

**GUIDANCE TO IMPLEMENT REGULATION OF THE TRADE MINISTER
NO. 13/M-DAG/PER/3/2009 ON AMENDMENT TO REGULATION OF
THE TRADE MINISTER NO. 12/M-DAG/PER/4/2008 ON PROVISIONS
ON THE IMPORT AND EXPORT OF RICE**

(Regulation of the Director General of Foreign Trade No. 03/DAGLU/PER/4/2009, dated April 6, 2009)

THE DIRECTOR GENERAL OF FOREIGN TRADE,

Considering :

That to implement provisions on the export of rice as laid down in Regulation of the Trade Minister No. 13/M-DAG/PER/3/2009 on Amendment to Regulation of the Trade Minister No. 12/M-DAG/PER/4/2008 on Provisions on the Import and Export of Rice, it is necessary to stipulate Regulation of the Director General of Foreign Trade;

In view of :

1. Presidential Decree No. 34/M/2005 on the Promotion of First Echelon Officials at the Trade Ministry;
2. Regulation of the Trade Minister No. 12/M-DAG/PER/4/2008 (*BN No. 7672 pages 1A-12A*) on Provisions on the Import and Export of Rice as has been amended by Regulation of the Trade Minister No. 13/M-DAG/PER/3/2009 (*BN No. 7798 pages 5A-8A*);
3. Decree of the Industry and Trade Minister No. 558/MPP/PER/Kep/12/1998 (*BN No. 6252 pages 10A-12A and so on*) on General Provisions in the Export Sector as has been several times amended the latest by Regulation of the Trade Minister No. 01/M-DAG/PER/1/2007 (*BN No. 7475 pages 17A-25A*);

D E C I D E S :

To stipulate :

THE REGULATION OF THE DIRECTOR GENERAL OF FOREIGN TRADE ON GUIDANCE TO IMPLEMENT REGULATION OF THE TRADE MINISTER NO.13/M-DAG/PER/3/2009 ON AMENDMENT TO REGULATION OF THE TRADE MINISTER NO. 12/M-DAG/PER/4/2008 ON PROVISIONS ON THE IMPORT AND EXPORT OF RICE.

Article 1

The rice that can be exported covers:

- a. Rice in the husk (paddy or rough) under heading 1006.10.00.00 especially seeds for sowing;
- b. Aromatic rice other than Thai Hom Mali under heading 1006.30.19.00 and other type of rice (non aromatic rice) under heading 1006.30.90.00; and
- c. Glutinous rice under heading 1006.30. 30.00

Article 2

The quality of rice based on broken level:

- a. rice is categorized as premium if it has a broken level of up to 5%;
- b. rice is categorized as medium if it has a broken level of more than 5% up to 25%.

Article 3

- (1) State-owned companies, regional government-owned companies or private companies can export the types

of rice as referred to in Article 1 letters a and b under the category of premium rice.

- (2) Only Public Company BULOG can export the type of rice as referred to in Article 1 letters a and b under the category of medium rice.
- (3) Every company can export the type of rice as referred to in Article 1 letter c.

Article 4

- (1) The type of aromatic rice other than Thai Hom Mali under heading 1006.30.19.00 as referred to in Article 1 letter b shall have aroma such as Pandan Wangi, Mentik and Sintanur, either organic or non-organic rice belonging to the category of premium rice.
- (2) The type of non-aromatic rice under heading 1006.30.90.00 as referred to in Article 1 letter b does not have aroma, such as Ciharang, Siam, Rojo Lele, Cisadane, Merah, Hitam and Adan, either organic or non-organic rice belonging to the category of premium rice.

Article 5

- (1) The volume of rice that can be exported in 2009 for the types of rice as referred to in Article 1 letters a and b under the category of premium rice shall be set at 100,000 (one hundred thousand) tons by the Staple Food Stability Coordinating Team.
- (2) The types of rice as referred to in Article 1 letters a and b under the category of medium rice can be exported if the domestic stocks have met the national needs set by the Staple Food Stability Coordinating Team.

- (3) The type of glutinous rice as referred to in Article 1 letter c can be exported according to demand in the overseas market.

Article 6

- (1) The allocation of rice exports as referred to in Article 5 paragraph (1) for each company shall be set based on the results of a field inspection carried out by officers of the Agriculture Ministry and the Trade Ministry.
- (2) The allocation of rice exports as referred to in Article 5 paragraph (2) for Public Company BULOG shall be set based on the results of a field inspection carried out by officers of the Office of the Coordinating Minister for Economic Affairs, the Agriculture Ministry and the Trade Ministry.
- (3) The results of a field inspection as referred to in paragraph (1) and paragraph (1) shall be discussed by the relevant agency in this case the Rice Working Group set up by the Agriculture Minister and used as inputs for the issuance of recommendations by :
- a. The Agriculture Minister or appointed official for the category of premium rice; or
 - b. The Staple Food Stability Coordinating Team for the category of medium rice.

Article 7

- (1) Before being exported, the type of glutinous rice as referred to in Article 5 paragraph (3), if required, can undergo prior field inspection by officers of the Agriculture Ministry and the Trade Ministry.
- (2) The results of a field inspection as referred to in paragraph (1) shall be used as inputs for the Agriculture Minister or appointed official to issue recommendations.

Article 8

- (1) The companies as referred to in Article 3 paragraph (1) or paragraph (3) can export rice after securing a recommendation as referred to in Article 6 paragraph (3) letter a or Article 7 paragraph (2) and an export approval from the Director General of Foreign Trade under the name of the Trade Minister.
- (2) The companies as referred to in Article 3 paragraph (2) can export rice after securing a recommendation as referred to in Article 6 paragraph (3) letter b and an export approval from the Trade Minister.
- (3) The companies as referred to in paragraph (2) and paragraph (3) can secure an export approval by filing a written application to the Trade Minister through the Director General of Foreign Trade, accompanied by :
 - a. a photocopy of commercial business permit (SIUP);
 - b. a photocopy of certificate of corporate registration (TDP);
 - c. a recommendation from the Agriculture Minister or appointed official for the categories of premium rice and glutinous rice, or a recommendation from the Staple Food Stability Coordinating Team for the category of medium rice.
- (4) The application as referred to in paragraph (3) shall contain:
 - a. Identity of company;
 - b. Variety and type of rice;
 - c. Level of broken rice;
 - d. Volume of exported rice;
 - e. Port of loading;
 - f. Country of destination;
 - g. Shipment time; and
 - h. Confirmation order from the prospective buyer overseas.

Article 9

- (1) The Trade Minister or the Director General of Foreign Trade under the name of the Trade Minister shall issue a pre-shipment export approval to the application as referred to in Article 8 paragraph (3) for rice under the categories of premium rice and glutinous rice.
- (2) The Trade Minister shall issue a pre-shipment export approval to the application as referred to in Article 8 paragraph (3) for rice under the category of medium rice.
- (3) The export approval as referred to in paragraph (1) and paragraph (2) shall be issued no later than 5 (five) working days after the application has been received in a complete and correct manner.
- (4) The export approval as referred to in paragraph (1) and paragraph (2) shall be valid for 30 days after the date of issuance.

Article 10

- (1) Exported rice shall be packed with each pack weighing a maximum of 50 (fifty) kg.
- (2) The pack shall carry the following information:
 - a. identity of company (name and address of exporter);
 - b. produced in Indonesia label;
 - c. prime quality/level of broken; and
 - d. type/variety and volume of rice.

Article 11

- (1) Any rice export shall be subject to prior technical verification at the port of loading.

- (2) The technical verification as referred to in paragraph (1) shall be carried out by a surveyor appointed by the Minister.
- (3) The surveyor can collect fees on the use of technical verification services as referred to in paragraph (1) from exporters with the amount of fees set under the principles of benefit and propriety.
- (4) The verification as referred to in paragraph (1) shall apply to rice exports with regard to :
- a. identity of company (name and address of exporter);
 - b. label put on the pack as referred to in Article 10 paragraph (2);
 - c. prime quality/level of broken;
 - d. type/variety and volume of rice;
 - e. port of loading; and
 - f. country of destination.
- (5) The results of verification as referred to in paragraph (4) conducted by a surveyor shall be put in a surveyor report used as a customs supplement required to submit an export customs declaration.

Article 12

- (1) The company that has secured an export approval for the type of rice as referred to in Article 1 shall submit a periodic report on the realization of rice exports to the Trade Minister, with copies addressed to the Coordinating Minister for Economic Affairs and the Agriculture Minister.
- (2) The report as referred to in paragraph (1) shall be submitted every month, no later than the 15th of the ensuing month.

Article 13

This Regulation of the Director General shall come into force as from the date of stipulation.

Stipulated in Jakarta

on April 6, 2009

THE DIRECTOR GENERAL OF FOREIGN TRADE

sgd.

DIAH MAULIDA

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