

# PROVISIONS ON CORN IMPORTS

## (Regulation of the Trade Minister

### No. 20/M-DAG/PER/3/2016 dated March 24, 2016)

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

Considering :

- a. that to ensure raw material supplies, improve national competitiveness, increase farmers' income and welfare, and protect consumer interests, it is necessary to control corn imports;
- b. that based on the consideration as referred to in letter a, it is necessary to stipulate Regulation of the Trade Minister concerning Provisions on Corn Import;

In view of :

1. Law No. 16/1992 concerning Animal, Fish and Plant Quarantine (Statute Book of the Republic of Indonesia of 1992 No. 56, Supplement to Statute Book of the Republic of Indonesia No. 3482);
2. Law No. 7/1994 concerning the Endorsement of Agreement Establishing The World Trade Organization (Statute Book of the Republic of Indonesia of 1994 No. 57, Supplement to Statute Book of the Republic of Indonesia No. 3564);
3. Law No. 10/1995 concerning Customs Affairs (Statute Book of the Republic of Indonesia of 1995 No. 75, Supplement to Statute Book of

the Republic of Indonesia No. 3612) as already amended by Law No. 17/2006 (Statute Book of the Republic of Indonesia of 2006 No. 93, Supplement to Statute Book of the Republic of Indonesia No. 4661);

4. Law No. 5/1999 concerning Ban on Monopolistic Practices and Unsound Business Competition (Statute Book of the Republic of Indonesia of 1999 No. 33, Supplement to Statute Book of the Republic of Indonesia No. 3817);
5. Law No. 8/1999 concerning Consumer Protection (Statute Book of the Republic of Indonesia of 1999 No. 42, Supplement to Statute Book of the Republic of Indonesia No. 3821);
6. Law No. 39/2008 concerning State Ministry (Statute Book of the Republic of Indonesia of 2008 No. 166, Supplement to Statute Book of the Republic of Indonesia No. 4916);
7. Law No. 18/2012 concerning Food (Statute Book of the Republic of Indonesia of 2012 No. 227, Supplement to Statute Book of the Republic of Indonesia No. 5360);
8. Law No. 19/2013 concerning the Protection and Empowerment of Farmers (Statute Book of the Republic of Indonesia of 2013 No. 131, Supplement to Statute Book of the Republic of Indonesia No. 5433);

9. Law No. 7/2014 concerning Trade (Statute Book of the Republic of Indonesia of 2014 No. 45, Supplement to Statute Book of the Republic of Indonesia No. 5512);
10. Presidential Decree No. 121/P/2014 concerning the Formation of Ministry and the Appointment of Working Cabinet Ministers for the 2014-2019 term;
11. Presidential Regulation No. 7/2015 concerning State Ministry;
12. Presidential Regulation No. 48/2015 concerning the Trade Ministry;
13. Presidential Regulation No. 71/2015 concerning Definition and Keeping of Basic Necessities and Essential Goods;
14. Presidential Decree No. 79/P/2015 concerning the Replacement of Several State Ministers of the Working Cabinet for the 2014-2019 Period;
15. Regulation of the Agriculture Minister No. 88/Permentan/PP.340/12/2011 concerning the Supervision of Food Security Against the Entry and Export of Fresh Food from Plants;
16. Regulation of the Trade Minister No. 53/M-DAG/PER/9/2014 concerning Integrated Services in the Trade Field;
17. Regulation of the Trade Minister No. 48/M-DAG/PER/6/2015 concerning General Provisions in the Import Sector;
18. Regulation of the Trade Minister No. 70/M-DAG/PER/9/2015 concerning Importer's Identification Number;
19. Regulation of the Trade Minister No. 08/M-DAG/PER/2/2016 concerning the Organization and Work Mechanism of the Trade Ministry;

#### D E C I D E S :

To stipulate :

REGULATION OF THE TRADE MINISTER CONCERNING PROVISIONS ON CORN IMPORTS.

#### Article 1

Referred to in this Ministerial Regulation as :

1. Corn is a product from corn plant (*Zea mays* L.) with headings/HS 1005.90.90.00.
2. Import is the act of taking goods into a customs area.
3. Corn importer is a company importing corn.
4. General Importer Identification Number, hereinafter abbreviated into API-U, is an identity card as a general importer.

5. Producer Importer Identification Number, hereinafter abbreviated into API-P, is an identity card as a producer importer.
6. Import approval is approval used as a permit to import corn.
7. Recommendation is a letter issued by the minister or appointed official, containing technical explanations on corn to be imported.
8. Minister is the minister in charge of implementing government affairs in the trade field.
9. Director General is the Director General of Foreign Trade, Trade Ministry.

## Article 2

- (1) Corn can be imported.
- (2) The corn as referred to in paragraph (1) can only be imported to meet the needs for food, animal feed and industrial raw materials.

## Article 3

The quantity and appropriation of corn that can be imported as referred to in Article 2 shall be decided and agreed upon at an economic ministerial level coordinating meeting.

## Article 4

- (1) The import of corn to meet the need for animal feed can only be done by state logistics board Perum BULOG after being assigned by the government.
- (2) The import of corn to meet the need for food and industrial raw material can only be done by a company holding API-U or API-P.
- (3) The State Enterprises Minister shall give the assignment to Perum BULOG as referred to in paragraph (1) based on a proposal from the Minister.

## Article 5

- (1) The import of corn as referred to in Article 4 can only be done after securing import approval from the Minister.
- (2) The import approval from the Minister to import corn to meet the need for feed by Perum BULOG as referred to in paragraph (1) can only be done after receiving a recommendation from the minister in charge of implementing government affairs in the agricultural field.
- (3) The Minister shall give a mandate to issue the import approval as referred to in paragraph (1) to the Director General.

### Article 6

- (1) To secure the import approval as referred to in Article 5 paragraph (1), Perum BULOG shall file an electronic application to the Minister in this case the Director General, by enclosing API-U and a recommendation from the minister in charge of implementing government affairs in the agricultural field or appointed official.
- (2) To secure the import approval as referred to in Article 5 paragraph (1), a company holding API-U or API-P shall file an electronic application to the Minister in this case the Director General, by enclosing :
  - a. deed of incorporation and its revision ;
  - b. API-U or API-P;

### Article 8

- (1) The validity period of the import approval as referred to in Article 6 paragraph (3) for Perum BULOG is the same as that of recommendation starting from the date of issuance.
- (2) The validity period of the import approval as referred to in Article 6 paragraph (3) for a company holding API-U or API-P is 3 (three) months starting from the date of issuance.

### Article 9

The import approval as referred to in Article 6 paragraph (3) contains data and/or information on at least

:

- a. no. and date of issuing API-U or API-P;
- b. no. and date of issuing a recommendation;
- c. name and address of importer;
- d. volume of corn per destination port;
- e. headings/HS;
- f. country of origin;
- g. no. and date of issuing import approval; and
- h. validity period of import approval.

### Article 10

- (1) The validity period of import approval as referred to in Article 8 paragraph (2) can be extended for a maximum period of 30 (thirty) calendar days.
- (2) The extension of the validity period of the import approval as referred to in paragraph (1) can only be given if the Bill of Lading from the country of origin does not exceed the validity period of the import approval.

- (3) The validity period of the import approval for the fourth quarter or the October-December period cannot be extended.
- (4) The extension of validity period of the import approval as referred to in paragraph (1) can only be proposed once for each importation period.

#### Article 11

- (1) To obtain the extension of validity period of the import approval as referred to in Article 10, the company shall file an electronic application to the Minister in this case the Director General, by enclosing:
  - a. valid import approval;
  - b. Bill of Lading; and
  - c. a written statement with adequate duty stamp from the importer regarding the reason for filing the application for the validity period of import approval.
- (2) The Director General on behalf of the Minister shall issue:
  - a. a decision extending the validity period of import approval no later than 3 (three) working days after the application has been received in a complete and correct way; or
  - b. a decision rejecting the extension of validity period of import approval no later than 3 (three) working days after the application has been received if the application is not complete and/or correct.
- (3) The extension of the validity period of import approval as referred to in paragraph (2) letter a shall be conveyed to the company with a copy addressed to the relevant agency.

#### Article 12

- (1) Applications for :
  - a. import approval as referred to in Article 6; and
  - b. extension of validity period of import approval as referred to in Article 11, can only be served by electronic system through <http://inatrade.kemendag.go.id>.
- (2) In case of force majeure leading the electronic system through <http://inatrade.kemendag.go.id> being out of order, the applications as referred to in paragraph (1) shall be filed manually.

#### Article 13

- (1) The import approval as referred to in Article 6 and the extension of validity period of import approval as referred to in Article 11 are passed on electronically from the INATRADE portal to the Indonesia National Single Window (INSW) portal.
- (2) If corn import is made via port that has not been connected to the Indonesia National Single Window (INSW), a copy of import approval shall be conveyed manually to the relevant agency.

#### Article 14

Corn imported by company holding API-P can only be used as a raw material or auxiliary material to meet the need from its own production process and must not be sold and/or transferred to other party.

#### Article 15

Recommendation is an integral part of import approval.

#### Article 16

- (1) Corn importer shall convey a report on corn imports, either realized or not realized, electronically through <http://inatrade.kemendag.go.id>, to the Minister in this case the Director General, with copies addressed to
  - a. Deputy for Food and Agriculture Coordination Section at the Coordinating Ministry for Economic Affairs;
  - b. Deputy for Agro and Pharmaceutical Affairs at the State Enterprises Ministry;
  - c. Director General of Food Plants at the Agricultural Ministry; and
  - d. Director General of Agro Industry at the Industry Ministry.
- (2) The report as referred to in paragraph (1) shall be conveyed every month no later than the 15th (fifteenth) of the ensuing month.
- (3) The report as referred to in paragraph (1) shall be equipped with an import realization control card conveyed electronically to the Director General no later than 15 (fifteen) days after the end of the validity period of import approval.
- (4) In the case of force majeure leading the electronic system through <http://inatrade.kemendag.go.id> being out of function, the report as referred to in paragraphs (1) and (3) shall be conveyed manually.

#### Article 17

The company that does not implement the obligation to convey the report as referred to in Article 16 twice, shall be subjected to a sanction in the form of postponement of import approval for 3 (three) months.

#### Article 18

Import approval will be revoked if the company :

- a. is proven guilty of violating a ban on the sale and/or transfer of corn the company has imported to other party as referred to in Article 14, for a company holding API-P;
- b. is proven guilty of altering, adding and/or replacing the volume in the import approval;
- c. is proven guilty of conveying wrong data and/or information as a prerequisite to obtain import approval after import approval has been issued;

- d. imports corn whose type and quantity are not relevant to those contained in the import approval;
- e. commits violation based on the assessment and recommendation from the relevant technical agency; and/or
- f. is declared guilty based on legally fixed court verdict with regard to a criminal offense related to abuse of import approval and/or corn imported.

#### Article 19

The postponement of the issuance and revocation of import approval as referred to in Articles 17 and 18 is done by the Director General on behalf of the Minister.

#### Article 20

The company that has been subjected to a sanction in the form of the revocation of import approval as referred to in Article 18 can only file another application for import approval after 1 (one) years since the date of revocation.

#### Article 21

- (1) Importer that imports corn by violating provisions in this Ministerial Regulation is subjected to a sanction according to the law and regulation.
- (2) Corn imported by violating import approval and/or this ministerial regulation shall be re-exported.
- (3) Cost of re-export as referred to in paragraph (2) is the responsibility of the importer.

#### Article 22

- (1) The import of corn which is :
  - a. private goods of passenger and/or crew member of transport means according to the law and regulation;
  - b. parcel according to the law and regulation in the field of customs;
  - c. goods that have been exported and are later re-imported with maximum quantity being equal to the amount at the time of being exported, evident from export notification;
  - d. goods of border crosser according to the law and regulation in the customs field by means of bilateral agreement on border cross agreement, are excepted from provisions in this Ministerial Regulation.
- (2) The import of corn which constitutes:
  - a. parcel/grant for the purpose of public religious service, charity, social activity, or in the interest of natural disaster mitigation;
  - b. goods in the interest of international bodies and their officials assigned in Indonesia;
  - c. goods of foreign representatives and their officials assigned in Indonesia;

- d. goods for the purpose of scientific research and development; and/or
- e. specimen goods not for sale;

shall secure approval from the Director of Import of the Directorate General of Foreign Trade at the Trade Ministry.

- (3) To secure approval as referred to in paragraph (2), the applicant shall file a written application to the the Director of Import of the Directorate General of Foreign Trade at the Trade Ministry by enclosing technical consideration from the ministry in charge of implementing government affairs in the agricultural field.

#### Article 23

To monitor and evaluate the corn import policy the Directorate General of Foreign Trade at the Trade Ministry shall supervise the import of corn made by corn importers.

#### Article 24

Technical guide to implementing this Ministerial Regulation may be stipulated by the Director General.

#### Article 25

Exception to provisions in this Ministerial Regulation shall secure approval from the Minister after receiving inputs from the relevant agency.

#### Article 26

For public cognizance, this Ministerial Regulation shall come into force as from the date of promulgation.

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 March 24, 2016

THE TRADE MINISTER OF THE REPUBLIC OF INDONESIA,

sgd.

THOMAS TRIKASIH LEMBONG

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