PROVISION ON PEARL IMPORTS (Regulation of the Trade Minister No. 02/M-DAG/ PER/1/2012, dated January 3, 2012)

BY THE GRADE OF GOD ALMIGHTY THE TRADE MINISTER OF THE REPUBLIC OF INDONESIA,

Considering :

- a. that to improve business certainty in pearl business and support the effort to maintain the domestic economic growth, it is necessary to encourage the creation of sound trade and conducive business climate;
- b. that to support the supply of pearl that does not wholly come from domestic sources by continuously observing the effective implementation of policies in the import sector, it is necessary to control the import of pearl;

c. that based upon the consideration as referred to
 in letter a and letter b, it is necessary to stipulate
 a Regulation of the Trade Minister;

In view of :

- Trade Ordinance 1934 (Statute Book of 1938 No.
 86) as already amended and supplemented;
- Law No. 3/1982 Compulsory Registration of Companies (Statute Book of 1982 No. 7, Supplement to Statute Book No. 3214);

3. Law.....

to be continued

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- Law No. 7/1994 on the Ratification of Agreement Establishing The World Trade Organization (Statute Book of 1994 No.57, Supplement to Statute Book No. 3564);
- Law No. 10/1995 on Customs Affairs (Statute Book of 1995 No. 75, Supplement to Statute Book No. 3612) as already amended by Law No. 17/2006 (Statute Book of 2006 No. 93, Supplement to Statute Book No. 4661);
- Law No. 5/1999 on Ban on Monopolistic Practice and Unsound Business Competition (Statute Book of 1999 No. 33, Supplement to Statute Book No. 3806);
- Law No. 8/1999 on Consumer Protection (Statute Book of 1999 No.42, Supplement to Statute Book No. 3821);
- Law No. 31/2004 on Fisheries (Statute Book of 2004 No. 118, Supplement to Statute Book No. 4433) as already amended by Law No. 45/2009 (Statute Book of 2009 No. 154, Supplement to Statute Book No. 5073);
- Law No. 39/2008 on State Ministries (Statute Book of 2008 No. 166, Supplement to Statute Book No. 4916);
- 9. Government Regulation No. 82/2000 on Animal

Quarantine (Statute Book of 2000 No. 161, Supplement to Statute Book No. 4002);

- Government Regulation No. 38/2007 on the Sharing of Government Affairs Among the Government, Provincial Governments and Regency/ Municipal Governments (Statute Book of 2007 No. 82, Supplement to Statute Book No. 4737);
- Presidential Decree No. 260/1967 on the Affirmation of Tasks and Responsibilities of the Trade Minister in the Foreign Trade Field;
- 12. Presidential Decree No. 84/P/2009 on the Formation of United Indonesia Cabinet II as already amended by Presidential Decree No. 59/P/2011;
- Presidential Regulation No. 47/2009 on the Formation and Organization of State Ministries as already amended by Presidential Regulation No. 76/2011;
- 14. Presidential Regulation No. 24/2010 on the Position, Tasks and Functions of State Ministries as well as the Organizational Structure, Tasks and Functions of First Echelon Officials at State Min istries as already amended by Presidential Regulation No. 67/2010;
- 15. Decree of the Industry and Trade Minister No. 558/MPP/Kep/12/1998 on General Provisions

in the Export Sector as already several times amended the latest by Regulation of the Trade Minister No. 01/M-DAG/ PER/1/2007;

- 16. Regulation of the Trade Minister No. 45/M-DAG/ PER/9/2009 on Importer's Identification Code (API) as already several times amended the latest by Regulation of the Trade Minister No. 20/M-DAG/PER/7/2011;
- 17. Regulation of the Trade Minister No. 54/M-DAG/
 PER/9/2009 on General Provisions in the Import Sector;
- 18.Regulation of the Trade Minister No. 31/M-DAG/ PER/7/2010 on the Organization and Work Mechanism of the Trade Ministry;

DECIDES :

To stipulate :

REGULATION OF THE TRADE MINISTER ON PROVI-SIONS ON PEARL IMPORTS.

Article 1

Referred to in this Ministerial Regulation as :

- Pearl is a fishery product in the form of granules of precious stone produced by sea or fresh water pearl mollusks.
- Import is the act of entering goods into customs area.
- 3. Import approval is pearl import permit.
- Recommendation is a written statement issued by an authorized official of relevant agency/technical

unit as a condition to issue an import approval.

- Verification or technical trace of imported goods is a technical audit of imported goods conducted at the port of loading by a surveyor.
- Surveyor is a survey company authorized to conduct verification or technical trace of imported goods.
- 7. Minister is the minister carrying out government affairs in the trade sector.
- Director General is the Director General of Foreign Trade at the Trade Ministry.
- Director is the import director at the Directorate General of Foreign Trade at the Trade Ministry.

Article 2

Pearl whose import is controlled is as contained in the attachment which is an integral part of this Ministerial Regulation.

Article 3

The import of pearl as referred to in Article 2 can only be done by companies that have secured import approval from the Director General.

Article 4

- To secure the import approval as referred to in Article 3, company shall file an application to the Director General by enclosing:
 - a photocopy of trade business permit or other business permit issued by the relevant technical agency;

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- b. a photocopy of company registration certificate (TDP);
- c. a photocopy of taxpayer code number (NPWP);
- a photocopy of importer's Identity code (API);
 and
- a recommendation from the Director General of Fishery Product Processing and Marketing at the Maritime Affairs and Fisheries Ministry.
- (2) The Director General shall issue import approval no later than 5 (five) working days after the application as referred to in paragraph (1) has been received in a complete and correct way.

Article 5

The pearl import approval as referred to in Article 3 is valid for 6 (six) months after the date of issuance.

Article 6

Any pearl import as referred to in Article 2 can only be done via ports of destination;

- a. Soekarno Hatta Airport in Jakarta; and
- b. Juanda Airport in Surabaya.

Article 7

(1) Any company that has secured a pearl import approval shall submit a written report on the realization of pearl imports to the Director General in this case the Director, with a copy addressed to the Director General of Fishery Product Processing and Marketing at the Maritime Affairs and Fisheries Ministry.

- (2) The report as referred to in paragraph (1) shall be submitted regardless of whether or not the import has been realized.
- (3) The report as referred to in paragraph (1) shall be submitted once every 3 (three) months no later than the 15th of the ensuing month through http:// inatrade.kemendag.go.id.

Article 8

- (1) Any pearl import that has secured import approval shall be subject to verification or technical trace of imported goods by the surveyor at the port of loading before being shipped.
- (2) The verification or technical trace of imported goods as referred to in paragraph (1) shall contain at least:
 - a. description and specification of goods covering heading number or tariff number/HS;
 - b. quantity (volume) of each type of goods;
 - c. shipment time; and
 - d. data or information on the country of origin of goods and port of destination.
- (3) The results of verification or technical trace by surveyor as referred to in paragraph (1) shall be put in surveyor's report (LS) to serve as complete customs document in settling customs problem in the import sector.
- (4) All expenses arising from the verification or technical trace of imported goods by surveyor as referred to in paragraph (1) shall be borne by the company that has secured import approval.

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Article 9

- (1) The verification or technical trace of imported goods as referred to in Article 8 paragraph (1) shall be done by surveyor decided by the Minister.
- (2) The surveyor decided as referred to in paragraph
 - (1) shall meet the following qualifications :
 - a. holding a survey service business permit (SIU-JS);
 - b. having experience as a surveyor for a minimum of 5 (five) years;
 - having branch or representative and/or affiliate abroad and networks to ensure effective verification service; and
 - having track record in the management of import verification activities.
- (3) The surveyor as referred to in paragraph (1) shall submit a written report on the recapitulation of import verification or technical trace activities to the Director General in this case the Import Director every month on the 15th of the ensuing month.
- (4) Surveyor that does not meet the obligations as referred to in paragraph (3) shall be liable to sanction by having its status as surveyor of verification or technical trace of pearl imports revoked.
- (5) The revocation of surveyor's status as referred to in paragraph (4) shall be done by the Minister.

Article 10

(1) The import of pearl for :

- a. goods for the purpose of research and scientific development with a maximum quantity of 100 (a hundred) grams;
- b. goods for the purpose of exhibition with a

maximum quantity of 1,000 (a thousand) grams for each exhibition participant abroad; shall secure import approval by only enclosing the recommendation as referred to in Article 4 paragraph (1) letter and be excepted to provisions on the verification or technical trace of import as referred to in Article 8.

- (2) The import of pearl for :
 - a. personal items of passengers and crew members of transport means with a maximum quantity of 50 (fifty) grams;
 - b. goods already exported for the purpose of exhibition or rejected by buyer abroad and then re-imported evident from export notification (PEB) document and having the same quality as that at the time the goods are exported; are excepted to provisions on import approval as referred to in Article 3 and import verification or technical trace as referred to in Article 8.

Article 11

(1) Import approval shall be revoked if the company :

- a. does not meet the obligation to submit the report as referred to in Article 7;
- b. changes, adds and/or replaces the content of import approval document;
- c. imports pearl whose type and/or quantity are not the same as those contained in the import approval document; and/or
- d. is declared guilty by court of committing a criminal offence related to abuse of pearl imported.

(2) The Director General shall revoke the import approval as referred to in paragraph (1).

(3) Company that violates the obligation to submit a report as referred to in Article 7 may have its pearl import in the following period suspended.

Article 12

Company that imports pearl in violation of this Ministerial Regulation shall be liable to a sanction according to the law and regulation.

Article 13

The import of pearl shall remain compliant with the law and regulation in the fields of pearl quality control, fish quarantine and/or customs.

Article 14

The Minister may set up an integrated team consisting of representatives from relevant technical agencies to evaluate and control the import of pearl.

Article 15

LS as a customs complementary document in customs settlement in areas as referred to in Article 8 paragraph (3) shall begin to take effect on July 1, 2012.

Article 16

This Ministerial Regulation shall come into force as from June 1, 2012.

For public cognizance, this Ministerial Regulation shall be promulgated by placing it in the State Gazette of the Republic of Indonesia. Stipulated in Jakarta On January 3, 2012 THE TRADE MINISTER OF THE REPUBLIC OF INDO-NESIA, sgd. GITA IRAWAN WIRJAWAN

ATTACHMENT TO

REGULATION OF THE TRADE MINISTER NO. 02/M-DAG/PER/1/2012 ON PROVISIONS OM PEARL IM-PORTS

PEARL WHOSE IMPORT IS CONTROLLED

No. HS

DESCRIPTION OF REMARK

1. 7101.10.00.00	- Natural pearl
2. 7101.21.00.10	Of fresh water
3, 7101.21.00.20	Of sea
4. 7101.22.00.10	Of fresh water

- 5. 7101.22.00.20 --- Of sea
- 6. 7116.10.00.00 Of natural or cultivated pearl

THE TRADE MINISTER OF

THE REPUBLIC OF INDONESIA,

sgd.

GITA IRAWAN WIRJAWAN

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