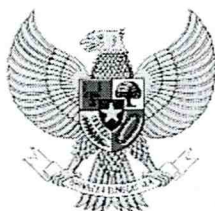

AUTHORIZED TRANSLATION



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

NUMBER : 39/M-DAG/PER/10/2010

REGARDING

PROVISION OF FINISHED GOODS IMPORT BY THE PRODUCER

BY THE GRACE OF ALLAH THE ONE SUPREME GOD

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

Considering : a. that in the framework of creating the conducive business climate, materialize the business certainty, and motivate the acceleration of investment, it is necessary to regulate the import of finished goods by the producer;

b. that based on the consideration, as meant in letter a, it is necessary to determine the Regulation of the Minister of Trade.

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

2. Law Number 3 of 1982 regarding Company Registration Obligation (State Gazette of the Republic of Indonesia of 1982 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 3214);



3. Law Number 5 of 1984 regarding Industry (State Gazette of the Republic of Indonesia of 1984 Number 22, Supplement to the State Gazette of the Republic of Indonesia Number 3274);
4. Law 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 to the State Gazette of the Republic of Indonesia Number 3564);
5. Law Number 10 of 1995 regarding 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);
6. Law Number 5 of 1999 regarding 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 3817);
7. Law Number 25 of 2007 regarding Investment (State Gazette of the Republic of Indonesia Number 67, Supplement to the State Gazette of the Republic of Indonesia Number 4724);
8. Law Number 39 of 2008 regarding 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);
9. Law Number 25 of 2009 regarding Public Service (State Gazette of the Republic of Indonesia of 2009 Number



112, Supplement to the State Gazette of the Republic of Indonesia Number 5038);

10. Presidential Decree Number 260 of 1967 regarding Affirmation of the Duties and Responsibilities of the Minister of Trade in the Foreign Trade Sector;
11. Regulation of the President Number 47 of 2009 regarding Formation and Organization of the State Ministry;
12. Presidential Decree Number 84/P of 2009 regarding Formation of the United Indonesia Cabinet II;
13. Regulation of the President Number 24 of 2010 regarding the Status, Duties and Functions of the State Ministry and Organization Structure, Duties and Functions of Echelon I of the State Ministry;
14. Regulation of the Minister of Trade Number 28/M-DAG/PER/6/2009 regarding Provision of the Export and Import Licensing Service with the Electronic System Through INATRADE in the Framework of the Indonesia National Single Window;
15. Regulation of the Minister of Trade Number 45/M-DAG-PER/9/2009 regarding Importer Identification Number, as has been amended with the Regulation of the Minister of Trade Number 17M-DAG/PER/3/2010;
16. Regulation of the Minister of Trade Number 54/M-DAG/PER/10/2009 regarding General Provisions in the Import Sector;
17. Regulation of the Minister of Trade Number 31/M-DAG/PER/7/2010 regarding Organization and Work Method of the Ministry of Trade.



HAS DECIDED:

To stipulate : **THE REGULATION OF THE MINISTER OF TRADE
REGARDING PROVISION OF FINISHED GOODS IMPORT
BY THE PRODUCER**

Article 1

In this Regulation of the Minister the meaning of:

1. Import is the activity of taking goods into the customs area of Indonesia.
2. Importer Identification Number of Producer (Angka Pengenal Importir Produsen), hereinafter referred to as API-P, is the Importer Identification Number issued by the Head of the Investment Coordination Board or Head of Provincial Service, whose duties and responsibilities are in the trade sector, for and on behalf of the Minister of Trade.
3. Finished goods are goods that are used in the production process, which may be imported by the producer in accordance with the industrial business license or other business licenses of similar types that are issued by the authorized technical agency.
4. Producer is the company of the API-P owner.
5. Minister is the minister who organizes the administration affairs in the trade sector.
6. Director General is the Director General of Foreign Trade of the Ministry of Trade.
7. Director is the Director of Import, Directorate General of Foreign Trade, Ministry of Trade.
8. Investment Coordination Board (Badan Koordinasi Penanaman Modal), hereinafter referred to as BKPM, is the non-ministry government agency that organizes the administration affairs in the investment sector.



Article 2

- (1) The producer may import finished goods in order to motivate the development of its business.
- (2) The finished goods that may be imported by the producer, as meant in paragraph (1), should be in accordance with:
 - a. Industrial Business License or other business licenses of similar types that are issued by the Head of BKPM; or
 - b. Industrial Business License or other business licenses of similar types that are issued by the authorized agency/technical service.
- (3) The producer, as meant in paragraph (1), is determined in the list of producers that may import finished goods by the Director General on behalf of the Minister.
- (4) In order to be able to be determined in list of producers that may import finished goods, as meant in paragraph (3), the producer should submit a written request to the Minister through the Director General by attaching he following:
 - a. photocopy of the Industrial Business License or other business licenses of similar types that are issued by the Head of BKPM or authorized agency/technical service; and
 - b. photocopy of API-P.

Article 3

- (1) The producer determined in the list of producers that may import finished goods, should submit the finished goods import realization report in writing to the Director every quarter.
- (2) The submission of the finished goods import realization report, as meant in paragraph (1) is conducted in case



the import is realized or not realized.

- (3) The finished goods import realization report, as meant in paragraph (2), is submitted not later than the fifteenth (15) day of the first month of the next quarter to the Director through <http://inatrade.depdag.co.id>.
- (4) In addition to the Report, as meant in paragraph (1), the producer that is determined in the list of producers that may import finished goods, is still required to submit the report as the API-P owner in accordance with the provisions of the legislative regulations that regulate regarding the Importer Identification Number.

Article 4

- (1) The post audit is made by the Director on the Producer, which is determined in the list of producers that may import finished goods, based on:
 - a. correctness of the import realization report;
 - b. conformity of commodity types that are imported with the business license, as meant in Article 2 paragraph (2);
 - c. obedience toward the provisions of the legislative regulations that are related to the import sector.
- (2) Director in making evaluation as referred to in paragraph 1 may conduct the same with the related technical agency.

Article 5

The import of finished goods, as meant in Article 2 paragraph (2), is carried out in accordance with the provisions of the legislative regulations.

Article 6

- (1) The Director General periodically submits the report to the Minister in form of:



- a. recapitulation of the finished goods import realization made by the producer; and
 - b. results of the post audit, as meant in Article 4.
2. The report, as meant in paragraph (1), is the evaluation material to determine the list of producers that may import finished goods and as material to determine the finished goods import policy.

Article 7

- (1) The producer that is determined in the list of producers that may import finished goods is withdrawn if:
- a. the concerned does not submit the import realization report, as meant in Article 3.
 - b. the results of the post audit, as meant in Article 4, indicate that the import realization report is incorrect, the type of imported goods is not in accordance with business license, and/or not complying with the provisions of the legislative regulations that are related to the import sector;
 - c. there is a written request for withdrawal from the list of producers that may import finished goods from the related agency with the consideration that the producer does not properly implement the production activities;
 - d. there is a written request for withdrawal from the list of producers that may import finished goods from the Directorate General of Customs, Ministry of Finances, with the consideration that the producer has made a violation in the customs sector, and/or
 - e. imposed the sanction of the API-P withdrawal.
- (2) The producer that has been imposed the sanction of withdrawal from the list of producers that may import



finished goods may be re-determined if:

- a. the producer that has been imposed the withdrawal sanction based on the provision of paragraph (1) letter a, has submitted the finished goods import realization report;
 - b. the producer that has been imposed the withdrawal sanction based on the provisions of paragraph (1) letter c and letter d has been declared as complying with the provisions by the related technical agency; or
 - c. the producer that has been imposed the withdrawal sanction based on the provision of paragraph (1) letter e has a new API-P.
- (3) The producer that has been imposed the sanction of withdrawal from the list of producers that may import finished goods, as meant in paragraph (1) letter b, may be re-determined in the list of producers that may import finished goods after 1 (one) year as of the date of withdrawal from the list of producers that may import finished goods.
- (4) In order to be able to be re-determined in the list of producers that may import finished goods, the producer should submit the request in accordance with the provision as meant in Article 2 paragraph (4).

Article 8

Instructions for implementation of the post audit are determined by the Director General.

Article 9

This Regulation of the Minister commences effective on 1 January 2011.



To be known by all men, instructs the enactment of this
Regulation of the Minister with its placement in the State
Gazette of the Republic of Indonesia.

Stipulated in : Jakarta

On : 4 October 2010

MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

signed

MARI ELKA PANGESTU

Copy according to original

Secretariat General

Ministry of Trade

Head of Legal Bureau

signed

WIDODO

Translated from Indonesian Language
Jakarta, September 5, 2011
Authorized and Sworn Translator,

FIKRI SAID OBEID

