AUTHORIZED TRANSLATION



MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA NUMBER 55/M-DAG/PER/9/2014 CONCERNING PROVISIONS ON REFRIGERANT SYSTEM BASED IMPORT OF GOODS BY THE GRACE OF ALLAH THE ONE SUPREME GOD

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

Considering : a. That based on the Vienna Convention and Montreal Protocol of the member countries are obliged to eliminate the use of Hydrochlorofluorocarbon (HCFC) including Ozone Depleting Substance (BPO) in phases, and carry out program of eliminating the use of HCFC as a whole before 2030:

- b. That in support of implementing the elimination of using HCFC as referred to in item a, Indonesia as the member party should conduct control and supervision for the Refrigerant system based goods import using and/or containing HCFC functioning as refrigerant;
- c. That based on the consideration as intended in items a and
 b, it is necessary to regulate provisions on Refrigerant
 system based goods import;
- d. That based on the consideration as intended in items a, b, and c, it is necessary to stipulate Regulation of Minister of Trade concerning Provisions on Refrigerant System Based Goods Import;

- In view of : 1. Law Number 7 of 1994 concerning Ratification of Agreement Establishing the World Trade Organization, (State Gazette of the Republic of Indonesia Number 57 of 1994, Supplement to the State Gazette of the Republic of Indonesia Number 3564);
 - Law Number 10 of 1995 concerning Customs (State Gazette of the Republic of Indonesia Number 75 of 1995, Supplement to the State Gazette of the Republic of Indonesia Number 3612) as already amended by virtue of Law Number 17 of 2006 (State Gazette of the Republic of Indonesia Number 93 of 2006, Supplement to the State Gazette of the Republic of Indonesia Number 4661);
 - Law Number 8 of 1999 concerning Consumer Protection (State Gazette of the Republic of Indonesia Number 42 of 1999, Supplement to the State Gazette of the Republic of Indonesia Number 3821);
 - 4. Law Number 36 of 2000 concerning Stipulation of Government Regulation in Lieu of the Law Number 1 of 2000 concerning Free Trade and Free Port Area to become Law (State Gazette of the Republic of Indonesia Number 251 of 2000, Supplement to State Gazette of the Republic of Indonesia Number 4053) as already amended by the Law Number 44 of 2007 concerning Stipulation of Government Regulation in lieu of Law Number 1 of 2007 to Law (State Gazette of the Republic of Indonesia Number 130 of 2007, Supplement to State Gazette of the Republic of Indonesia Number 4775);
 - Law Number 39 of 2008 concerning State Ministry (State Gazette of the Republic of Indonesia Number 166 of 2008, Supplement to the State Gazette of the Republic of Indonesia Number 4916);
 - 6. Law Number 32 of 2009 concerning Environmental Protection and Management (State Gazette of the Republic

of Indonesia Number 140 of 2009, Supplement to State Gazette of the Republic of Indonesia Number 5059);

- Law Number 36 of 2009 concerning Health (State Gazette of the Republic of Indonesia Number 144 of 2009, Supplement to the State Gazette of the Republic of Indonesia Number 5063);
- Law Number 3 of 2014 concerning Industry (State Gazette of the Republic of Indonesia Number 4 of 2014, Supplement to the State Gazette of the Republic of Indonesia Number 5492);
- Law Number 7 of 2014 concerning Commerce (State Gazette of the Republic of Indonesia Number 45 of 2014, Supplement to the State Gazette of the Republic of Indonesia Number 5512);
- Government Regulation Number 74 of 2001 concerning Hazardous and Poisonous Material Management (State Gazette of the Republic of Indonesia Number 138 of 2001, Supplement to the State Gazette of the Republic of Indonesia Number 4153);
- 11. Government Regulation Number 10 of 2012 concerning Treatment for Customs, Taxation, and Duties and Operation for Importation and Exportation of Goods to and from and in the Area already specified as the Free Trade Zone and Free Harbor (State Gazette of the Republic of Indonesia Number 17 of 2012, Supplement to the State Gazette of the Republic of Indonesia Number 5277);
- 12. Presidential Decree Number 23 of 1992 concerning Ratification of Vienna Convention for the Protection of the Ozone Layer and Montreal Protocol on Substances that Deplete the Ozone Layer as Adjusted and Amended by the Second Meeting of the Parties London, 27-29 June 1990;
- 13. Presidential Decree Number 92 of 1998 concerning Ratification of Montreal Protocol on Substances that Deplete

the Ozone Layer, Copenhagen 1992;

- Presidential Decree Number 84/P of 2009 concerning Formation of United Indonesia Cabinet (Kabinet Indonesia Bersatu) II as already amended lastly by virtue of the Presidential Decree Number 8/P of 2014;
- 15. Presidential Regulation Number 47 of 2009 concerning Formation and Organization of the State Ministry as already amended several times and lastly by virtue of the Presidential Regulation Number 13 of 2014;
- 16. Presidential Regulation Number 24 of 2010 concerning Position, Duties and Functions of the State Ministry and Organizational Structure, Duties and Functions of Echelon I of the State Ministry as already amended several times and lastly by virtue of the Presidential Regulation Number 14 of 2014;
- Regulation of the Minister of Trade Number 54/M-DAG/PER/9/2009 concerning General Provisions in the Sector of Import;
- Regulation of the Minister of Trade Number 31/M-DAG/PER/7/2010 concerning Organization and Working Procedure of the Ministry of Trade as already amended by virtue of Regulation of Minister of Trade Number 57/M-DAG/PER/8/2012.
- Regulation of the Minister of Trade Number 03/M-DAG/PER/1/2012 concerning Provisions on Ozone Depleting Substances (BPO) as already amended by virtue of Regulation of Minister of Trade Number 40/M-DAG/PER/7/2014.
- Regulation of the Minister of Trade Number 27/M-DAG/PER/5/2012 concerning Provisions on Importer Identification Number (API) as already amended several times and lastly by virtue of the Regulation of Minister of Trade Number 84/M-DAG/PER/12/2012;

- Regulation of the Minister of Industry Number 41/M-DAG/PER/5/2014 concerning Prohibition on the Use of Hydrochlorofluorocarbon (HCFC) in the Sector of Industry;
- Regulation of the Minister of Trade Number 46/M-DAG/PER/8/2012 concerning General Provisions on Verification or Techniical inquiry in the Sector of Trade;

HAS DECIDED:

To Stipulate : REGULATION OF MINISTER OF TRADE CONCERNING PROVISIONS ON REFRIGERANT SYSTEM BASED GOODS IMPORT.

Article 1

The terms of the Regulation of Minister are:

- Refrigerant System Based Goods mean the goods of which the operation uses Refrigerant system and uses and/or contains refrigerant as Refrigerant media.
- Hydrochloroflurocarbon 22, hereinafter abbreviated to HCFC-22 means chemical substances which function as refrigerant and potential can harm ozone molecule in the stratosphere layer.
- 3. Import means activities to import goods into the customs.
- Refrigerant System Based Registered Goods Importer, hereinafter abbreviated to Refrigerant System Based IT-Goods means company which conducts Refrigerant System Based Goods import.
- Recommendation means letter issued by the minister or official nominated which contains explanation on Refrigerant System Based Goods to be imported.
- 6. Verification or technical inquiry means research and inspection of import goods conducted by the surveyor.
- Surveyor means survey company which obtains authorization to make verification or technical inquiry on the import goods.

- 8. Minister means minister organizing governmental affairs in the sector of trade.
- 9. Director General means Director General of Foreign Trade, Ministry of Trade.
- 10. Director General of IUBTT means Director General of High Technology Based Superior Industry, Ministry of Industry.
- Deputy KLH means Deputy for the Control of Environmental Damage and Change of Climate, Ministry of Environment.

Article 2

Refrigerant System Based Goods of which the import is limited as contained in the Attachment being an integral part thereof.

Article 3

Refrigerant System Based Goods as referred to in Article 2 using refrigerant HCFC-22 either in the filled or vacant conditions are prohibited to be imported starting from January 1, 2015.

Article 4

Each Refrigerant System based Goods Import as referred to in Article 2 may only be made through the following ports:

- a. Belawan Port, Medan;
- b. Tanjung Priok Port, Jakarta;
- c. Merak Port, Cilegon;
- d. Tanjung Mas Port, Semarang;
- e. Tanjung Perak Port, Surabaya;
- f. Soekarno Hatta Port, Makassar; and
- g. Batu Ampar Port, Batam.

Article 5

(1) Refrigerant System Based Goods as referred to in Article 2 can only be imported by the company which has obtained stipulation as IT-Refrigerant System Based Goods from the Minister. (2) Minister shall delegate authority of issuing stipulation as Refrigerant System Based Goods-IT as referred to in paragraph (1) to the Director General.

Article 6

- (1) To obtain stipulation as Refrigerant System Based IT-Goods as referred to in Article 5 paragraph (1), the company shall submit written application to the Director General by attaching the following documents:
 - a. photocopy of Trade Business Permit or Industry Business Permit or other similar business permits from the competent agency;
 - b. photocopy of Importer Identification Number (API);
 - c. photocopy of Company Registration Certificate (TDP);
 - d. photocopy of Taxpayer Reference Number (NPWP);
 - e. recommendation from Deputy KLH;
 - f. recommendation from Director General of IUBTT; and
 - g. declaration, duly stamped from the importer stating that the imported goods do not use refrigerant of HCFC-22.
- (2) At the written request as referred to in paragraph (1), Director General shall issue stipulation as Refrigerant System Based IT-Goods at least 5 (five) business days as of the acceptance of application completely and properly.
- (3) In the event that written application as referred to in paragraph (1) is incomplete and improper, Director General shall give notice on the decline of application at least 5 (five) business days as of the acceptance of the application.

Article 7

Stipulation as Refrigerant System Based IT-Goods as referred to in Article 6 paragraph (2) shall apply for 1 (one) year.

Article 8

(1) Inclusion of Refrigerant System Based Goods for the need

of people to the Free Trade Zone and Free Port from the external area of customs shall be regulated in accordance with the laws and regulation concerning Free Trade Zone and Free Port.

(2) Refrigerant System Based Goods from the external of Customs Area as referred to in paragraph (1) shall be prohibited to be released from the Free Trade Zone and Free Port to other places in the customs.

Article 9

- (1) Any implementation of Refrigerant System Based Goods import by Refrigerant System Based IT-Goods shall first be made verification or technical inquiry in the port of loading.
- (2) Implementation of verification or technical inquiry as referred to in paragraph (1) shall be conducted by Surveyor as stipulated by the Minister.

Article 10

To be stipulated as the operator of verification or technical inquiry, Surveyor shall meet the following requirements:

- a. to have Survey Service Permit (SIUJS);
- to have experience to make verification or technical inquiry of import goods at least 5 (five) years;
- c. to have branch or representative and/or affiliates abroad;
- d. to have network to support the effectiveness of verification service; and
- e. to have track records either in the event of managing verification or technical inquiry of the import activities.

Article 11

- Verification or technical inquiry by the Surveyor as referred to in Article 9 paragraph (1) shall include research and inspection towards data or statement at least concerning:
 - a. identity (name and address) of importer and exporter;

- b. volume or weight, type, specification, Tariff Post/HS 10 (ten) digits and descriptions;
- c. information on place or country/port of loading, and port of destination;
- data or information on the country of origin of goods; and
- e. type of refrigerant used in the goods.
- (2) Surveyor gives inspection signs as the result of verification or technical inquiry of the import in the form of seal in the Full Container Load (FCL) or inspection signs of the Surveyor in the form of label to the goods or packing of other kind of transport.
- (3) Result of verification or technical inquiry already made by the Surveyor as referred to in paragraph (1) shall be issued in the form of Surveyor Report (LS) to be used as the supplementary documents of customs to settle customs in the sector of import.
- (4) In respect of the implementation of verification or technical inquiry for Refrigerant System Based Goods, Surveyor collects service fees from Refrigerant System Based IT-Goods of which the volume is specified with due observance to the useful principle.

Article 12

Verification or technical inquiry activities of Refrigerant System Based Import Goods by the Surveyor do not reduce authority of Directorate General of Customs and Excises, Ministry of Finance to audit the customs.

Article 13

(1) Refrigerant System Based IT-Goods shall submit written report either to realize or not to realize the import to the Director General, copied to:

- a. Director General of IUBTT; and
- b. Deputy for KLH.
- (2) Report as referred to in paragraph (1) shall be submitted every 3 (three) month at least the first 15 (fifteen) months in the following quarter through <u>http://inatrade.kemendag.go.id</u>.

Article 14

Surveyor shall submit:

- a. recapitulation of verification or technical inquiry for Refrigerant System Based Goods Import by Refrigerant System Based IT-Goods every 3 (three) month to the Director General at least 15 the first (fifteen) in the following quarter; and
- b. Surveyor Report (LS) already specified through <u>http://inatrade.kemendag.go.id</u>.

Article 15

- Stipulation as Refrigerant System Based IT-Goods shall be revoked if the company:
 - a. submits data or false information as the requirement to obtain stipulation as Refrigerant System Based IT-Goods;
 - fails to submit report as referred to in Article 13 in the number of 2 (twice);
 - c. changes, adds, and/or changes the contents as contained in the document of stipulation as Refrigerant System Based IT-Goods;
 - imports Refrigerant System Based IT-Goods of which the type and/or amount does not conform to the matter as contained in the document of Refrigerant System Based Goods Import; and/or
 - e. is declared guilty based on the ruling of court which

has had permanent force of laws for the criminal action in relation to the misuse of stipulating as Refrigerant System Based IT-Goods.

(2) Revocation of stipulation as Refrigerant System Based IT-Goods as referred to in paragraph (1) shall be stipulated by the Director General.

Article 16

Refrigerant System Based IT-Goods which has been subject to revocation sanction as referred to in Article 15 can only file stipulation as Refrigerant System Based IT-Goods after 1 (one) year as of the revocation.

Article 17

- (1) Violation by Surveyor towards provisions on obligation of reporting as referred to in Article 14 shall be subject to administrative sanction in terms of revoking stipulation as Surveyor.
- (2) Revocation of stipulation as referred to in paragraph (1) shall be first provided with the written warning for 1 (once).
- (3) Revocation of stipulation as Surveyor as referred to in paragraph (1) shall be stipulated by the Minister.

Article 18

- (1) Company which conducts Refrigerant System Based Goods Import does not conform to the provisions in the Regulation of Minister shall be subject to sanction in accordance with the laws and regulation.
- (2) Refrigerant System Based Goods imported do not conform to the provisions in the Regulation of Minister and it shall be re-exported or destroyed at the cost of importer.

Article 19

Technical guidance from the Regulation of Minister can be stipulated by the Director General.

Article 20

- Provisions on Regulation of Minister shall not apply to the Refrigerant System Based Goods Import shipped before the applicability of the Regulation of Minister.
- (2) Refrigerant System Based Goods Import as referred to in paragraph (1) shall be proved with Bill of Lading and Invoice.
- (3) Refrigerant System Based Goods as referred to in paragraph (1) shall have arrived in the port of destination not later than March 31, 2015 proved by the document of customs in terms of manifest (BC 1.1).

Article 21

Refrigerant System Based Goods as contained in Attachment to Regulation of Minister of Trade Number 83/M-DAG/PER/12/2012 concerning Provisions on Certain Product Import as already amended several times and lastly by virtue of Regulation of Minister of Trade Number 36/M-DAG/PER/7/2014 and Attachment to Regulation of Minister of Trade Number 75/M-DAG/PER/12/2013 concerning Provisions on Non-New Capital Goods Import shall abide by the Regulation of Minister.

Article 22

The Regulation of Minister becomes applicable as of January 1, 2015.

For public cognizance, it is ordered to promulgate the Regulation of Minister by publicizing the same in the State Gazette of the Republic of Indonesia. Stipulated in Jakarta Dated September 17, 2014 MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA, *Signed* **MUHAMMAD LUTFI**

Copy conforms to the original Secretariat General Ministry of Trade Head of Legal Bureau, Signed LASMININGSIH