of Trade and Supervision Sector Service of Indonesian National Standard (SNI) Shall Be

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Required for the Goods and Services traded as already amended by the Regulation of Minister of Trade of the Republic of Indonesia Number 30/M-DAG/PER/7/2007;

21. Regulation of the Minister of Trade of the Republic of Indonesia Number 31/M-DAG/PER/7/2007 regarding Importer Identity Number (API);
22. Regulation of the Minister of Industry of the Republic of Indonesia Number 92/M-IND/PER/11/2007 regarding Obligatorily Application of Indonesian National Standard To 5 (five) Industrial Products;
23. Regulation of the Minister of Industry of the Republic of Indonesia Number 93/M-IND/PER/11/2007 regarding Appointment of Conformity Assessment Institutions for Obligatorily Application/ Effectiveness and Supervision of Indonesian National Standard to 5 (five) Industrial Products;
24. Regulation of the Minister of Energy and Mineral Resources of the Republic of Indonesia Number 021 of 2007 regarding Administration of Supply and Distribution of 3-kilogram Liquefied Petroleum Gas Cylinder;
25. Decree of the Minister of Energy and Mineral Resources of the Republic of Indonesia Number 3175/K/12/MEM/2007 regarding the Assignment of PT. Pertamina (Persero) and Determination of Certain Areas in Supply and Distribution of Liquefied Petroleum Gas of 3-kilogram Cylinder in 2007;

Taking into account :

1. Memorandum of Understanding of the Ministry of Industry and State Ministry of State Owned Company Number 522/M-IND/12/2005 and Number 581/MBU/2005 regarding Prioritization of Use of Domestic Products;
2. Letter of the Minister of Energy and Mineral Resources Number 3249/26/MEM/2006 dated August 31, 2006

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regarding the Resolution of the Limited Coordination Meeting Chaired by the Vice-President regarding Diversification of Kerosene to LPG;

3. Letter of Vice President of the Republic of Indonesia No. 20/WP/9/2006 dated September 1, 2006 regarding Conversion of Use of Kerosene to LPG;
4. Letter of the Minister of Energy and Mineral Resources Number 1971/26/MEM.M/2007 dated May 22, 2007 regarding Assignment of Implementation of Transfer Program of Use of Kerosene to LPG;
5. Resolution of Cross-Sector Coordination Meeting on November 5, 2007 regarding Conversion Program of Kerosene to LPG and Programs to Revive Real Sector;
6. Meeting Resolution in the office of the Vice-President on November 8, 2007 regarding Acceleration of Conversion Program of Kerosene to Gas;

HAS DECIDED:

To Stipulate : **REGULATION OF MINISTER OF TRADE REGARDING PROVISIONS ON IMPORT OF LIQUEFIED PETROLEUM GAS/LPG AND 3 KILOGRAM LPG CYLINDER**

CHAPTER I
GENERAL PROVISIONS
Article 1

In this Regulation of Minister by:

1. Liquefied Petroleum Gas hereinafter referred to as LPG shall mean hydrocarbon gas liquefied by using pressure to facilitate its storage, transportation, and handling basically consisting of propane, butane, or mixture of both included in Tariff Post/HS. 2711. (petroleum gas and other hydrocarbon gas), Tariff Post/HS. 2711.11.00.00 (natural gas), Tariff Post/HS. 2711.12.00.00 (propane), and Tariff Post/HS.

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2711.13.00.00 (butane).

2. 3-kilogram LPG Cylinder hereinafter referred to as 3-kg LPG cylinder shall mean the package for pressured gas or liquefied gas from iron or steel with a capacity/weight of three kilograms included in Tariff Post. HS 7311.00.91.00.
3. Importer shall mean any companies in terms of legal entity obtaining the government's assignment to carry out import of LPG and 3-kg LPG used especially for conversion program of kerosene use to 3-kg cylinder LPG.
4. Recommendation shall mean a letter issued by the relevant institution/unit providing technical explanation and not constituting an import permit/license.
5. Directorate General of Foreign Trade shall mean the Director General of Foreign Trade, Ministry of Trade.
6. Director General of Oil and Gas shall mean the Director General of Oil and Gas, Ministry of Energy and Mineral Resources.
7. Dirjen ILMTA shall mean the Director General of Metal, Machinery, Textile and Various Industries, Ministry of Industry.
8. Minister shall mean the Minister with task and responsibility in the trade sector.

Article 2

(1) The Importer intending to import LPG shall submit a written application to the Minister through the Dirjen Daglu by using the format of application as per Attachment(1) I hereto and append the requirement documents as follows:
   a. LPG General Commercial Business Permit;
   b. Importer Identity Number (API);
   c. Taxpayer Reference Number (NPWP);
   d. Customs Master Number (NIK), and
   e. Recommendations from the Director General of Oil and Gas.

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(2) Any Importer intending to import 3 kg LPG cylinder shall submit a written application to the Minister through the Dirjen Daglu by using the format of application as per Appendix II hereto and append the requirement documents as follows:

a. Assignment from the government;
b. Importer Identity Number (API);
c. Taxpayer Reference Number (NPWP);
d. Customs Master Number (NIK), and
e. Recommendations from the Director General of ILMTA.

(3) In certain condition, to secure the availability of LPG and 3-kg LPG cylinder, the Government may assign the other company as an importer besides the importer as referred to in paragraphs (1) and (2) and the relevant company shall have the requirements as referred to in paragraphs (1) and (2).

Article 3

(1) The Importer as referred to in Article 2, before carrying out the importation of LPG and/or 3-kg LPG cylinder shall obtain the prior approval on import from the Minister based on the recommendation from:

a. Director General of Oil and Gas, for the importation of LPG; or
b. Director General of ILMTA, for the importation of 3-kg LPG.

(2) The recommendation as referred to in paragraph (1) shall contain the information on type of goods, quantity, and time of import.

Article 4

3-kg LPG products imported shall meet the quality standard/technical specification according the SNI calibration.

Article 5

(1) The Importer already obtaining import license shall submit the

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report on LPG import realization in writing to the Minister through the Director General of Daglu with carbon copy to the Director General of Oil and Gas through the Director of Oil and Gas Downstream Business Building within not later than the next 15th (fifteenth) day of every import realization month.

(2) The Importer already obtaining import license shall submit the report on 3-kg LPG cylinder import realization in writing to the Minister through the Director General of Daglu with carbon copy to the Director General of ILMTA through the Director of Metal Industry within not later than the next 15th (fifteenth) day of every import realization month.

Article 6

Any Importer breaching the provision as stipulated in this Regulation of Minister shall be subjected to sanction according to the prevailing legislation.

Article 7

The implementing regulation or technical matters not yet provided for herein shall further be stipulated by the Director General of Daglu.

Article 8

This Regulation of the Minister shall become effective as of the stipulation date.

For public cognizance, it is instructed to promulgate this Regulation of Minister by inserting the same in the State Gazette of the Republic of Indonesia.

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Stipulated in : Jakarta

On : January 21, 2008

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

MARI ELKA PANGESTU

Copy corresponds with the original
Secretariat General of
Ministry of Trade
Head of Legal Bureau,

signed

WIDODO

KEMENTERIAN PERDAGANGAN RI SEKRETARIAT JENDERAL

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ATTACHMENT TO REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

NUMBER 01/M-DAG/PER/1/2008

DATE JANUARY 21, 2008

LIST OF ATTACHMENT

1. Attachment I : Application for Import of LPG for 3-kilogram Cylinder

2. Attachment II : Application for Import of 3-kilogram LPG Cylinder

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

MARI ELKA PANGESTU

Copy corresponds with the original
Secretariat General
Ministry of Trade
Head of Legal Bureau,

signed

WIDODO

KEMENTERIAN PERDAGANGAN RI SEKRETARIAT JENDERAL

AUTHORIZED & SWORN TRANSLATOR JKT GOB DECREE FIKRI S.O. NO. 1607/2008

Attachment I Regulation of the Minister of Trade of the Republic of Indonesia
Number : 01/M-DAG/PER/1/2008
Dated : January 21, 2008

COMPANY'S HEAD LETTER

Number :
Encl :
Re. : Application for Import of LPG For 3-kilogram Cylinder

.....

To
Minister of Trade of the Republic of Indonesia
Through
Director General of Foreign Trade
Ministry of Trade of the Republic of Indonesia
Jl. M.I. Ridwan Rais No.5
In -
Jakarta

In relation to the Regulation of the Minister of Trade of the Republic of Indonesia Number ..../M-DAG/PER/1/2008 dated ..... regarding Provisions on Import of Liquefied Petroleum Gas/LPG and 3-kilogram LPG Cylinder as well as by taking into account the Regulation of President of the Republic of Indonesia Number 104 of 2007 regarding Supply, Distribution, and Pricing of Liquefied Petroleum Gas of 3-kilogram Cylinder and for conversion of use of kerosene to 3-kilogram LPG cylinder, we hereby file the application for import of:

- LPG (Tariff Post/HS.....) = ...Kg / Unit.
- Loading Port ....
- Destination Port .....

As the consideration material in the submission of application, enclosed please find, LPG General Commercial Business Permit, Importer Identity Number (API), Taxpayer Reference Number (NPWP), Customs Master Number (NIK), and Recommendations from the Director General of Oil and Gas.

This application is submitted and thank you for your attention.

Faithfully yours,
Company's seal
(.....)
Position

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Attachment II Regulation of the Minister of Trade of the Republic of Indonesia
Number : 01/M-DAG/PER/1/2008
Dated : January 21, 2008

COMPANY'S HEAD LETTER

Number :
Encl :
Re. : Application for Import of 3-kilogram LPG Cylinder

.....

To
Minister of Trade of the Republic of Indonesia
Through
Director General of Foreign Trade
Ministry of Trade of the Republic of Indonesia
Jl. M.I. Ridwan Rais No.5
in
Jakarta

In relation to the Regulation of Minister of Trade of the Republic of Indonesia Number ..../M-DAG/PER/1/2008 dated ..... regarding Provisions on Import of Liquefied Petroleum Gas/LPG and 3-kilogram LPG Cylinder as well as by taking into account the Regulation of President of the Republic of Indonesia Number 104 of 2007 regarding Supply, Distribution, and Pricing of Liquefied Petroleum Gas of 3-kilogram Cylinder and for conversion of use of kerosene to 3-kilogram LPG cylinder, we hereby file the application for import of:

- 3-kg LPG Cylinder = ... Units.
- Loading Port .....
- Destination Port .....

As the consideration material in the submission of application, enclosed please find, Assignment from the government, Impo rter Identity Number (API), T axpayer Reference Number (NPWP), Customs Master Number (NIK), and Recommendations from the Director General of ILMTA.

This application is submitted and thank you for your attention.

Faithfully yours,

Company's seal
(.....)
Position

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

FIKRI SAID OBED

AUTHORIZED SWORN TRANSLATOR
JKT GUB DEGREE
FIKRI S
NO. 1607/