

WORLD TRADE ORGANIZATION

G/LIC/N/3/IDN/1
2 November 1998

(98-4259)

Committee on Import Licensing

Original: English

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

Notification under Article 7.3 of the
Agreement on Import Licensing Procedures¹

INDONESIA

The following communication, dated 27 October 1998, has been received from the Permanent Mission of Indonesia.

Outline of system

1. Imports to Indonesia are free of restrictions unless otherwise regulated in the Decree of the Minister of Industry and Trade No. 230/MPP/Kep/7/1997 and its amendments (Decrees of the Minister of Industry and Trade Nos. 406/MPP/Kep/11/1997, 25/MPP/Kep/1/1998, 111/MPP/Kep/1/1998, 106/MPP/Kep/2/1998 and 439/MPP/Kep/9/1998)².

Import licences are required for regulated goods and the issuance of the licence is the authority of the Ministry of Industry and Trade. In matters concerning policies of other ministries or agencies, relevant recommendations are required prior to the issuance of licences.

Purposes and coverage of licensing

2. Goods subject to import licensing:

- (i) alcoholic beverages and their immediate raw materials containing alcoholic substances;
- (ii) industrial salts;
- (iii) ethylene and propylene;
- (iv) explosives and their immediate raw materials;
- (v) motor vehicles;
- (vi) wastes and scraps;
- (vii) hazardous goods;
- (viii) synthetic lubricating oil;
- (ix) artificial sweeteners; and
- (x) agricultural hand tools.

¹ See document G/LIC/3, Annex, for the Questionnaire.

² Available for consultation in the Secretariat (Market Access Division) (English only).

3. The system applies globally with the exception of imports from Israel. Importers are free to choose the source of goods.
4. Regulations on selected imported goods are intended to safeguard public health, security, safety, public moral and environmental protections fulfilling obligations in international agreements and other legitimate needs.
5. The primary legal base for licensing is the Trade Ordinance (Bedrijfsreglementerings Ordonnantie) of 1934 and its amendments.

Other laws that govern the importation of specific goods are:

- Law No. 23 of 1992 concerning public health (Undang-undang No. 23 tahun 1992 tentang Kesehatan);
- Law No. 23 of 1997 concerning the preservation of the environment (Undang-undang No. 23 tahun 1997 tentang Lingkungan Hidup); and
- the Explosive Ordinance (Explosiven Ordonnantie) of 1931 and its amendments.

Procedures

6. For quota goods:

The quota system applies only to imports of alcoholic beverages and their immediate raw materials containing alcoholic substances. Overall amounts of the annual quota are based on consensus among the Ministry of Industry and Trade, the Ministry of Tourism and the Indonesian Association of Hotels and Restaurants (representing hotels, restaurants and duty-free shops). The Minister of Industry and Trade appoints importers and allocates quotas.

- I. Information on the amount of quota and appointed importers are published in national newspapers and other publications.
- II. Quotas are determined on an annual basis.
- III. Import quotas are allocated only to appointed domestic companies.
- IV-V. Not applicable.
- VI. Appointed companies are free to import the goods at any time during the quota period.
- VII-X. Not applicable.
- XI. No.

7. For non-quota goods:

Import licences for (i) industrial salts, (ii) ethylene and propylene, (iii) explosives, (iv) motor vehicles, (v) wastes and scraps and (vi) hazardous goods are reserved for qualified companies. Qualified companies are manufacturing companies that use any of these imported goods solely for their own production process. Licences to import (i) synthetic lubricating oil, (ii) artificial sweeteners and (iii) agricultural hand tools are issued only to approved importers. The licence is issued by the Ministry of Industry and Trade. However, on licences for wastes and scraps and synthetic lubricating oil, recommendations from the Bapedal (the Agency for the Management of Environmental Impacts) and the Ministry of Mining and Energy are required.

(a) Normally one week in advance. No.

(b)-(c) No.

(d) Applications are considered only by the Ministry of Industry and Trade.

8. The application may be refused if other relevant ministries or agencies so recommend. Reasons for refusal are informed. Companies are free to request the Minister of Industry and Trade to reconsider their application.

Eligibility of importers to apply for licence

9.(a) Not applicable.

(b) All Indonesian citizens or registered Indonesian companies are eligible.

Documentational and other requirements for application for licence

10. Documents required are:

- (i) trade licence;
- (ii) manufacturing licence;
- (iii) taxpayer identification number;
- (iv) bank's reference; and
- (v) recommendation from other relevant ministries or bodies.

11. Ordinary customs documents like bill of lading, invoice and import declaration.

12. No licensing fee.

13. No.

Conditions of licensing

14. The validity period of each licence is one year.

15. No penalty is imposed.

16. The licence is not transferable to other companies.

17. No.

Other procedural requirements

18. No.

19. Indonesia implements no control on foreign currency exchange (Government Regulation No. 1 of 1982 on the Exports, Imports and the Flow of Foreign Exchange, and its amendment in the Government Regulation No. 24 of 1985). No permits are required to obtain foreign exchange for imports.
