

GENERAL PROVISIONS IN THE EXPORT SECTOR

**(Decree of the Minister of Industry and Trade No. 182/MPP/Kep/4/1998
dated April 20, 1998)**

THE MINISTER OF INDUSTRY AND TRADE

Considering:

- a. That within the framework of implementing national economic reforms and enhancing competitiveness as well as promoting exports, it is deemed necessary to improve general provisions in the export sector, by changing the status of certain types of goods which originally belonged to the category of goods under export regulation and control into those which belong to the category of goods for free export ;
- b. That for this purpose it is necessary to issue a decree of the Minister of Industry and Trade.

In view of :

1. The trade Ordinance of 1934 (Statute of 1938 No.86) as already amended and supplemented ;
2. Law No.10/1995 on customs affairs (Statute Book of 1995 No. 75, Supplement to Statute Book No.3612);
3. Government Regulation No. 1/1982 on the realisation of exports, imports and the flow of foreign exchange (Statute Book of 1982 No.1, Supplement to Statute Book No.3210) as already amended by government Regulation

No.24/1985 (Statute Book of 1985 No.32, Supplement to Statute Book No. 3291);

4. Government Regulation No.20/1994 on share ownership in companies set up under foreign investments (Statute Book of 1994 No.28, Supplement to Statute Book No.3552);
5. Presidential Decree No.260/1967 on the definition of tasks and responsibilities of the Minister of Trade in the foreign trade sector ;
6. Presidential Decree No.44/1974 on the organisational principles of ministries;
7. Presidential Decree No.2/1996 on the amendment of Presidential Decree No.15/1984 on the organisational structures of ministries as already twenty-five times amended, the latest by Presidential Decree No.61/1995 ;
8. Presidential Decree No. 62/M/1998 on the establishment of the seventh Development Cabinet;
9. The Decree of the Minister of Industry and Trade No.12/MPP/Kep/1/1998 on the implementation of corporate registration;
10. The Decree of the Minister of Trade No.408/MPP/Kep/10/97 on the provisions and procedure for the granting of corporate registration certificates (TDUP) and trade licences (SIUP) ;
11. The Decree of the Minister of Trade No.225/Kp/X/1995 on the release of goods abroad beyond the general provisions in the export sector ;
12. The Decree of the Minister of Industry and Trade No.29/MPP/Sk/2/1996 jo. No. 92/MPP/Kep/4/1996 on the organisation and operational procedure of the Ministry of Industry and Trade.

D E C I D E S :

To stipulate :

THE DECREE OF THE MINISTER OF INDUSTRY AND TRADE CONCERNING GENERAL PROVISIONS IN THE EXPORT SECTOR

Article 1

Hereinafter referred to as :

- a. Export (S) shall be the activities of releasing goods from customs areas;
- b. Exporters shall be companies or individuals undertaking export activities;
- c. Approved exporters shall be companies or individuals already recognised by the Minister of Industry and Trade to export certain goods according to the provisions in force;
- d. Customs areas shall be territories of the Republic of Indonesia, covering land, water and air space above them as well as cartain places in exclusive economic zones and continental shelves where Law No.10/1995 on customs affairs applics;
- e. Good subject to the export trade system/regulation shall be goods whose export can only be realised by approved exporters;
- f. Goods subject to export control shall be goods whose export can only be realised with the approval of the minister of Industry and Trade or authorised officials;
- g. Goods subject to export bans shall be goods whose export is prohibited
- h. Goods for free export shall be goods which are not subject to the provisions in points e, f and g.

Article 2

1. Export can be realised by companies or individuals which/who have possessed :
 - a. the trade license (SIUP) ; and
 - b. the business license from the technical ministry/non departmental government agency on the basis of the laws in force ; and
 - c. the corporate registration certificate (TDP).
2. Exporters engaged in the export of goods subject to the export trade system shall fulfil the requirements as meant in paragraph (1) and obtain recognition as approved exporters from the Minister of Industry and Trade, in this case the Director General of International Trade.
3. Exporters engaged in the export of goods subject to export control shall fulfil the requirements as meant in paragraph (1) of this article and obtain export approval from the minister of Industry and trade, in this case the Director General of International Trade, by considering the proposals of relevant technical Directors within the Ministry of Industry and Trade, and/or other relevant agencies or Ministries.
4. The good subject to the export trade system, export control and export bans shall be those as contained in the attachment to this decree.

Article 3

Export payments can be made by Letters of Credit (L/C) or by other payment methods normally effective in international trade, according to agreements between sellers and buyers.

Article 4

The Minister of Industry and Trade in this case the Director General of International Trade shall determine export check prices of certain goods periodically as the basis for calculating export tax.

Article 5

Goods subject to the export trade system and export control shall be excepted from the provisions stipulated in the Decree of the Minister of Trade No.225/Kp/X/95 on the release of goods abroad beyond the general provisions in the export sector jo. The Decree of the Minister of Industry and Trade No.317/MPP/Kep/9/1997.

Article 6

Provisions on the export of goods subject to the export trade system shall be stipulated in a separate decree.

Article 7

The recognition as approved granted before the issuance of this decree shall remain valid as long as the approved exporters continue their business activities.

Article 8

Exporters violating the provisions in this decree shall be liable to sanctions based on the laws in force.

Article 9

The implementation of this decree shall be further stipulated by the Director General of International Trade

Article 10

With the stipulation of this decree, the Decrees of the Minister of Industry and Trade No. 228/MPP/Kep/7/1997 and No. 97/MPP/Kep/2/1998 on general provisions in the export sector shall be declared null and void.

Article 11

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

For public cognizance, this decree shall be announced by publishing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On April 20, 1998

THE MINISTER OF INDUSTRY AND TRADE

Sgd

MOHAMAD HASAN