

**EXCEPTION TO PROVISIONS ON THE IMPORT OF SALT
FOR INDUSTRIES AND POWER OF ATTORNEY TO ISSUE SALT IMPORT PERMITS**
(Decree of the Minister of Industry and Trade No.455/MPP/Kep/7/2004 dated July 26, 2004)

THE MINISTER OF INDUSTRY AND TRADE,

Considering:

- a. that demand for salt as a raw material/auxiliary material of industries during the period of a ban on the import of salt set forth in Decree of the Minister of Industry and Trade No.422/MPP/Kep/6/2004 cannot be met by local salt producers so that imported salt is needed;
- b. that in connection with the matters referred to in letter a, it is necessary to make an exception to the ban on the import of salt for industries pursuant to Article 17 of Decree of the Minister of Industry and Trade No.360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004;
- c. that to ensure the smooth exception to the ban on the import of salt referred to in letter b, it is necessary to appoint an official to issue salt import permits;
- d. that in this connection, it is necessary to issue a decree of the Minister of Industry and Trade;

In view of:

1. Law No.5/1984 on Industry (Statute Book of 1984 No.27, Supplement to Statute Book No.3274);
2. 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);
3. Law No.10/1995 on Customs (Statute Book of 1995 No.75, Supplement to Statute Book No.3612);
4. Government Regulation No. 25/2000 on the Authority of the Central Government and the Authority of Provinces as Autonomous Regions (Statute Book of 2000 No. 54, Supplement to Statute Book No. 3952);
5. Presidential Decree No. 260/1967 on the Affirmation of the Tasks and Responsibilities of the Minister of Trade in the Foreign Trade Field;
6. Presidential Decree No.228/M/2001 on the Formation of Mutual-Help Cabinet;
7. Presidential Decree No.102/2001 on the Position, Task, Function, Authority, Organisational Structure and Work Mechanism of Ministry;
8. Presidential Decree No. 109/2001 on the Organisational Unit and Task of First Echelon Officials of Ministry;
9. Decree of the Minister of Industry and Trade No.229/MPP/Kep/7/1997 on General Provisions in the Import Sector;
10. Decree of the Minister of Industry and Trade No.230/MPP/Kep/7/1997 on Goods Subject to Import Regulations as has been several times amended the latest by Decree of the Minister of Industry and Trade No.406/MPP/Kep/6/2004
11. Decree of the Minister of Industry and Trade No.86/MPP/Kep/3/2001 on the Organisational Structure and Work Mechanism of the Ministry of Industry and Trade;
12. Decree of the Minister of Industry and Trade No.40/MPP/Kep/1/2003 on Importer's Identification Number (API);
13. Decree of the Minister of Industry and Trade No. 360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004;
14. Decree of the Minister of Industry and Trade No.422/MPP/Kep/6/2004 on Grand Harvest Time of Smallholder Salt in 2004;

DECIDES :

To stipulate:

DECREE OF THE MINISTER OF INDUSTRY AND TRADE ON EXCEPTION TO PROVISIONS ON THE IMPORT OF SALT FOR INDUSTRIES AND POWER OF ATTORNEY TO ISSUE SALT

IMPORT PERMITS.

Article 1

- (1) The Minister of Industry and Trade shall make an exception to the ban on the import of salt to meet industries' demand for raw material/auxiliary material during the period of the ban on the import of salt set forth in Decree of the Minister of Industry and Trade No.422/MPP/Kep/6/2004 on Grand Harvest Time of Smallholder Salt in 2004, on the stipulation that
 - a. The exception to the ban on the import of salt to meet industries' demand for a raw material/auxiliary material during the period of the ban on the import of salt shall only be given to the industries which have been declared as registered salt importers (IT) in accordance with Decree of the Minister of Industry and Trade No. 360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004;
 - b. The salt referred to in letter a can only be imported by :
 - 1) the relevant registered salt importers (IT) only for the production process of their industries and not for resale or trade;
 - 2) the registered salt importers (IT) who have signed a sale purchase contract with other industries that cannot afford to import salt on their own and that the imported salt can be sold or transferred to the other industries.
 - c. The registered salt importers (IT) who have received an exception to the ban on the import of salt during the period of the ban on the import of salt shall serve as a buffer to the prices of local salt during the smallholder salt grand harvest time.
- (2) The registered salt importers (IT) who wish to secure an exception to the ban on the import of salt during the period of the ban on the import of salt referred to in paragraph (1) shall first apply for an import permit in writing for any import of salt.
- (3) Any import of salt that has secured an import permit referred to in paragraph (2) shall remain subject to the obligation of verification or technical trace in the country of loading pursuant to Article 11 of Decree of the Minister of Industry and Trade No. 360/MPP/Kep/5/2004, except if the imported salt arrives at an Indonesian port on August 31, 2004 at the latest according to the manifest

(BC.1.1) the verification or technical trace will be conducted at a port of destination in the place where the importer keeps the salt under the supervision of customs and excise authorities.

- (4) The exception to the ban on the import of salt during the period of the ban on the import of salt referred to in paragraph (1) shall only be valid in 2004.

Article 2

- (1) The registered salt importers (IT) who have received an exception to the ban on the import of salt during the period of the ban on the import of salt referred to in Article 1 paragraph (1) letter c shall act as a buffer to the prices of local salt during the smallholder salt grand harvest time, on condition that
- a. They shall act as a buffer to the prices of local salt if the prices of K1 and/or K2 salt in bulk aboard a truck at the collecting point are respectively lower than Rp145,000 (one hundred and forty-five thousand rupiahs) per ton and Rp100,000 (one hundred thousand rupiahs) per ton as referred to in Article 3 paragraph (3) of Decree of the Minister of Industry and Trade No. 360/MPP/Kep/5/2004.
 - b. All the registered salt importers (IT) who have received import permits shall act as a buffer to the prices of local salt by:
 - 1) purchasing salt from farmers/producers of salt with local raw materials; or
 - 2) establishing cooperation with third parties in purchasing salt from farmers/producers of salt with local raw materials.
 - c. The amount buffered by the registered salt importers (IT) referred to in letter b shall be in proportion to the quantity of salt imported by each of the registered salt importers or the existing salt stocks held by farmers/producers of salt with local raw materials.

- (2) The registered salt importers (IT) who are obliged to act as a buffer to the prices of salt referred to in paragraph (1) shall submit:
- a. a statement of readiness to act as a buffer to the prices of local salt or a cooperation contract with a third party in purchasing salt from farmers/producers of salt with local raw materials;
 - b. a report on the execution of obligation to act as a buffer to the prices of local salt.

Article 3

Any registered salt importer (IT) who is, after re-

ceiving an exception to the ban on the import of salt during the period of the ban on the import of salt, found violating provisions in Article 1 and Article 2 shall have his/her import permit revoked.

Article 4

- (1) Given the provisions in Article 1, Article 2 and Article 3, pursuant to Article 17 of Decree of the Minister of Industry and Trade No.360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004, the Director General of Foreign Trade shall be given the authority to act for and on behalf of the Minister of Industry and Trade to issue and sign salt import permits during the period of ban on the import of salt.
- (2) The authority referred to in paragraph (1) cannot be delegated or transferred to other officials.
- (3) The Minister of Industry and Trade shall instruct the official referred to in paragraph (1) to perform his duties according to the authority given under this Decree and Decree of the Minister of Industry and Trade No. 360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004.

Article 5

Other provisions in Decree of the Minister of Industry and Trade No.360/MPP/Kep/5/2004 on Provisions on the Import of Salt as has been amended by Decree of the Minister of Industry and Trade No.376/MPP/Kep/6/2004 which do not contradict this Decree shall remain valid.

Article 6

This Decree shall come into force as from the date of stipulation.

For public cognizance, this Decree shall be published by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on July 26, 2004

THE MINISTER OF INDUSTRY AND TRADE
sgd.
RINI M SUMARNO SOEWANDI

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