

**OBLIGATORY ENFORCEMENT OF INDONESIA NATIONAL STANDARD (SNI)
ON REFINED CRYSTAL SUGAR**

(Regulation of the Minister of Industry of RI No. 83/M-IND/PER/11/2008, dated November 13, 2008)

WITH THE BLESSING OF THE ONE AND ONLY GOD,
MINISTER OF INDUSTRY OF
THE REPUBLIC OF INDONESIA,

In view of:

1. Law No. 5 Year 1984 concerning Industry (Statute Book of RI Year 1984 No. 22, Supplement to Statute Book of RI No. 3274);
2. Law No. 7 Year 1994 concerning Ratification of Agreement Establishing the World Trade Organization (SB of RI Year 1994 No. 57, SSB of RI No. 3564);
3. Law No. 10 Year 1995 (***BN No. 5812 pages 19A-20A and so forth***) concerning Customs matters (SB of RI Year 1995 No. 75, SSB of RI No. 3612) as amended by Law No. 17 Year 2006 (BN No. 7446 pages 17B-24B and so forth) (SB of RI Year 2006 No. 93, SSB of RI No. 4661);
4. Law No. 7 Year 1996 concerning Food (SB of RI Year 1996 No. 99, SSB of RI No. 3656);

Considering:

- a. that in support of the quality improvement program of Refined Crystal Sugar, provision of facilities in the procurement of supply, create healthy business competition and provide consumers protection, it is necessary to enforce obligatory Indonesia National Standard (SNI) on Refined Crystal Sugar;
- b. that based on the consideration referred to in letter a, it is necessary to issue Regulation of the Minister of Industry;

5. Law No. 8 Year 1999 (**BN No. 6321 pages 1A-7A and so forth**) concerning Consumers Protection (SB of RI Year 1999 No. 42, SSB of RI No. 3821);
6. Government Regulation No. 17 Year 1986 concerning Authority for Industrial Arrangement, Management and Development (SB of RI Year 1986 No. 23, SSB of RI No. 3330);
7. Government Regulation No. 69 Year 1999 (**BN No. 6370 pages 14A-15A and so forth**) concerning Food Label and Advertisement (SB of RI Year 1999 No. 131, SSB of RI No. 3867);
8. Government Regulation No. 102 Year 2000 (**BN No. 6554 pages 1A-7A and so forth**) concerning National Standardization (SB of RI Year 2000 No. 199, SSB of RI No. 4020);
9. Government Regulation No. 28 Year 2004 (BN No. 7188 pages 1B 10B) concerning Food Security, Quality and Nutrition (SB of RI Year 2004 No. 107, SSB of RI No. 4424);
10. Government Regulation No. 38 Year 2007 (BN No. 7576 pages 1B-6B) concerning Distribution of Governmental Affairs between the Central Government, Regional Government of Province, and Regional Government of Regency/Municipality (SB of RI Year 2007 No. 82, SSB of RI No. 4737);
11. Decree of President of the Republic of Indonesia No. 7 Year 2001 concerning National Accredited Committed;
12. Decree of the President of the Republic of Indonesia No. 57 Year 2004 (BN No. 7093 page 3B) concerning Stipulation on Sugar as Goods under Surveillance;
13. Decree of President of the Republic of Indonesia No. 187/M Year 2004 (**BN No. 7128 page 4A**) concerning Establishment of Indonesia Bersatu Cabinet as amended several times and lately amended by Decree of President of the Republic of Indonesia No. 77/P Year 2007;
14. Regulation of President of the Republic of Indonesia No. 9 Year 2005 (**BN No. 7182 pages 2A-23A**) concerning Capacity, Duty, Function, and Organizational Structure and Work Procedure of the State Ministry of the Republic of Indonesia as amended several times and lately amended by Regulation of President of the Republic of Indonesia No. 94 Year 2006;
15. Regulation of President of the Republic of Indonesia No. 10 Year 2005 (BN No. 7220 pages 8B-12B and so forth) concerning Organizational Unit and Duty of Echelon I of the State Ministry of the Republic of Indonesia as amended several times and lately amended by Regulation of President of the Republic of Indonesia No. 17 Year 2007;
16. Decision of Minister of Industry and Trade No. 61/MPP/Kep/2/2004 (**BN No. 7050 pages 18A-24A**) concerning Sugar Trading Inter Islands as amended by Decision of the Minister of Industry and Trade No. 334/MPP/Kep/5/2004 (**BN No. 7063 pages 18A-22A**);
17. Decision of the Minister of Industry and Trade No. 527/MPP/Kep/9/2004 (**BN No. 7135 pages 11A-19A**) concerning Provision for Imported Sugar as amended several times and lately amended by Regulation of Minister of Trade of the Republic of Indonesia No. 19/M-DAG/PER/5/2008 (**BN No. 7698 pages 16A-18A**);
18. Regulation of the Minister of Industry No. 01/M-IND/PER/3/2005 concerning Organization and Work Procedure of the Department of Industry;
19. Regulation of the Minister of Industry No. 19/M-IND/PER/5/2006 (**BN No. 7372 pages 12A-22A**)

concerning Indonesia National Standardization, Management and Supervision in Industrial Sector;

20. Regulation of the Minister of Trade No. 14/M-DAG/PER/3/2007 (*BN No. 7517 pages 21A-31A*) concerning enforcement of Obligatory Indonesia National Standard (SNI) on Trade Service and on Supervision on Goods and Services on trade;

DECIDES:

To stipulate:

REGULATION OF MINISTER OF INDUSTRY ON OBLIGATORY ENFORCEMENT OF INDONESIA NATIONAL STANDARD (SNI) ON REFINED CRYSTAL SUGAR.

Article 1

What is meant in this Regulation of the Minister by:

1. Refined Crystal Sugar (Refined Sugar) shall be sugar used as basic material in production process, produced by processing Raw Crystal Sugar (GKM) covering affinity, re-melting clarification, decolorization, crystallization, fugalization, drying and packaging.
2. Product Certificate Using Indonesia National Standard Identification hereinafter referred to as SPPT-SNI shall be Product Certificate Using SNI Identification issued by the Product Certification Institution to Producer that is capable to produce goods and/or service according to SNI requirements.

3. Product Certification Institution hereinafter referred to as National Accredited Committee and/or appointed based on Regulation of the Minister of Industry to run activity on Product Certification Using SNI Identification.
4. National Accredited Committee hereinafter referred to as KAN shall be Non-Structural Institution existing under and responsible directly to the President, authorized to grant accreditation to laboratory institution to exercise certification activity.
5. The Director General of Industrial Management shall be Director General of Agro and Chemical Industry of the Department of Industry.
6. Head of BPPI shall be Head of Industrial Research and Development Agency of the Department of Industry.
7. Head of Provincial Service Office shall be Head of Provincial Service Office carrying out governmental affairs in the field of industry.
8. Head of Regency/Municipality Service Office shall be Head of Regency/Municipality Service Office carrying out the duty on governmental affairs in the field of industry.

Article 2

- (1) Obligatory enforcement of Indonesia National Standard (SNI) 01-3140.2-2006 on Refined Crystal Sugar or its revision under tariff post HS 1701.99.11.00 and 1701.99.19.00.

(2) The obligatory enforcement of SNI referred to in paragraph (1) shall apply on both packaged and bulk Refined Crystal Sugar.

Article 3

(1) Company that produces or imports Refined Crystal Sugar as referred to in Article 2 shall be obliged to:

- a. apply SNI and hold SPPT-SNI for Refined Crystal Sugar according to the provisions in SNI for Refined Crystal Sugar; and
- b. insert SNI Identification for Refined Crystal Sugar on every package according to the applicable provision.

(2) Insertion of SNI Identification referred to in paragraph (1) letter b on bulk Refined Crystal Sugar shall be made by attaching the SPPT-SNI.

Article 4

Any industrial company using Refined Crystal Sugar as referred to in Article 2 shall be obliged to comply with the provisions in Article 3.

Article 5

(1) The SPPT-SNI referred to in Article 3 letter a, shall be issued by LSPro that has been accredited by KAN and/ or appointed by the Minister of Industry.

(2) The SPPT-SNI referred to in paragraph (1) shall be issued according to:

- a. Guideline for PSN 302-2006 National Standardization: Evaluation of Product Conformity-Fundamental Certification, System 5 by:

1. conducting test on conformity of the product quality according to SNI or its revision; and
2. conducting audit on application of SNI 19-9001-2001 ISO 9001:2000 quality management system or its revision or other recognized quality management system; or

b. Guideline for PSN 302-2006 National Standardization: Evaluation of Product Conformity-Fundamental Certification, System 1b by:

1. for local product the testing of product quality conformity shall conform with SNI or its revision shall be conducted for each production lot every three (3) months; or

2. for imported Refined Crystal Sugar:

a. evaluation shall be conducted on the:

- 1) CoA (Certificate of Analysis) which at least state the name and address of the company, the name of the testing laboratory, the date of the test, and the result of the test that has complied with the SNI parameters conducted by the testing laboratory that has been conducting MoU with the LSPro in Indonesia; and

2) Minutes of Sampling submitted; or

b. sampling and testing according to SNI parameters conducted by the testing laboratory appointed by LSPro.

(3) The test referred to in paragraph (2) letter a point a and letter b point 1 may be sub-contracted to:

a. local

- a. local testing laboratory, that has been accredited by KAN or by testing laboratory appointed by the Minister of Industry; or
 - b. overseas laboratory that has been accredited by KAN or by Accreditation Agency of other country that has signed Mutual Recognition Arrangement (MRA) with KAN and verified by LSPro.
- (4) Audit of application of quality management system as referred to in paragraph (2) letter a point 2 based on guarantee issued by Quality System Certification Institution that has been accredited by KAN or Accreditation Agency of other country that has signed Mutual Recognition Arrangement (MRA) with KAN.

Article 6

The LSPro referred to in Article 5 paragraph (1) shall report the result of certification to the Director General of Industrial Management with copy to the Head of BPPI, Head of Provincial Service Office and Head of Regency/Municipality Service Office where the factory is located.

Article 7

- (1) Imported Refined Crystal Sugar that fails to comply with the provisions referred to in Article 3 shall be prohibited from entering Indonesian customs area and must be re-exported back or destroyed.
- (2) Domestic produced and/or imported Refined Crystal Sugar that fails to comply with the provisions referred to in Article 3 shall be prohibited from use by domestic industry.

- (3) Procedure for destruction, re-export to the country of origin and withdrawal of the product from domestic user industry shall be conducted in accordance with the provisions in the statutory regulation.

Article 8

- (1) Management and supervision in application of obligatory SNI on Refined Crystal Sugar by the factory as referred to in Article 2 and Article 3 shall be conducted by the Directorate General of Industrial Management.
- (2) In exercising the supervision referred to in paragraph (1), the Director General of Industrial Management shall assign Standard Factory Supervisory Officer (PPSP).
- (3) In carrying out the duty, the Standard Factory Supervisory Officer (PPSP) referred to in paragraph (2) shall coordinate with the Head of Provincial Service Office and/or Head of Regency/Municipality Service Office.

Article 9

The Head of BPPI shall manage the Conformity Evaluation Institution in the obligatory application of SNI on Refined Crystal Sugar as referred to in Article 2.

Article 10

The LSPro issuing the SPPT-SNI for Refined Crystal Sugar shall be responsible for the implementation of supervision of the issued SPPT-SNI on Refined Crystal Sugar.

Article 11

The Director General of Industrial Management shall stipulate Technical Guidance on the implementation of this Regulation of the Minister.

Stipulated in Jakarta

On November 13, 2008

MINISTER OF INDUSTRY OF RI

Sgd.

FAHMI IDRIS

Article 12

Any business player violating the provisions in this Regulation of the Minister is subject to penalty based on the provisions in the statutory regulation.

Enacted in Jakarta

On November 18, 2008

MINISTER OF LAW AND HUMAN RIGHTS OF

THE REPUBLIC OF INDONESIA

Sgd.

ANDI MATTALATTA

Article 13

This Regulation of the Minister shall come to effect in three (3) months as of the date it is stipulated.

For public cognizance, this Regulation of the Minister shall be enacted and shall be announced by placing it in the State Gazette of the Republic of Indonesia.

STATE GAZETTE OF THE REPUBLIC OF INDONESIA

YEAR 2008 NUMBER 75.

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