INFORMATION FOR THE PREPARATION OF ANNUAL REPORT UNDER ARTICLE XIV: 1(g)  
ON THE DISCRIMINATORY APPLICATION OF IMPORT RESTRICTIONS  

INDONESIA  

Communication dated 7 August 1956 in response to the questionnaire  

"With reference to paragraph 12 of the 'Report of Working Party 8 on Balance-of-Payment Restrictions' (document L/465 dated 1 December 1955) which has been approved by the plenary session of the GATT on 2 December 1955 and to document L/486 dated 2 April 1956 I have the honour to submit to you the following information:

"Attached hereto you will find a brief outline of the import regulations prevailing in Indonesia since the middle of 1954 followed by the change in procedures effective from 1 September 1955.

"As you may be aware the restrictions imposed on goods, imported in Indonesia are in conformity with the stipulations of Article XII and are in no way a deviation from Article XIII of the General Agreement.

"As stated in paragraph 3 of the 'Sixth Annual Report under Article XIV: 1(g) on the Discriminatory Application of Import Restrictions', the Indonesian Government is not acting under any of the provisions of Article XIV of the General Agreement.

"State trading, in the sense mentioned in the questionnaire whereby specific goods or groups of products are imported by the State or by enterprises to which exclusive or special privileges are granted, does not exist.

"With regard to bilateral trade agreement concluded by Indonesia with supplying countries, the quotas mentioned therein are merely indicative and do not constitute a commitment from either party. All imports are subject to licence and these licences are issued after thorough examination and comparison concerning price, quality and delivery time with other supplying countries. The Indonesian Government furthermore, is now following a new policy by omitting quotas while renewing trade agreements or concluding new ones.

"I presume, that by giving the above-mentioned information I have complied with the requirements of aforementioned documents."
Brief Outline of Import Regulations

Effective from the middle of 1954 till 1 September 1955.

All imports are licensed.

These licences are issued by the Central Bureau of Imports, a branch of the Economic Affairs Ministry. This office considers prices, quality, delivery time and country of origin of the goods to be imported. Country of origin has also to be considered in connexion with existing trade agreements.

Based upon the foreign exchange available, the Central Bureau of Imports drafts a one-year import plan, which must be approved by the Monetary Board.

Taking into consideration the foreign exchange position and to stop the influx of super-luxury goods, which is not in accordance with the Government’s austerity policy, goods to be imported are classified in five categories. According to this classification a surcharge is levied on the import of goods depending on the essentiality thereof. These import surcharges are to be paid to the Bank, together with the countervalue of rupiahs of the required amount of foreign exchange.

These categories are:

A. **Essential goods.** No surcharge is levied for the import of the goods.

B.(I) **Semi-essential goods.** An import surcharge of 33 1/3 per cent of the rupiah c & f value is levied for the import of these goods.

B.(II) **Semi-luxury goods.** An import surcharge of 100 per cent of the rupiah c & f value is levied for the import of these goods.

C. **Luxury goods.** An import surcharge of 200 per cent of the rupiah c & f value is levied for the import of these goods.

D. **Super luxury goods.** No foreign exchange is made available for the import of these goods.

Since 1 September 1955 a new import procedure has been introduced by a joint decision of the Monetary Board, the Minister of Economic Affairs and the Foreign Exchange Institute.

By this decree the Central Bureau of Imports has been abolished and a new office for issuing import licences has been set up, the so-called Foreign Exchange Bureau for Trade (Biro Devisen Perdagangan), which is now a part of the Foreign Exchange Institute.
Licences are issued after the price, quality and delivery time has been checked by this Bureau, countries of origin are not any more considered, as long as prices, qualities and delivery time are favourable.

However, the system of import surcharges and classification of goods according to their essentiality are still maintained, though modified.

This classification is as follows:

I. **Essential goods.** An import surcharge of 50 per cent of the rupiah c & f value is levied on the import of these goods.

II. **Semi-essential goods.** An import surcharge of 100 per cent of the rupiah c & f value is levied for the import of these goods.

III. **Luxury goods.** An import surcharge of 200 per cent of the rupiah c & f value is levied for the import of these goods.

IV. **Super luxury goods.** An import surcharge of 400 per cent of the rupiah c & f value is levied for the import of these goods.

Goods not appearing in one of these four classifications are not permitted to be imported.