

AUTHORIZED TRANSLATION

The Minister of Industries and Trade of  
the Republic of Indonesia

DECREE OF THE  
THE MINISTER OF INDUSTRIES AND TRADE  
REPUBLIC OF INDONESIA

NUMBER : 732/MPP/KEP/70/2002

ON

THE TEXTILE IMPORT TRADE PROCEDURE  
THE MINISTER OF INDUSTRIES AND TRADE OF  
THE REPUBLIC OF INDONESIA

Considering : a. that in the framework of preventing the circulation of illegal imported textile in the Indonesian market which has given rise to unfair trade and has caused a loss to the domestic produced textile and to maintain a conductive business atmosphere it is regarded necessary to regulate the textile import trade procedure.

- b. that it is therefore necessary to issue a Decree of the Minister of Industries and Trade.

- Bearing in Mind :
1. "Bedryfsreglementerings Ordonanties" (Company Regulations Ordinance) 1934 (State Gazette of 1938 Number 86) as has been amended and added;
  2. Act Number 7 of 1994 on the Legalization of the Agreement on Establishing the World Trade Organization (State Gazette of 1994 Number 57, Supplement to the State Gazette Number 3564);
  3. Act Number 10 of 1995 on Customs Affairs (State Gazette of 1995 Number 75, Supplement to the State Gazette Number 3612);

4. Act Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unsound Business Competition (State Gazette of 1999 Number 33 Supplement to the State Gazette Number 3806);
5. Act Number 8 of 1999 on Consumer Protection (State Gazette of 1999 Number 42, Supplement to the State Gazette Number 3821);
6. Government Regulation Number 58 of 2001 on the Development and Supervision of the Execution of Consumer Protection (State Gazette of 2001 Number 103, Supplement to the State Gazette Number 4126);
7. Decree of the President of the Republic of Indonesia Number 260 of 1967 on the Confirmation of the Task and Responsibility of the Minister of Trade in the Field of Foreign Trade;
8. Decree of the President of the Republic of Indonesia Number 228/M of 2001 on the Formation of the "Gotong Royong" Cabinet;
9. Decree of the President of the Republic of Indonesia Number 102 of 2001 on the Position, Task, Function, Authority, Structure of the Organization and Working

Procedure of the Departments;

10. Decree of the President of the Republic of Indonesia Number 109 of 2001 on the Organizational Unit And Task of Echelon I of Department;
11. Decree of the Minister of Industries and Trade Number 229/MPP/Kep/77/1997 on the General Provisions in the Field of Import;
12. Decree of the Minister of Industries and Trade Number 230/MPP/Kep/7/1997 on Goods which the Import Trade Procedure has been regulated as have already been amended several times the last time with the Decree of the Minister of Industries and Trade Number 192/MPP/Kep/6/2001;
13. Decree of the Minister of Industries and Trade Number 550/MPP/Kep/10/1999 on Importer Identification Number ("API") as has already been amended with the Decree of the Minister of Industries and Trade Number 253/MPP/Kep/7/2000;
14. Decree of the Minister of Industries and Trade Number 86/MPP/Kep/3/2001 on the Organization and Working Procedure of the Department of Industries and Trade;

15. Decree of the Minister of Industries and Trade Number 141/MPP/Kep/3/2002 on Special Importer Basic Number (NPIK).

HAS DECIDED

TO LAY DOWN : THE DECREE OF THE MINISTER OF INDUSTRIES AND TRADE OF THE REPUBLIC OF INDONESIA ON THE TEXTILE IMPORT TRADE PROCEDURE.

Article 1

In this Decree referred to as Textile are textile sheets included in the HS Tariff Heading as referred to in Attachment 1 of this Decree.

Article 2

- (1) Textile as referred to in Article 1 may only be imported by a companies which have already obtained a recognition as Textile Importer Producer, hereinafter called the Textile Importer Producer ("IP Tekstil).

- (2) The recognition as Textile "Importer Producer" as referred in sub section (1) relates a.o. to the quantity and types of textile which may be imported and its time of shipment.
- (3) The textile which is imported by a Textile "Importer Producer" as referred in sub section (1) shall only be used as raw material or auxiliary material for the production process of the Industry owned by the Textile "Importer Producer" and is prohibited from being sold and transferred.

#### Article 3

- (1) The recognition as Textile "Importer Producer" as referred in Article 2 shall be determined by the Directorate General of Foreign Trade, Department of Industries and Trade while attaching :
  - a. The Industrial Business License/Industrial Registration Certificate or other equal Business Licences from a Technical Department/Non Departmental Government Institution which is in charge of said business;

- b. The Special Textile and Textile Products Importer's Identification Number of ("NPIK-TPT");
  - c. The Importer Producer Identification Number ("API-P") or the Identification Number of Limited Importer (API-T);
  - d. The company Registration Certificate (TDP);
  - e. The Taxpayer Identification Number (NPWP);
  - f. The Statement on the Plan for the Need of Raw Material or Auxiliary Material and the Marketing of the Product in 1 (one) year which is legalized by the responsible person of the company, in the form as mentioned in Attachment II of this Decree.
- (3) The form of the Textile "Importer Producer" recognition is as mentioned in Attachment III of this Decree.

#### Article 4

The recognition or rejection as Textile Importer Producer ("IP Tekstil") as referred to in Article 3 shall be issued

at the latest within a period of 10 (ten) working days as from the receipt of the application.

#### Article 5

The recognition as Textile Importer Producer as referred to in Article 3 is valid for a period of 1 (one) year.

#### Article 6

1. A company which has already obtained a recognition as Textile Importer Producer must submit a report on the import realization in writing to the Director of Import, Department of Industries and Trade each month concerning the execution or non execution of said textile importation.
2. The report as referred to in sub section (1) shall be submitted at the latest on the 15th of the following month.
3. The form of the import realization report is as mentioned in Attachment IV of this Decree.

#### Article 7

1. The recognition as Textile Importer Producer shall be



frozen when the company has failed twice to carry out its obligations to submit a written report as referred to in Article 6.

2. The freezing of the recognition as a Textile Importer Producer may be cancelled when the company has fulfilled all its obligations in accordance with the provisions as referred to in Article 6.
3. The freezing of the recognition as Textile Importer Producer as referred to in sub-section (1) and its cancellation as referred to in sub section (2) shall be carried out by the Director General of Foreign Trade, Department of Industries and Trade.

#### Article 8

1. The recognition as Textile Importer Producer will be revoked when :
  - a. the management of the company has changed, added and or replaced the contents mentionend in the Textile Importer Producer; or
  - b. the company has violated the provisions as regulated in Article 2 sub section (3); or

c. the management of the company has been declared guilty by the court in connection with a crime related with the misuse of the of the "IP Tekstil".

2. The revocation of the recognition as Textile Importer Producer as referred to in sub section (1) shall be carried out by the Director General of Foreign Trade, Department of Industries and Trade.

#### Article 9

Companies which carry out imports and have opened L/Cs or have made payments in w's customarily used in the international trade before the date this Decree is laid down may still carry out the import of textiles on the condition that the goods must already arrive at the port of destination in Indonesia at the latest 30 (thirty) days as from the date this Decree is laid down.

#### Article 10

Exceptions from the provisions in this Decree can only be laid down by the Minister of Industries and Trade or the appointed official.

Article 11

This Decree comes into force as from the date it is laid down.

In order that everyone shall take cognizance, it is ordered to announce this Decree by its placement in the Official Gazette of the Republic of Indonesia.

Laid down in Jakarta

On 22nd October 2002

THE MINISTER OF INDUSTRIES AND TRADE

REPUBLIC OF INDONESIA

W.S

RINI M SUMARNO SOEWANDI