AUTHORIZED TRANSLATION

REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA NUMBER: 03/M-DAG/PER/1/2013 CONCERNING PROVISIONS FOR THE ISSUANCE OF LICENSING IN THE TRADE SECTOR AT THE FREE TRADE ZONE AND SABANG FREE PORT

BY THE GRACE OF ALLAH THE ONE SUPREME GOD

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

- Considering : that in the framework of implementing the provision Article 8 paragraph (1) of the Government Regulation Number 83 of 2010 concerning the Delegation of Authority of the Government to the Sabang Zone Council, it is necessary to enact the Regulation of the Minister of Trade concerning the Provisions on the Issuance of Licensing in the Trade Sector at the Free Trade Zone and Sabang Free Port;
- In view of : 1. Bedrijfsreglementerings Ordonantie of 1934 (State Gazette of
 - 1938 Number 86);2. Law Number 17 of 2000 concerning Determination of the
 - Law Number 17 of 2000 concerning Determination of the Government Regulation as replacement of Law Number 2 of 2000 concerning Free Trade Zone and Sabang Free Port to Become a Law (State Gazette of the Republic of Indonesia of 2000 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 4054);
 - Law Number 11 of 2006 concerning Aceh Government (State Gazette of the Republic of Indonesia of 2006 Number 62, Supplement to the State Gazette of the Republic of Indonesia Number 4633);

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- 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);
- Law Number 28 of 2009 concerning Regional Tax and Regional Retribution (State Gazette of the Republic of Indonesia of 2009 Number 130, Supplement to the State Gazette of the Republic of Indonesia Number 5049);
- Government Regulation Number 83 of 2010 concerning Delegation of Authority of the Government to the Sabang Zone Council (State Gazette of the Republic of Indonesia of 2010 Number 143, Supplement to the State Gazette of the Republic of Indonesia Number 5175);
- Presidential Decree Number 84/P of 2009 concerning Formation of the United Indonesia Cabinet II, as has been amended with the Presidential Decree Number 59/P of 2011;
- Presidential Regulation Number 47 of 2009 concerning the Formation and Organization of the State Ministry of the Republic of Indonesia, as has been amended several times and latest with the Presidential Regulation Number 91 of 2011;
- Presidential Regulation Number 45 of 2012 concerning Type and Tariff on Type of Non Tax State Income that Applies at Ministry of Trade;
- 10. Presidential Regulation Number 24 of 2010 concerning the Position, Duties and Functions of the State Ministry and the Organization Structure, Duties and Functions of Echelon I of the State Ministry, as has been amended several times and latest with the Presidential Regulation Number 92 of 2011;
- Decree of the Minister of Trade and Industry Number 199/MPP/Kep/6/2001 concerning Approval to Organize Trade Exhibition, Convention and/or Trade Seminar;

- Regulation of the Minister of Trade Number 10/M-DAG/PER/3/2006 concerning the Provisions and Procedure of Issuance of the Foreign Trade Representative Business License, as has been amended with the Regulation of the Minister of Trade Number 28/M-DAG/PER/6/2010;
- Regulation of the Minister of Trade Number 11/M-DAG/PER/3/2006 concerning the Provisions and Procedure of the Issuance of the Agent Registration or Distributor of Goods and/or Services;
- Regulation of the Minister of Trade Number 14/M-DAG/PER/3/2006 concerning the Provisions of the Survey Service Business License Procedure;
- Regulation of the Minister of Trade Number 32/M-DAG/PER/8/2008 concerning the Organizing of the Trade Business Activities with the Direct Sales System, as has been amended with the Regulation of the Minister of Trade Number 47/M-DAG/PER/9/2009;
- Regulation of the Minister of Trade Number 31/M-DAG/PER/7/2009 concerning Tariff for the Issuance of the Certificate of Origin for Indonesian Exported Goods;
- Regulation of the Minister of Trade Number 43/M-DAG/PER/9/2009 concerning the Procurement, Distribution, Sales, Supervision and Control of Alcoholic Drinks, as has been amended several times and latest with the Regulation of the Minister of Trade Number 11/M-DAG/PER/3/2012;
- 18. Regulation of the Minister of Trade Number 44/M-DAG/PER/9/2009 concerning the Procurement, Distribution and Control of Hazardous Materials, as has been amended with the Regulation of the Minister of Trade Number 23/M-DAG/PER/9/2011;

- Regulation of the Minister of Trade Number 31/M-DAG/PER/7/2010 concerning Organization and Work Method of Ministry of Trade, as has been amended with the Regulation of the Minister of Trade Number 57/M-DAG/PER/8/2012;
- Regulation of the Minister of Trade Number 59/M-DAG/PER/12/2010 concerning the Provisions for the Issuance of the Certificate of Origin for Indonesian Export Goods;
- 21. Regulation of the Minister of Trade Number 60/M-DAG/PER/12/2010 concerning Issuance Agency for the Certificate of Origin of Indonesian Export Goods, as has been amended with the Regulation of the Minister of Trade Number 21/M-DAG/PER/4/2012;
- Regulation of the Minister of Trade Number 27/M-DAG/PER/5/2012 concerning Provisions for the Importer Identity Number, as has been amended with the Regulation of the Minister of Trade Number 59/M-DAG/PER/9/2012;

HAS DECIDED:

To Stipulate : PROVISIONS FOR THE ISSUANCE OF LICENSING IN THE TRADE SECTOR AT THE FREE TRADE ZONE AND SABANG FREE PORT.

Article 1

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

1. Free Trade Zone Sabang Free Port, Hereinafter referred to as Sabang Zone, Is the Zone covering Sabang City (Weh Island, Klah Island, Rubiah Island Seulako Island, and Rondo Island), and part of Aceh Besar Regency (Breuh Island, Nasi Island and Teunom Island) as well as the small islands in the surroundings, which are located in the coordinate boundaries as attached in Law Number 37 of 2000 concerning Determination of the Government Regulation as Replacement of Law Number 2 of 2000 concerning Free Trade Zone and Sabang Free Port into the Law.

- Licensing in the trade sector, hereinafter referred to as Licensing, is the provision of legality to the applicant in form of license, registration, approval or certificate in the trade sector in the Sabang Zone.
- Foreign Trade Company Representative Business License is the license to carry out the business activities of the Foreign Trade Company Representative.
- Registration Certificate is the evidence that the concerned company has been registered as Agent, Sole Agent, Distributor, Sole Distributor, or Sub Distributor of goods and/or services.
- 5. Direct Sales Business License is the license to carry out the trade business activities with the direct sales system.
- 6. Survey Service Business License is the license to carry out the survey service business activities.
- Alcoholic Drinks Trade Business License is the license to carry out the trade business activities especially for group B and/or group C alcoholic drinks.
- Hazardous Material Trade Business License is the license to carry out the trade business activities especially for Hazardous Materials.
- 9. Importer Identity Number is the identity as importer.
- 10. Certificate of Origin is the document that is attached at the time the Indonesian export goods that have complied with the provisions of the Rules of Origin enter the area of a certain country, which proofs that those goods originate from Indonesia.
- Sabang Zone Council, hereinafter referred to as DKS, is the Free Trade Zone and Sabang Free Port Council.
- 12. Free Trade Zone and Sabang Free Port Undertaking Agency, hereinafter referred to as Sabang Zone Undertaking Agency or abbreviated BPKS, is the Free Trade Zone and Sabang Free

Port Management and Development Agency.

- The DKS Chairman is the Chairman of the Free Trade Zone and Sabang Free Port Council.
- Head of BPKS is the Head of the Free Trade Zone and Sabang Free Port Management and Development Agency.
- 15. Minister is the minister who organizes the administration affairs in the trade sector.

Article 2

The authority to issue the Licensing delegated to DKS covers the authority to issue:

- a. Foreign Trade Company Representative Business License (SIUP3A);
- Registration Certificate of Agent or Distributor of domestic or foreign Goods and/or production service;
- c. Direct Sales Business License (SIUPL);
- d. Survey Service Business License (SIUJS);
- e. Alcoholic Drinks Trade Business License (SIUPMB) for Importer;
- f. Alcoholic Drinks Trade Business License (SIUPMB) for Distributor;
- g. Hazardous Material Trade Business License (SIUPB2) For Hazardous Material Registered Distributor (DT-B2);
- h. Letter of Approval for Organizing Trade Exhibition, Convention and International Trade Seminar; and
- i. Foreign Produced Fertilizer Sole Agent Registration Certificate;
- j. Import Identity Number (API); and
- k. Certificate of Origin (SKA).

Article 3

BPKS carries out the authority to issue the Licensing, as meant in Article 2, by following the Policy, Norm, Standard and Procedure determined by the Minister as contained in the Appendix of this Regulation of the Minister.

Article 4

The Licensing, as meant in Article 2, is provided to the company that is established and domiciled in the Sabang Zone.

Article 5

The company that possesses the Licensing, as meant in Article 2 letter a up to letter j, may only carry out the business activities in the Sabang Zone.

Article 6

- (1) In order to obtain the Licensing, as meant in Article 2, the Company should submit a new request, extension and change of Licensing in writing to the Head of BPKS.
- (2) The Head of BPKS issues the Licensing within not late than 5 (five) working days effective as of the date of receipt of the request completely and correctly.
- (3) Further provisions concerning the requirements and procedure of the Licensing issuance are determined by the Head of DKS after coordinating with the Minister of Trade, in this case the Director General of Domestic Trade and Director General of Foreign Trade.

Article 7

- (1) Except the implementation of the SKA issuance, the implementation of the Licensing issuance at DKS, as meant in Article 2, is not charged any cost in whatever form.
- (2) The implementation of the SKA issuance, as meant in Article 2 letter I, is charged the tariff of Rp. 5,000.- (five thousand Rupiah) and should be deposited at the state treasury into the Non Tax State Income of the Ministry of Trade.

Article 8

(1) The Minister provides the guidance to:

- a. BPKS in the framework of supporting the capacity in the implementation of the Licensing issuance; and
- b. The Local Government of Aceh Province, Sabang City and Aceh Besar Regency as well as the DKS in the framework of organizing the administration affairs in the trade sector.
- (2) The guidance, as meant in paragraph (1), is provided in form of coordination, provision of guidance, consultation, monitoring and evaluation.

Article 9

- (1) The control on the implementation of this Regulation of the Minister is carried out by the Inspectorate General of the Ministry of Trade.
- (2) The control, as meant in paragraph (1), covers the implementation of:
 - a. issuance of Licensing;
 - transparency concerning the requirements and procedure of Licensing;
 - c. time of issuance of Licensing; and
 - d. reporting on the issuance of Licensing.
- (3) The result of control, as meant in paragraph (2), is reported by the Inspector General to the Minister to be used as evaluation material on the implementation of this Regulation of the Minister.

Article 10

- (1) The Head of BPKS, through the Head of DKS, should submit the report on the issuance of Licensing to the Minister with copies to the Director General of Domestic Trade, Director General of Foreign Trade, Inspector General of the Ministry of Trade, and Head of Agency in the trade sector of Aceh Province.
- (2) The report, as meant in paragraph (1), is submitted 1 (one) time a year not later than 31 January of the following year.

Article 11

- (1) The Licensing that has been provided to the company that is domiciled in the Sabang Zone before the enactment of this Regulation of the Minister, is declared still effective until the expiration of its validity period.
- (2) The Licensing, as meant in paragraph (1), which validity period has expired, may be extended or reregistered by referring to the provisions in this Regulation of the Minister.

Article 12

The request for Licensing submitted by the company, which is established and domiciled in the Sabang Zone and is in the settlement process, should follow the provisions in this Regulation of the Minister.

Article 13

This Regulation of the Minister commences applicable after 60 (sixty) days effective as of the date of enactment.

In order to be known by everyone, the enactment of this Regulation of the Minister is instructed with its placement in the State Gazette of the Republic of Indonesia.

> Stipulated in Jakarta Dated January 21, 2013 MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

Signed

GITA IRAWAN WIRJAWAN

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