

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES¹

Notification under Article 7.3 of the
Agreement on Import Licensing Procedures

INDONESIA

The following notification, dated 16 February 2010, has been received from the Permanent Mission of Indonesia.

I. PRODUCTS SUBJECT TO IMPORT LICENSING ADMINISTERED BY MINISTRY OF TRADE – YEAR 2007

Outline of systems

1. Indonesian import licensing system is implemented in order to preserve national interest in particular protect health, safety, security, ecological environment and public moral. Other primary objective of this regulation system is to meet certain socio-economic objectives, among others, enhancing domestic competitiveness and preventing smuggling activities. The issuance and approval of licences fall within the authority of the Ministry of Trade, Ministry of Health for precursor for pharmacy purposes, Ministry of Agriculture for plant and animal.

Purposes and coverage of licensing

2. All import products can automatically be imported and considered as automatic import licensing except:

- (a) Alcoholic beverages;
- (b) Nitrocellulose;
- (c) Precursors;
- (d) Optical discs;
- (e) Rice;
- (f) White crystal sugar;
- (g) Consumption salt;
- (h) Rough diamond;
- (i) Textile and Textile products;
- (j) Color Multi- functional Machines, Color photocopy Machines and Color Printer;

Those products as mentioned above are considered as non-automatic import licensing.

¹ See document G/LIC/3.

3. The system applies to goods originating from all countries.
4. In general the system is not intended to restrict the quantity or value of imports. However, in order to meet the nation's legitimate needs certain measures are taken to regulate the importation of such product, inter alia, rice, white crystal sugar and consumption salt, Alcohol Beverage.
5. The import regulation system is fully based on the Trade Ordinance (Bedrijfsreglementerings Ordonnantie) of 1934 and its amendments.

Other laws governing the importation of specific goods are:

- (a) Law
 - (b) Government Regulation
 - (c) Minister Regulation
- (i) Yes, it does.
 - (ii) Yes , it does.
 - (iii) Yes, it is.

Procedures

6. For products under restriction the quantity of imports is applicable globally.
- I. Yes, complete information concerning allocation of quotas and formalities of filing applications for licences is published in the state gazette, national newspapers, official website of related ministries, and other publications.
 - II. Quotas are determined on six-monthly basis based on the production capacity of the producer. Import licences will be issued based on the quotas allocated and extendable.
 - III. Licences are allocated to any producer, regardless of domestic or foreign company, which has fulfilled all of the documentational and other requirements for application. Unused quota allocations cannot be carried over to the succeeding year.
 - IV. Applications for licences of rice, white crystal sugar, alcohol beverages and consumption salt can be filed immediately after the publication of the allocation of quotas. Applications for other than those commodities are accepted at any time in the current year.
 - V. Licences will be issued within 14 (Fourteen) working days, at the maximum.
 - VI. Importation could only be done immediately upon approval of the licences.
 - VII. Consideration of licence applications is not only effected by the Ministry of Trade. For certain commodities/goods, recommendations from relevant other Ministries or agencies are required prior to the issuance of licences.
 - VIII. Quota allocation is distributed based on past performance, import plan, and upon the production capacity of each company. Provision for new importers is also applicable. All applications are immediately examined upon their receipt.
 - IX. No imports are made into Indonesia under bilateral quotas or export restraint arrangements.

X. No imports are made into Indonesia on the basis of export permits.

XI. Not applicable.

7. Where there is no quantitative limit on the importation of a product or on imports from a particular country:

- (a) Application for a licence can be made anytime prior to the importation of goods.
- (b) Yes, a licence will be granted immediately upon completion of documentational and other requirements.
- (c) No, there is no limitation of time
- (d) See answer nos. VI and VII.

8. No refusal is made for reasons other than not fulfilling and completion of the requirement.

Eligibility of importers to apply for licence

9.(a) Under restrictive licensing systems only approved importers are eligible to apply for licences.

(b) Under non-restrictive systems, all persons, firms and institutions are eligible to apply for licences.

Documentational and other requirements for application for licence

10. Documents required are:

- (a) Copy of Trade Licences (Surat Ijin Usaha Perdagangan - SIUP).
- (b) Copy of Corporate Registration Certificate (Tanda Daftar Perusahaan – TDP).
- (c) Copy of Industrial Business Licence (Izin Usaha Industri – IUI).
- (d) Copy of Taxpayer Code Number (Nomor Pokok Wajib Pajak – NPWP).
- (e) Copy of Importer Identity Number (Angka Pengenal Impor – API).
- (f) Letter of recommendations from related Ministries/Agencies.

11. Documents required are:

- (a) Bill of Lading/Airway Bill
- (b) Invoice
- (c) Packing List
- (d) Import Declaration

The importer should attach a copy of the import licence for customs clearance purposes for commodities that require licences.

12. There is no licensing fee or administrative charge.

13. There are no deposit or advance payment requirements.

Conditions of licensing

14. The validity period of an import licence is one year at the maximum and can be extended.

15. No penalty for non-utilization of a licence nor a portion of a licence.

16. The licences are not transferable.

17. No.

Other procedural requirements

18. No.

19. No particular licence is required to obtain foreign exchange for imports. Normal banking procedures apply for obtaining foreign exchange.

II. PRODUCTS SUBJECT TO IMPORT LICENSING ADMINISTERED BY MINISTRY OF TRADE - YEAR 2008

Outline of systems

1. Indonesian import licensing system is implemented in order to preserve national interest in particular protect health, safety, security, ecological environment and public moral. Other primary objective of this regulation system is to meet certain socio-economic objectives, among others, enhancing domestic competitiveness and preventing smuggling activities. The issuance and approval of licences fall within the authority of the Ministry of Trade, Ministry of Health for precursor for pharmacy purposes, Ministry of Agriculture for plant and animal.

Purposes and coverage of licensing

2. All import products can automatically be imported and considered as automatic import licensing except:

- (a) Alcoholic beverages;
- (b) Nitrocellulose;
- (c) Precursors;
- (d) Optical discs;
- (e) Rice;
- (f) White crystal sugar;
- (g) Consumption salt;
- (h) Rough diamond;
- (i) Textile and Textile products;
- (j) Color Multi- functional Machines, Color photocopy Machines and Color Printer;
- (k) Used Capital Goods;
- (l) Non- Hazardous Waste;

Those products as mentioned above are considered as non-automatic import licensing.

3. The system applies to goods originating from all countries.

4. In general the system is not intended to restrict the quantity or value of imports. However, in order to meet the nation's legitimate needs certain measures are taken to regulate the importation of such product, *inter alia*, rice, white crystal sugar and consumption salt, Alcohol Beverage.

5. The import regulation system is fully based on the Trade Ordinance (Bedrijfsreglementerings Ordonnantie) of 1934 and its amendments.

Other laws governing the importation of specific goods are:

- (a) Law
 - (b) Government Regulation
 - (c) Minister Regulation
- (i) Yes, it does.
 - (ii) Yes , it does.
 - (iii) Yes, it is.

Procedures

6. For products under restriction the quantity of imports is applicable globally.
- I. Yes, complete information concerning allocation of quotas and formalities of filing applications for licences is published in the state gazette, national newspapers, official website of related ministries, Indonesian National Single Window, Unit Pelayanan Perdagangan (Trade Services Unit), Inatrade E- License and other publications.
 - II. Quotas are determined on six-monthly basis based on the production capacity of the producer. Import licences will be issued based on the quotas allocated and extendable.
 - III. Licences are allocated to any producer, regardless of domestic or foreign company, which has fulfilled all of the documentational and other requirements for application. Unused quota allocations cannot be carried over to the succeeding year.
 - IV. Applications for licences of [rice, white crystal sugar, alcohol beverages and consumption salt] can be filed immediately after the publication of the allocation of quotas. Applications for other than those commodities are accepted at any time in the current year.
 - V. Licences will be issued within 14 (Fourteen) working days, at the maximum.
 - VI. Importation could only be done immediately upon approval of the licences.
 - VII. Consideration of licence applications is not only effected by the Ministry of Trade. For certain commodities/goods, recommendations from relevant other Ministries or agencies are required prior to the issuance of licences.
 - VIII. Quota allocation is distributed based on past performance, import plan, and upon the production capacity of each company. Provision for new importers is also applicable. All applications are immediately examined upon their receipt.
 - IX. No imports are made into Indonesia under bilateral quotas or export restraint arrangements.
 - X. No imports are made into Indonesia on the basis of export permits.
 - XI. Not applicable.
7. Where there is no quantitative limit on the importation of a product or on imports from a particular country:
- (a) Application for a licence can be made anytime prior to the importation of goods.

- (b) Yes, a licence will be granted immediately upon completion of documentary and other requirements.
 - (c) No, there is no limitation of time
 - (d) See answer nos. VI and VII.
8. No refusal is made for reasons other than not fulfilling and completion of the requirement.

Eligibility of importers to apply for licence

- 9.(a) Under restrictive licensing systems only approved importers are eligible to apply for licences.
- (b) Under non-restrictive systems, all persons, firms and institutions are eligible to apply for licences.

Documentational and other requirements for application for licence

10. Documents required are:
- (a) Copy of Trade Licences (*Surat Ijin Usaha Perdagangan - SIUP*).
 - (b) Copy of Corporate Registration Certificate (*Tanda Daftar Perusahaan – TDP*).
 - (c) Copy of Industrial Business Licence (*Izin Usaha Industri – IUI*).
 - (d) Copy of Taxpayer Code Number (*Nomor Pokok Wajib Pajak – NPWP*).
 - (e) Copy of Importer Identity Number (*Angka Pengenal Impor – API*).
 - (f) Letter of recommendations from related Ministries/Agencies.
11. Documents required are:
- (a) Bill of Lading/Airway Bill
 - (b) Invoice
 - (c) Packing List
 - (d) Import Declaration

The importer should attach a copy of the import licence for customs clearance purposes for commodities that require licences.

- 12. There is no licensing fee or administrative charge.
- 13. There are no deposit or advance payment requirements.

Conditions of licensing

- 14. The validity period of an import licence is one year at the maximum and can be extended.
- 15. No penalty for non-utilization of a licence nor a portion of a licence.
- 16. The licences are not transferable.
- 17. No.

Other procedural requirements

- 18. No.

19. No particular licence is required to obtain foreign exchange for imports. Normal banking procedures apply for obtaining foreign exchange.

III. PRODUCTS SUBJECT TO IMPORT LICENSING ADMINISTERED BY MINISTRY OF TRADE - YEAR 2009

Outline of systems

1. Indonesian import licensing system is implemented in order to preserve national interest in particular protect health, safety, security, ecological environment and public moral. Other primary objective of this regulation system is to meet certain socio-economic objectives, among others, enhancing domestic competitiveness and preventing smuggling activities. The issuance and approval of licences fall within the authority of the Ministry of Trade, Ministry of Health for precursor for pharmacy purposes, Ministry of Agriculture for plant and animal.

Purposes and coverage of licensing

2. All import products can automatically be imported and considered as automatic import licensing except:

- (a) Alcoholic beverages;
- (b) Nitrocellulose;
- (c) Precursors;
- (d) Optical discs;
- (e) Rice;
- (f) White crystal sugar;
- (g) Consumption salt;
- (h) Rough diamond;
- (i) Textile and Textile products;
- (j) Color Multi- functional Machines, Color photocopy Machines and Color Printer;
- (k) Used Capital Goods;
- (l) Non- Hazardous Waste ;
- (m) Hazardous Goods.

Those products as mentioned above are considered as non-automatic import licensing.

3. The system applies to goods originating from all countries.

4. In general the system is not intended to restrict the quantity or value of imports. However, in order to meet the nation's legitimate needs certain measures are taken to regulate the importation of such product, *inter alia*, rice, white crystal sugar and consumption salt, Alcohol Beverage.

5. The import regulation system is fully based on the Trade Ordinance (Bedrijfsreglementerings Ordonnantie) of 1934 and its amendments.

Other laws governing the importation of specific goods are:

- (a) Law
- (b) Government Regulation
- (c) Minister Regulation

- (i) Yes, it does.
- (ii) Yes, it does.
- (iii) Yes, it is.

Procedures

6. For products under restriction the quantity of imports is applicable globally.
 - I. Yes, complete information concerning allocation of quotas and formalities of filing applications for licences is published in the state gazette, national newspapers, official website of related ministries, Indonesian National Single Window, Unit Pelayanan Perdagangan (Trade Services Unit), Inatrade E- License and other publications.
 - II. Quotas are determined on six-monthly basis based on the production capacity of the producer. Import licences will be issued based on the quotas allocated and extendable.
 - III. Licences are allocated to any producer, regardless of domestic or foreign company, which has fulfilled all of the documentational and other requirements for application. Unused quota allocations cannot be carried over to the succeeding year.
 - IV. Applications for licences of [rice, white crystal sugar, alcohol beverages and consumption salt] can be filed immediately after the publication of the allocation of quotas. Applications for other than those commodities are accepted at any time in the current year.
 - V. Licences will be issued within 14 (Fourteen) working days, at the maximum.
 - VI. Importation could only be done immediately upon approval of the licences.
 - VII. Consideration of licence applications is not only effected by the Ministry of Trade. For certain commodities/goods, recommendations from relevant other Ministries or agencies are required prior to the issuance of licences.
 - VIII. Quota allocation is distributed based on past performance, import plan, and upon the production capacity of each company. Provision for new importers is also applicable. All applications are immediately examined upon their receipt.
 - IX. No imports are made into Indonesia under bilateral quotas or export restraint arrangements.
 - X. No imports are made into Indonesia on the basis of export permits.
 - XI. Not applicable.
7. Where there is no quantitative limit on the importation of a product or on imports from a particular country:
 - (a) Application for a licence can be made anytime prior to the importation of goods.
 - (b) Yes, a licence will be granted immediately upon completion of documentational and other requirements.
 - (c) No, there is no limitation of time
 - (d) See answer nos. VI and VII.
8. No refusal is made for reasons other than not fulfilling and completion of the requirement.

Eligibility of importers to apply for licence

- 9.(a) Under restrictive licensing systems only approved importers are eligible to apply for licences.
- (b) Under non-restrictive systems, all persons, firms and institutions are eligible to apply for licences.

Documentational and other requirements for application for licence

10. Documents required are:

- (a) Copy of Trade Licences (*Surat Ijin Usaha Perdagangan - SIUP*).
- (b) Copy of Corporate Registration Certificate (*Tanda Daftar Perusahaan – TDP*).
- (c) Copy of Industrial Business Licence (*Izin Usaha Industri – IUI*).
- (d) Copy of Taxpayer Code Number (*Nomor Pokok Wajib Pajak – NPWP*).
- (e) Copy of Importer Identity Number (*Angka Pengenal Impor – API*).
- (f) Letter of recommendations from related Ministries/Agencies.

11. Documents required are:

- (a) Bill of Lading/Airway Bill
- (b) Invoice
- (c) Packing List
- (d) Import Declaration

The importer should attach a copy of the import licence for customs clearance purposes for commodities that require licences.

12. There is no licensing fee or administrative charge.

13. There are no deposit or advance payment requirements.

Conditions of licensing

14. The validity period of an import licence is one year at the maximum and can be extended.

15. No penalty for non-utilization of a licence nor a portion of a licence.

16. The licences are not transferable.

17. No.

Other procedural requirements

18. No.

19. No particular licence is required to obtain foreign exchange for imports. Normal banking procedures apply for obtaining foreign exchange.
