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Indonesia

Food and Agricultural Import Regulations and Standards - Narrative

FAIRS Country Report

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Report Highlights:

This FAIRS report aims to provide a general summary on the technical requirements and regulation for food and agricultural imports imposed by Indonesia. Sections updated: Executive Summary; I. Food Laws; II. Labeling Requirements; IV. Food Additives Regulations; VI. Other Regulations and Requirements; VII. Other Specifics Standards: GMO; Halal Certification; Other Relevant Reports.

Section I. Food Laws:

Republic of Indonesia Act No. 7 of 1996 concerning Food (*Undang-undang Republik Indonesia Nomor 7 tahun 1996 tentang Pangan*) is the most comprehensive legislation governing production, import, and distribution of foodstuffs. Gradually, additional government regulations to implement the provisions have been released, such as the latest Head of National Agency of Food and Drug Control (BPOM) regulation No. HK 00.05.23.3541 dated July 8, 2008 on The Guideline for Food Safety Assessment of Genetically Modified Products. However, some of its provisions still have not been enacted or updated from the previous regulation. For example, the approved food additives list issued in 1988 and the list of artificial sweeteners issued in 2004 have not been updated. Until the required regulations are in force, the affected provisions of the Act would not be enforced.

Other significant legislation concerning food and agricultural imports include:

- Act Number 6 of 1967 concerning Essential Stipulations for Animal Husbandry and Health of Livestock
- Act Number 12 of 1992 concerning Cultivation of Plants
- Act Number 16 of 1992 concerning Animal, Fish, & Plant Quarantine
- Act Number 23 of 1992 concerning Health
- Act Number 9 of 1995 concerning Small Business
- Act Number 7 of 1996 on Food
- Act Number 20 of 1997 concerning Non-Tax Government Revenue
- Act Number 8 of 1999 concerning Consumer Protection
- Act Number 15 of 2001 concerning Trade Mark
- Act Number 19 of 2002 concerning Copy right
- Act Number 31 of 2004 concerning Fisheries
- Act Number 10 of 1995 and Law number 17 of 2006 concerning Customs Tariffs
- Act Number 11 of 1995 and Law Number 39 of 2007 concerning Excise
- Act Number 20 of 2008 concerning Micro, Small, and Medium Business
- Act Number 18 of 2009 concerning Animal Husbandry and Animal Health

In addition to the Acts listed above there are a number of Presidential Instructions, Ministerial Regulations, Ministerial Decisions and Departmental Determinations that regulate food production, import, and distribution. Below are some of them:

Issued by Minister of Health and BPOM:

- 1. Government Regulation No 69 of 1999 concerning Food Label and Advertisement
- 2. Government Regulation No. 28 of 2004 concerning Food Safety, Quality, and Nutrition
- 3. Regulation of the Minister of Health of the Republic of Indonesia No. 76/menkes/Per/XII/75 on the Distribution and labeling of Food Containing Material of Pig origin
- Regulation of the Minister of Health of the Republic of Indonesia No. 280/Menkes/Per/XII/1975 on Guidelines of Distribution and Libeling of Food Containing Pork
- 5. Regulation of the Minister of Health of the Republic of Indonesia No. 329/Menkes/Per/XII/76 on Food production and Distribution
- 6. Regulation of the Minister of Health of the Republic of Indonesia No. 86/Menkes/Per/IV/1977 on Alcoholic Beverages
- 7. Regulation of the Minister of Health of the Republic of Indonesia No. 79/Menkes/Per/III/1978 on Food Label and Advertisement
- 8. Decree of the Minister of Health of the Republic Indonesia No 238/MEN.KES/SK/VI/1979 on the Obligation to Submit the Certificate of Analysis for importation of food additive
- 9. Regulation of the Minister of Health of the Republic of Indonesia No. 59/MEN.KES/PER/II/1982 on Prohibition of Distribution, Production, and Importation of

- Alcoholic Beverages not register in the Health Department
- 10. Decree of the Minister of Health of the Republic Indonesia No 1700/B/SK/VIII/1982 on the Registration Refusal Criteria of Certain Food and Beverages Containing Alcohol
- 11. Regulation of the Minister of Health of the Republic Indonesia No. 180/Menkes/per/IV/-85 on Date Marking
- 12. Regulation of the Minister of Health of the Republic Indonesia No 208/Menkes/Per/IV/85 on Artificial Sweetener
- 13. Regulation of the Minister of Health of the Republic Indonesia No 239/menkes/Per/V/85 on Certain Coloring Agent Stated as a Hazardous Substance
- 14. Decree of the Director General of Drug and Food Control No. 01323/B/SK/V/85 on the Guidelines on the implementation of Minister of Health of the Republic of Indonesia No. 180/Menkes/per/IV/85 on Date Marking.
- 15. Decree of the Minister of Health of the Republic Indonesia No. 165/Menkes/SK/II/86 on Requirements of Iodized Salt
- 16. Decree of the Director General of Drug and Food Control No 02942/B/SK/IX/86 on the Guidelines on the Technical Implementation for the Control of Iodized salt in the Distribution
- 17. Regulation of the Minister of Health of the Republic of Indonesia No. 826/Menkes/Per/XII/1987 on Irradiation Food
- 18. Decree of the Minister of Health of the Republic Indonesia No. 00474/B/II/87 on the Obligation to Submit the Certificate of Health and Radiation Free Certificate for imported food.
- 19. Regulation of the Minister of Health of the Republic Indonesia No 328/Menkes/Per/XII/1987 on Food Irradiation
- 20. Regulation of the Minister of Health of the Republic Indonesia No: 722/MENKES/PER/IX/88 on Food Additives
- 21. Regulation of the Minister of Health of the Republic No 382/MEN.KES/PER/VI/1989 on Food Registration
- 22. Decree of the Director General of Drug and Food Control No. 03537/B/SK/VI/89 on the Guidelines on the Minister of Health of the Republic Indonesia No. 382/Menkes/Per/VI/89 on Food Registration
- 23. Decree of the Director General of Drug and Food Control No.03725/B/SK/VII/1989 on Maximum Limit of microbe contaminant on food
- 24. Decree of the Director General of Drug and Food Control No:00386/C/SK/11/90 on Amendment of the Attachment to the Regulation of the Minister of Health of the Republic Indonesia No 239/Menkes/per/V/85 on Certain Coloring Agent Stated as a Hazardous Substance
- 25. Decree of the Director General of Drug and Food Control No: 02987/B/SK/XII/90 on the Registration of Certain Food Additives
- 26. Decree of the Director General of Drug and Food Control No: 01415/B/SK/IV/91 on Special Mark on Food Coloring Agent
- 27. Decree of the Director General of Drug and Food Control No. 02240/B/SK/VII/91 on the Requirements of Food Quality labeling and Advertising
- 28. Decree of the Director General of Drug and Food Control No. 02591/B/SK/VIII/91 on the Amendment of Attachment to the Regulation of Minister of Health of the Republic of Indonesia No. 180/Menkes/per/IV/85 on Date Marking
- 29. Decree of the Director General of Drug and Food Control No: 02592/B/SK/VIII/91 on Food Additives Usage
- 30. Decree of the Director General of Drug and Food Control No 02593/B/SK/VIII/91 on Food Additives Product and Food Additives Producer Registration
- 31. Decree of the Director General of Drug and Food Control No. 02594/B/SK/VIII/91 on Imported Food Additives
- 32. Regulation of the Minister of Health of the Republic No 1168/Menkes/Per/X/1999 on

- Amendment to the Regulation of the Minister of Health of the Republic Indonesia No 722/Menkes/per/IX/1988 on Food Additives
- 33. Decree of the Head of Drug and Food Control No. HK 00.05.51.02961 of 2001 on Limited Imported Food Product Registration
- 34. Decree of the Head of Drug and Food Control No. HK 00.05.5.00617 of 2002 on the Implementation of Indonesian Food Codex 2001
- 35. Decree of the Head of Drug and Food Control No. HK 00.05.5.1142 of 2003 on the Guidelines of Incorporation of Nutrition Level Percentage on the Food Product Label
- 36. Decree of the Head of Drug and Food Control No. HK 00.05.52.4321 of 2003 on General Guidelines for food product labeling
- 37. Decree of the Minister of Health of the Republic of Indonesia No. 962/MENKES/SK/VII/2003 on the Fortification of Wheat Flour
- 38. Decree of the Head of Drug and Food Control No. HK 00.05.5.1.4547 of 2004 on the Requirement of the Usage of Sweetener on Food Product
- 39. Decree of the Head of Drug and Food Control No. HK 00/05.1.2569 of 2004 on the Criteria and the Procedure of Food Product Evaluation
- 40. Regulation of the Head of Drug and Food Control No. HK 00.06.51.0475 of 2005 on Guidelines of Incorporation of Nutrition Value on the Food Label
- 41. Regulation of the Head of Drug and Food Control No. HK 00.05.52.0685 of 2005 on the Key Subject on Functional Food Control
- 42. Decree of the Head of Drug and Food Control No. HK 00.05.52.6291 of 2007 on Guidelines of nutrition label on food product
- 43. Decree of the Head of Drug and Food Control No. HK 00.06.1.52.6635 of 2007 on Prohibition of Stating Free of Food Additives Information on the Label and Advertising
- 44. Decree of the Head of Drug and Food Control No. HK 00.05.52.6581 of 2007 on the Usage of Chitosan on food product
- 45. Regulation of the Head of Drug and Food Control No. HK 00.05.55.6497 of 2007 on Material of Food Package
- 46. Regulation of the Head of Drug and Food Control No. HK 00.06.52.0100 of 2008 on the Control of Organic Processed Food
- 47. Regulation of the Head of Drug and Food Control No. HK 00.06.1.0256 of 2008 on Prohibition of Adding vitamin K to milk product
- 48. Regulation of the Head of Drug and Food Control No. HK 00.05.23.1455 of 2008 on the Control of Imported Processed Food
- 49. Regulation of the Head of Drug and Food Control No. HK 00.05.1.52.3572 of 2008 on Adding Nutrition and Non Nutrition on Food Product
- 50. Regulation of the Head of Drug and Food Control No. HK 00.05.1.55.1621 of 2009 on the Control of Imported Material for Food Package.

Issued by Minister of Agriculture and Agriculture Quarantine Office:

- 1. Government Regulation No 6 of 1995 concerning Plant Protection
- 2. Government Regulation No 82 of 2000 concerning Animal Quarantine
- 3. Government Regulation No 14 of 2002 concerning Plant Quarantine
- 4. Decree of the Minister of Agriculture of Republic of Indonesia No: 212/Kpts/LB.720/4/2001 on the Amendment of Attachment II of the Decree of Minister of Agriculture No: 422/Kpts/LB.720/1998 on Animal Quarantine
- 5. Decree of the Minister of Agriculture of Republic of Indonesia No: 469/Kpts/HK.310/8/2001 on Amendment of Attachment III of the Decree of Minister of Agriculture No 38/Kpts/HK.310/1990 on Requirements and Measures of Plant Quarantine on imported plant and plant seedling into the Republic Indonesian territory, which has been amended by the Decree of the Minister of Agriculture of Republic of Indonesia No: 211/Kpts/HK.310/4/2001
- 6. Decree of the Minister of Agriculture of Republic of Indonesia No:

- 471/Kpts/LB.720/8/2001 on Amendment of Attachment III of the Decree of Minister of Agriculture No 422/Kpts/LB.720/1998 on Animal Quarantine Regulation, which has been amended by he Decree of Minister of Agriculture No 212/Kpts/LB.730/4/2001
- 7. Decree of the Minister of Agriculture of Republic of Indonesia No: 206/Kpts/TN.530/3/2003 on the Classifying of the Animal Quarantine Pest, Grouping and Classifying Its Carrier
- 8. Decree of the Minister of Agriculture of Republic of Indonesia No: 627/Kpts/PD.540/2003 on the Plant Quarantine Pest, Group I, Group II and Its Carrier
- Decree of the Minister of Agriculture of Republic of Indonesia
 No: 103/Kpts/HK.060/M/2/2004 on Form and Type of Documents of Plant Quarantine Measures
- 10. Decree of the Minister of Agriculture of Republic of Indonesia No: 117/Kpts/PD.540/2/2004 on Withdrawal of Third Diktum of the Decree of the Minister of Agriculture of Republic of Indonesia No 627/Kpts/PD.540/12/2003 on the Plant Quarantine Pest, Group I, Group II and Its Carrier
- 11. Decree of the Minister of Agriculture of Republic of Indonesia No: 508/Kpts/PD.520/8/2004 on Classifying Plant Quarantine Pest Carrier
- 12. Decree of the Minister of Agriculture of Republic of Indonesia
 No: 358/Kpts/OT.140/9/2005 on Technical Requirements and Plant Quarantine Action
 for the importation of fresh fruit and fruit vegetable into the territory of Republic of
 Indonesia
- 13. Regulation of the Minister of Agriculture of Republic of Indonesia
 No: 271/Kpts/HK.310/4/2006 on the Requirements and Procedures of the Certain Plant
 Quarantine Measures by Third Party
- 14. Decree of the Minister of Agriculture of Republic of Indonesia
 No: 37/Kpts/HK.060/1/2006 on Technical Requirements and Plant Quarantine Action for
 the importation of fresh fruit and fruit vegetable into the territory of Republic of
 Indonesia
- 15. Decree of the Minister of Agriculture of Republic of Indonesia
 No: 38/Kpts/HK.060/1/2006 on Type of Plant Quarantine Pest Group I-A1 and A2
 Category, Group II-A1 and A2 Category, Host, Carrier, and Spreading Area.
- 16. Decree of the Minister of Agriculture of Republic of Indonesia
 No: 52/Permentan/OT.140/10/2006 on Additional Plant Quarantine Requirements.
- 17. Decree of the Minister of Agriculture of Republic of Indonesia No: 264/Kpts/OT.140/4/2006 on Focal Point Determination of National Plant Protection Organization
- 18. Decree of the Minister of Agriculture of Republic of Indonesia
 No: 02/Kpts/OT.140/1/2007 on Animal Quarantine Documents and Certificates
- 19. Regulation of the Minister of Agriculture of Republic of Indonesia No: 09/Permentan/OT.140/2/2009 on Requirements and Procedures of Plant Quarantine Action on Imported Plant Pest Carrier into the Republic of Indonesia
- 20. The regulation of the Minister of agriculture of Republic of Indonesia No 27/Permentan/PP.340/5/2009 on Food Safety Control over the Import and Export of Fresh Food of Plant Origin

Issued by Minister of Agriculture and Directorate General of Livestock Service

- 1. Government Regulation No 15 of 1977 on Refusal, Prevention, Eradication, and Treatment of Animal Disease.
- 2. Government Regulation No. 22 of 1983 on Public Health Veterinary
- 3. Regulation of the Minister of Agriculture No 482/Kpts/PD.620/8/2006 on Importation of Ruminant and its product from BSE infected Country or Zone into the Territory of The Republic of Indonesia

4. Regulation of the Minister of Agriculture No 20/Permentan/OT.140/4/2009 on Importation and Distribution Control of Carcass, Meat, and/or Offal from Abroad.

Joint Decree of the Minister of Health and Minister of Agriculture No 881/MENKES/SKB/VIII/1996 and 711/Kpts/TP>270/8/96 on the Maximum Limit of Pesticide Residue of Agriculture Products.

Issued by Minister of Trade

- 1. Regulation of the Minister of Trade of Republic of Indonesia No 37/M_DAG/PER/9/2008 on Certificate of Origin for imported goods that subject to safe guard
- 2. Regulation of the Minister of Trade of Republic of Indonesia No. 44/M-DAG/PER/10/2008 on Importation of Certain Products.
- 3. Regulation of the Minister of Trade of Republic of Indonesia No 52/M-DAG/PER/12/2008 on Amendment of Regulation of the Minister of Trade of Republic of Indonesia No 44/M-DAG/PER/10/2008 on Importation of Certain
- 4. Regulation of the Minister of Trade of Republic of Indonesia No 56/M-DAG/PER/12/2008 on Importation of Certain Products
- 5. Regulation of the Minister of Trade of Republic of Indonesia No 60/M-DAG/PER/12/2008 on Importation of Certain Products
- 6. Regulation of the Minister of Trade of Republic of Indonesia No 15/M_DAG/PER/3/2008 on Monitoring and Control of Alcoholic Beverages Import, Distribution, Sale, and Permit
- 7. Decree of the Minister of Industry and Trade of Republic of Indonesia No 153/MPP/Kep/5/2001 on the Mandatory Implementation of SNI on Wheat Flour for Food (SNI 01.3751-2000/Rev. 1995 and its revision) in 2001
- 8. Decree of the Minister of Industry and Trade of Republic of Indonesia
 No 323/MPP/kep/11/2001 on Amendment of the Decree of the Minister of Industry and
 Trade of Republic of Indonesia No 153/MPP/Kep/5/2001 on the Mandatory
 Implementation of SNI on Wheat Flour for Food (SNI 01.3751-2000/Rev. 1995 and its
 revision) in 2001

Regulation related with GMO:

- 1. Act Number 21 of 2004 concerning Cartagena Protocol on Biosafety to the Convention on Biological Diversity
- 2. Government Regulation No. 21 of 2005 concerning Biosafety of Genetically Modified Product
- 3. Decree of the Head of Drug and Food Control No HK 00.05.23.3541 of 2008 on the Guideline for Food Safety Assessment of Genetically Modified Products

Food Act (UU No 7/1996)

The broad scope of the Food Act of 1996 can be seen in its preamble, which includes the following statements:

- Food is a basic need of mankind and fulfillment of that need is a basic right of all Indonesians.
- Food that is safe, of good quality, nutritious, diverse, and provided in adequate quantity is the primary condition that must be achieved to provide a nutritional system protecting the health and improving the well being of society.
- Food as a commercial commodity requires an honest and responsible trading system so that sustenance is available within the purchasing power of the society and the trade in food can play a role in national economic growth.

The definition of food in the Act further indicates its comprehensive coverage:

'Food is everything that originates from biological sources and from water, either processed or unprocessed, that is intended to be eaten or drunk by humans, including food additives, basic food materials and other materials used in the preparation, processing and/or manufacture of food and drink.'

The official clarification appended to the legislation states that the Food Act covers the following aspects:

- Technical criteria concerning food covering safety, quality and nutrition as well as provisions for labeling and advertising foodstuff.
- Responsibilities of those who produce, store, transport and/or distribute food, together with legal sanctions to enforce the determinations. (This aspect includes import and export of foodstuff.)
- The role of government and society in achieving self-sufficiency in food and diversity in the foodstuffs consumed.
- The role of government in fostering a domestic food industry aiming to improve the characteristics of food for domestic consumption and for export.

The Act contains the following chapters and sections:

1. Food Safety covering:

Sanitation.

Food additives.

Genetic engineering and irradiation.

Food packaging.

Quality assurance and laboratory testing.

Contaminated food.

2. Food Quality and Nutrition:

Food quality.

Nutrition.

- 3. Labeling and Advertising Food:
- 4. Imports and Export of Food:
- 5. Legal Responsibility within the Food Industry.
- 6. National Resilience in Food.
- 7. Participation by Society.
- 8. Monitoring and Enforcement.
- 9. Criminal Provisions.
- 10. Delegation of Supplementary Tasks and Responsibilities.
- 11. Other provisions (Government may override the Act in an emergency).
- 12. Effect on earlier acts (remain in force unless in contradiction with the Act).
- 13. Closing provision (the Act is valid from the date of enactment)

Section II. Labeling Requirements: General Labeling

Requirements for labeling of food products are broad in scope. At the end of 2003, the head of BPOM published guidelines food labeling to implement Government Regulation No. 69/1999 on Label and Food Advertisement.

All food packaged for sale must be labeled using:

- The Indonesian language
- Roman text
- Arabic numerals

• Writing that is firmly affixed and clear so as to be easily understood by the community.

Information on the package must include at the minimum:

- The name of the product.
- Net weight or net volume using metric units.
- Name and address of the manufacturer or importer.
- Registration number
- Composition or a list of ingredients.
- Date of expiry.
- Production date or production code

Product specific requirements for labeling:

- On products derived from swine: the words "MENGANDUNG BABI." (Contains pork) to be written in red 'universe medium corps 12' font and enclosed in a red rectangle together with a drawing of a pig.
- On sweetened condensed milk: the words "PERHATIKAN! TIDAK COCOK UNTUK BAYI." (Beware! Not suitable for babies) to be written in Indonesian in red 'universe medium corps 8' font and enclosed in a red rectangle.
- Alcoholic beverages must have "MINUMAN BERALKOHOL", DIBAWAH UMUR 21 TAHUN ATAU WANITA HAMIL DILARANG MINUM (Prohibited for use by people under 21 years or pregnant women) on the label.
- Irradiated packaged food must carry the words "RADURA: PANGAN IRADIASI" (Irradiated food), the reason for irradiation and this logo. Also required are the name and address of the radiation facility, the month and year of irradiation, and the country in which the process was carried out. If the food can not be re-irradiated, then the label should include the word: "TIDAK BOLEH DIRADIASI ULANG" (Not to be re-irradiated).
- Food derived from genetic engineering must have" PANGAN REKAYASA GENETIKA" (Genetically Engineered food) on the label.
- Processed food for infants, children below five, pregnant or breast feeding mothers, people on special diets, elders, and sufferers of certain diseases should be informed of the portion size, method of use and other necessary instructions, including the impact of the food on human health.
- If the product has been approved as meeting Indonesian Islamic standards, then "Halal" should appear on the package.

Product specific regulated or prohibited claims or implications include:

- On baby food it is not permissible to state or imply that the food can replace mother's milk.
- A label is not permitted to imply that the contents have an advantage over products that do not carry a nutritional claim on their label.
- A special claim is not permitted if the nutritional value derives from associated food items. For example a breakfast cereal package may not include the nutritional contribution of the milk and sugar normally added.
- A claim for benefits to health must be based on product composition and normal daily consumption.
- The statement "free from food additive" may not appear on the label for product

distributed after October 1, 2008 (BPOM circular letter, February 29, 2008).

More claims explanation is found in the guidelines issued in 2003.

U.S. labels would be unacceptable unless they meet all the requirements of the Indonesian law, but stick-on labels meeting Indonesian requirements may be affixed. Foreign languages in addition to the mandatory Indonesian language may be used. In general, although they can be widely found on retail products, foreign expressions are discouraged since they are seen as potentially misleading to a majority of the population. Moreover, Indonesia has its own recommended daily allowances (RDA) (BPOM regulation on August 9, 2007) so comparisons to the U.S. RDA would be invalid. In reality, there is an abundance of retail products with two or more languages on the labels.

Labeling regulations are primarily applicable to packaged food for retail sale. Food delivered in bulk for repackaging or industrial use is subject only to requirements associated with irradiated foodstuff or food additives.

Enforcement of regulations is the responsibility of BPOM. The amount of packaged food in the market place that does not comply with the rules indicates that BPOM does not have sufficient resources to enforce the law. Breaches would normally come to the notice of the government only in the event of a complaint - most likely from a consumer group, a religious movement, or a competitor.

Nutritional Labeling

Government regulations for food labeling and advertising require that the nutrition content information shall include the vitamin content, mineral, or other kinds of nutrition supplements in the following order: total volume of energy based on amount of energy derived from fat, protein, and carbohydrate; sodium; total volumes of fat, saturated fat, cholesterol, carbohydrate, fiber, sugar, vitamins and minerals. BPOM guidelines for nutrition value information on food labels were issued in 2005.

Any claim of benefits to health must be based on product composition and normal daily consumption. Implied claims are not allowed.

BPOM divides claims for therapeutic or physiological benefits into three classes: Nutritional claims relating to the food's value as a source of energy, protein, vitamins, or minerals are further divided into: identification of the elements present and clarification of their benefits.

- The nutritional elements must be listed and quantified. CODEX standards are to be used when no BPOM guidelines exist.
- Clarification of the benefits of the food element is allowed but can not substitute for the quantified list.
- 2. Therapeutic claims relating to benefits in curing a disease or health conditions.
 - Food for the treatment of obesity or diet food may only be identified as such if the caloric value is at least 25% lower than regular food of the same type.
 - Food may be identified as "diabetic food" only if it does not contain carbohydrates or the carbohydrate content is significantly lower than regular food of the same type or the carbohydrate content is stated on the label. Diabetic food may not be labeled "low in sugar" or "free of sugar" if the food contains carbohydrates.
- 3. Claims that a foodstuff has restorative effect. In this respect:
 - It is forbidden to claim that one foodstuff can ensure good health.
 - A claim that a foodstuff constitutes a tonic is not permitted. In general the word "tonic"

should not be used except for "tonic water".

Health claims must be substantiated by legitimate research. Only a functional claim that is not misleading is permitted. Examples of acceptable claims are:

- Calcium aids in the development of strong bones and teeth.
- Protein helps to develop and restore body cells.
- Iron is a factor in red blood cell formation.
- Vitamin E helps protect fat from oxidation.
- Folic acid aids in the development of fetal cranium and spinal cord.

Examples of non-acceptable claims are:

- Food with natural fiber content helps improve health and vitality.
- Food for kids and baby with DHA content helps improve brain cells and intelligence.
- Soy sauce helps to improve IQ.

In addition to the provisions specified for food labeling, the Consumer Protection Act of 1999 contains general provisions against misleading claims. The provisions are wide ranging and apparently give consumers a high degree of protection from unethical business practices. However, enforcement of the provisions is still lax.

Section III. Packaging and Container Regulations:

Packaging is regulated under the Food Act of 1996 as follows:

- Any person producing food for sale is forbidden to use any material that has been banned or can release contaminants that are dangerous or harmful to good health.
- Food for sale is to be packaged using methods that avoid spoiling or contamination.
- The government identifies forbidden packaging materials and methods for packaging certain food.
- If the effects of a packaging material on human health are not known, it can not be used before being checked for safety. New types of material may be used for packing food only after receiving government agreement.
- No person is permitted to unwrap and re-pack food, except in the case of bulk food intended to be packed into smaller packages.

There are no industry regulations or practices applicable to package size. The metric system is used for weights and measures. Waste disposal is not regulated, except as covered in Section VI for time expired food.

BPOM released food packaging guidelines in August 27, 2007 and effective one year after it was signed. This decree lists the materials permitted or prohibited for food package. In addition, Head of BPOM released a regulation on the Controlling the Importation of Food Packaging Material on April 2009. This regulation provide list of approved packaging material for food.

Section IV. Food Additives Regulations:

The Food Act of 1996 states that food additives are not to be used if they have been banned and may not exceed specified limits. Regulation No. 02592/B/SK/VIII/91 issued by the Director General for Control of Food and Medicine, states that all uses of food additives require approval. The regulation details the process to request approval, including sample forms. Approval is the prerogative of the Director of Food Safety Evaluation, BPOM. The regulation states that approval will be based on an assessment according to guidelines prepared by the head of BPOM. Other related regulations concerning food additives include the Head of BPOM decrees of 2008 and 2004, Ministry of Health regulation of 1999, Director

General for the Control of Food and Medicine regulation of 1991, and Director General Control of Food and Medicine decree in 1990. Unfortunately, lists of approved and unapproved food additives are not available in English.

Approved food additives may be used subject to limitations or conditions outlined in the approval. They may also be used in other food products provided that their use does not violate the conditions identified by the government for that product.

Every import of food additives must be reported in writing to the Division of Food Certification, BPOM after the goods arrive in harbor. The report must include:

- The name of the substance and batch quantity and weight.
- The name and address of the importer.
- The name and address of the exporter.
- The name and address of the producer.
- The port and date of loading.
- The port of destination and date of arrival.
- The name, nationality, and registration number of the ship or aircraft carrying the food additive import.
- The name and address of the warehouse and date into storage.
- An outline of any accidents that may have occurred during shipping.

A certificate of analysis for the applicable batch must accompany every import of food additives. The certificate may be issued by the production plant or by the responsible authority in the country of origin. Before the import is cleared from the point of entry the Director of Food Certification, BPOM must agree to the certificate. If a certificate does not accompany an intended import, then a certificate must be requested from the Director of Food Certification before the food additive shipment may enter the country. The certificate must include:

- Date that the sample was taken
- Batch number of the product
- Test date
- Test method
- Statement that the test result was in accordance with criteria for the product

BPOM regulation in 2007 stated that it is not allowed to put information of free of food additive in food label and advertisement. Food additive includes anti oxidant, anti-caking agent, acidity regulator, artificial sweetener, bleaching, emulsifier, stabilizer, thickener, firming agent, preservative, color, flavor and flavor enhancer, and sequestrant. The statement includes the word "free", "without", "not content", or other similar words.

A food additive product from an animal source must also have a certificate of conformity with Islamic purity, "Halal". That certificate is to be issued by the responsible authority in the country of origin.

Food additives produced, imported, or distributed must comply with the Indonesian Food Codex or conditions approved by BPOM. For food additives not listed in the Indonesian Codex, or not having conditions determined by BPOM, then the FAO/WHO Codex Alimentarius Commission, Food Chemicals Codex, or appropriate European or FDA regulation applies.

Section V. Pesticides and Other Contaminants:

Pesticides and other contaminants are positively regulated, in general by the Food Act of 1996 and in detail by a joint decree by the Minister of Health and the Minister of Agriculture, as well as Health Department regulations regarding metal contamination and microscopic organism contamination.

Regarding pesticide residues the joint decree states that:

- The maximum allowable residue for products directly or indirectly consumed by humans is as per the appended list. (Ref: *Keputusan Bersama Menteri Kesehatan dan Menteri Pertanian Nomor: 881/Menkes/SKB/VIII/1996, 11/Kpts/TP.270/8/96*).
- Agricultural products circulated in Indonesia, whether locally produced or imported, are not permitted to contain higher levels of pesticide than those in the list.
- Agricultural products imported with greater than the allowed pesticide residue must be refused.
- Tests for pesticide residue are to be conducted in a laboratory appointed by the Minister of Health or the Minister of Agriculture.
- The Minister of Health and the Minister of Agriculture will monitor and enforce the joint decree according to their tasks and functions.

The list appended to the joint decree includes 218 pesticides and a number of potentially contaminated agricultural products for each pesticide. This regulation can be obtained from Directorate General of Horticulture, Ministry of Agriculture.

There is no provision for use of alternative standards, for example CODEX, for pesticides not listed.

Regulation No. 03725/B/SK/VII/89 issued by the Director General for Control of Food and Medicine specifies maximum allowable levels for heavy metal contamination. The list covers six metals, arsenic, lead, copper, zinc, tin, and mercury. For each element an allowable level is specified for fifteen food classes, for example fruit and fruit products, soft drinks, and meat and derived products. The final category is "other food not listed above" thus making the list comprehensive.

Similarly, Regulation No. 03726/B/SK/VII/89 issued by the Director General for Control of Food and Medicine lists sixteen classes of food and gives allowable limits for specified micro-organisms in the food categories.

Lists giving maximum allowable contamination of pesticide, metal, and microscopic organisms can be obtained from BPOM.

The maximum residue limit of pesticide on fresh food of plant origin is also included in the latest regulation issued by Ministry of Agriculture, No 27/Permentan/PP.340/5/2009 on Food Safety Control over the Import and Export of Fresh Food of Plant Origin which will be put into effect as of August 19, 2009.

Section VI. Other Regulations and Requirements:

In March 2008 (HK.00.05.23.1455), BPOM released a regulation that stated all imported processed food, food raw materials, food additives, processing aids, food ingredients, and others must obtain import approval from the head of BPOM for every shipment. This regulation re enforces the registration of imported food for retail purpose.

The registration process should be conducted by a local agent or importer. Typically, it takes

longer than the officially reported time frame and costs more than the published rate. Detailed requirements from the food manufacture and product samples are needed for the registration process, which can be sent to the local agent or importer.

Please see FAIRS Subject Report: Import Requirement and Procedures for Processed Food at http://www.fas.usda.gov/gainfiles/200903/146347608.pdf to get more information on importation of processed food product.

Product Registration

All imported processed food products must be registered by importer/distributor with BPOM except for:

- Processed food with a shelf life of less than seven days at room temperature.
- Processed food in small quantities for use in registering with BPOM, scientific research, or personal consumption.

Imported processed food for donation purposes is no longer included in this exemption.

While the regulation indicates that small quantities for personal consumption do not require registration, Customs officials decide the quantity permissible and so even small quantities have been seized and subjected to approval procedures.

Registration requires submission of five standard forms in triplicate together with:

- A sample of the food.
- The label (10 copies) and brochure if applicable.
- For repackaged product, the operating license of the Indonesian business involved and a letter of reference from the original production plant.
- For product produced under license, the Indonesian company's license and a letter of reference from the overseas factory.
- For imported products, a reference letter from the overseas factory, a health certificate and a radiation-free certificate in accordance with existing law.

Information required on the forms includes, but is not limited to, the following:

- Form A general information about the food, the name and address of the applicant and the factory or company.
- Form B the composition and quality of the product and its packaging.
- Form C the production process including method of cleaning the inner wrapping and closure.
- Form D quality control and final inspection procedures.
- Form E the documents and substances submitted by the applicant.

Once BPOM has received the submission and officials determine that it is complete, they will issue a Form M8. Incomplete submissions will be returned with Form M9. The cost of the registration process is not published in the regulations. Laboratory tests required would be conducted at a facility nominated by BPOM at the expense of the applicant.

Certificates required for the import of food products include:

- BPOM Approval registration (Form M1 or M2)
- Radiation-free certificate for specific food types (see Section VII below)
- Islamic purity standards "Halal" certificate
- Health Certificate from country of origin (see Section VII below)
- Irradiated Food certificate (see Section VII below)
- Food Additive Analysis certificate (see Section IV above)

In addition, alcoholic liquor has certain requirements based on Ministry of Health regulation No 1700/B/SK/VIII/82 (see Section VII below).

Following consideration, BPOM will issue:

- 1. Form M1 if the registration application is approved
- 2. Form M2 if the registration application is only conditionally approved
- 3. Form M3 if the registration application is rejected

The Elimination of 10 Percent VAT on Imports of Certain Strategic Taxable Goods

On January 8, 2007, The Indonesian Government issued the third amendment to GOI Regulation No. 12/2001 on Imports and/or Delivery of Certain Strategic Taxable Goods which Value Added Tax are exempted. This regulation stated that in order to accelerate the improvement and to increase the competitiveness of the domestic agricultural business industry, GOI is eliminating the 10 percent VAT on the import and delivery of certain strategic taxable goods.

List of Certain Strategic Taxable Goods which the 10 Percent VAT is eliminated

No.	Commodity	Process	Type of Goods
I. ES	TATE CROPS		
2.	Cocoa - Fruit Coffee - Fruit	Picked, ripened, shelled, fermented and unfermented, dried • picked, ripened, shelled, fermented and unfermented, dried	 Dried fermented and unfermented cocoa bean shell, hull, bran, and other residue for animal feed dried coffee beans roasted coffee beans
3.	Palm Oil	 picked, ripened, shelled, fermented and unfermented, dried, roasted picked, taken off from bunches 	 shell, hull, bran, and other residue for animal feed Fresh Fruit Bunches
	● Fruit	 picked, boiled, taken off from 	 Shell, waste, leaves, and

	• Shell	bunches, chopped, pressed, dried, cracked, separated from shell and kernel	residue for feed • Wet/dry shell
4.	Rubber - sap	 sap tapped, coagulated sap tapped, coagulated, ground, and winded sap tapped, coagulated, ground, winded, fused, and preserved 	slabsheetthick latex
5.	Tobacco - leaf	picked, cut, dried,picked, dried, sorted	wet/dried cut tobaccowet/dried toacco sheet
6.	Sugar cane - stalk	felledfelled, cut	sugar cane stalksugar cane shoot
7.	Cotton - cotton balls	picked, dried, lint, carded, combed	 combed carded cotton uncombed and uncarded cotton cotton lint
8.	Jatropha - fruit	picked, crushed	• seed, waste
9. II. ŀ	Coconut fruit husk shell stalk	 picked picked, pried, dried picked, shelled, chopped picked, shelled, dried cut in fresh or preserved 	 fresh coconut copra dried husk dried shell fine hairs of coconut

Fresh, cut, chilled, and frozen fruits (banana, oranges, pomelo, tangerine, citrus, mango, snake fruits, pineapple, star fruits, mangosteen, rambutan, durian, honeydew, watermelon, papaya, jack fruit, lanseh fruit, and juicy tubers)

I. VEGETABLES

Fresh, cut, chopped, chilled leaves, fruits, tubers, and mushrooms vegetables

IV. ORNAMENTAL PLANTS AND MEDICINAL HERBS

1.	Ornamental plants	 In media or without media, packed/unpacked 	 Flowers and leaves ornamental plants in media
2.	Cut ornamental plants	 Picked, cut, soaked in refreshing liquid, bonded, packed, wrapped 	 Packed/unpacked cut flowers and leaves
3.	Medicinal herbs fruits leaf seed tubers skin, stalk, flowers	cut, dried, packed	• fresh, dry
V. FC	OOD CROPS		

1.	Rice	•	cut, husked, separated, dried	•	rice straw hull bran dried rice stalk and waste
2.	Corn	•	dried, dried, chopped	•	wet/dry whole/chopped corn cob wet/dry whole leaf

3.	Peanut - nut	harvested, pulled out, cleaned, dried, cracked, shelled	 wet/dry whole/chopped stalk wet/dry sheet/chopped corn husk fresh peanut dry peanut
4. V. IT	Cassava tuber stalk leaf	 pulled out, cleaned, skinned, dried cut picked, dried 	 dried cassava wet/dry chopped/minced cassava tuber waste stalk wet/dry leaf
1.	Cows, buffaloes, goat/sheep, swine and other livestock skin tongue, tail, muscle, bone liver and other edible offals	 unprocessed slaughtered, skinned, cut, chilled, frozen, packed/unpacked salted, acidified, other preserved salted, boiled 	 parent stock live fresh, chilled, frozen meat carcass, non carcass, fresh, chilled, frozen raw leather and skin, not tanned fresh, chilled, frozen offals
2.	Poultry (chicken, duck, quail, etc) • poultry • eggs	 unprocessed slaughtered, cleaned, whole/cuts, fresh or frozen collected, cleaned, salted, packed 	 live poultry fresh, chilled, frozen meat including feather carcass and non carcass, fresh, chilled, frozen including offals and bone fresh and salted eggs
3.	Dairy cattle • dairy cattle (milk)	 milked, chilled, heated, unsweetened, contained no additives, packed, unpacked 	 fresh, pasteurized, concentrated, unsweetened, contained no additives, cold

To comply with the Minister of Health decree concerning expired food, BPOM issued circular letters Number 0018/BB/EM/4.4/IV/90 and Number 0026/BB/EM/4.4/V/90 (implemented on August 1990) that outline the expiry dates for imported package food products as follow:

Product shelf life	Arrival at the destination port must be:
>= 2 years	1.5 years before the expiry date
1 year	8 months before the expiry date
6 months	4 months before the expiry date
3 months	2 months before the expiry date

Section VII. Other Specific Standards: Genetically Modified Organism (GMO's)

To bring Indonesia into compliance with the 2004 Cartagena Protocol, some regulations are needed. The GOI issued the regulation on Bio-safety of Transgenic Products in 2005. In order

to implement the regulation, the President must sign the Government Regulation on Establishing the Committee of Bio-safety on Transgenic Products. Unfortunately the expected time frame for establishing the committee has been pushed back several times, and is subject to change. In 2008 the GOI released the new regulation concerning the guidelines for food safety assessment of transgenic products.

The previous process for approving GMO's is defunct and labeling requirements that have been issued are not enforced. Those regulations not currently enforced state that any producer using genetic engineering must ensure that the product is safe for human consumption before distribution. In terms of labeling requirements for GMO's: 1) The words GENETICALLY ENGINEERED FOOD shall be contained in labels of food resulting from genetic engineering; 2) For processed foods containing genetically modified ingredients, identifying the genetically modified product in the ingredient list is sufficient. It's reported that the GOI are still revising the labeling regulation for packaged retail foods that contain transgenic products.

Processed Organic Food

BPOM issued an organic food monitoring regulation in January 2008 and it was effective in July 2009. The processed organic food, that is already in the market but does not meet the new requirements, must comply with the regulation within six months.

Processed organic food must fulfill food safety, quality, nutrition, label and advertising requirements. Processed organic food includes product from fresh organic food with or without food additives and other approved materials. Imported organic foods and fresh organic foods for processing must be accompanied by a certificate from an institution in the country of origin that is accredited by an authority recognized by Center for Standardization and Accreditation in Ministry of Agriculture of Republic of Indonesia.

Processed food can be labeled organic if it contains at least 95 percent organic food material by weight or volume and excludes added water or salt.

Processed food containing irradiated or genetically modified materials, including raw materials and food additives, can not be labeled organic. Processed food that fulfills processed organic food requirements can have the word "organic" and the "Organik Indonesia" logo on the label and advertisements.

Fresh Fruit And Vegetables

On January 27, 2006, the Minister of Agriculture issued a decree on the requirements and plant quarantine actions for the importation of fresh fruit and vegetables into the territory of the Republic of Indonesia No. 37/Kpts/HK.060/1/2006. The purpose of this rule is to ensure

that fresh fruit and vegetables are free from fruit flies. A plant phytosanitary certificate from the country of origin or country of transit and entry through the specified seven ports is mandatory. Importation of fresh fruit and vegetables originating from pest free producing areas must be declared in the Additional Declaration section of the plant phytosanitary certificate that accompanies the shipment. Importation from production areas not pest-free must be given a treatment that may take the form of cold treatment with temperature appropriate for fresh fruit and vegetables and for the prevention of the appropriate pest. The treatment must be declared in the treatment section of the phytosanitary certificate. Imported fresh fruit and vegetable treatments were identified in the Head of the Agricultural Quarantine Agency Decree No. 53/Kpts/HK.060/3/06 of March 2006.

Following is the imported fresh fruit and fresh vegetable allowable treatment:

- 1. Cold treatment for
 - a. Mediterranean fruit fly (Ceratitis capitata Wied) and Anasrepah spp, Rhagoletis spp

Temperature	Duration (days)
0.0°C (32°F)	12
0.55°C (33°F)	13
1.1°C (34° F)	14
1.6° C (35° F)	16
2.2° C (36° F)	16

b. Queensland fruit fly (Bactrocera tryoni Frogg) and Bactrocera spp, Rioxa spp

Temperature	Duration (days)
0.0°C (32°F)	13
0.55°C (33°F)	14
1.1°C (34° F)	15

- 2. Vapor Heat Treatment (VHT) for
 - a. Mediterranean fruit fly (Ceratitis capitata Wied) and Bactrocera spp

Temperature	Duration (minutes)
44.4° C (112° F)	525

b. Anastrepha spp

Temperature	Duration (minutes)
43.3° C (110° F)	360

3. Fumigation with Methyl Bromide (CH3Br)

For all type of fruit files

Dose	Temperature	Duration (minutes)
32 gram per m3	≥ 21 ⁰ C	120
40 gram per m3	≥16 ⁰ -20 ⁰ C	120
48 gram per m3	$\geq 11^{0}$ -15 0 C	120

In December 2006, the Head of the Agricultural Quarantine Agency released decree No. 348/Kpts/PD.540.220/12/06 to establish California as a free area for Mediterania fruit fly (Ceratitis capitata) in the United Sates.

In an August 2008 letter, the Director General of Indonesian Agricultural Quarantine Agency clarified that in-transit cold treatment is acceptable for all kinds of fruits and that the treatment must be identified in the Additional Declaration on the phytosanitary certificate. The statement should be: "The cold treatment is conducted during in-transit and monitored by time and temperature recorder(s) in order to meet the requirements of IAQA (Indonesian Agricultural Quarantine Agency).

An "Import plan" for fresh fruit and vegetables that indicates the amount, type of product, brand, type of packaging, type of transportation, container information, country of origin, entrance port, and transit location should be submitted to the Head of Operational Plant Quarantine with attention to the Unit Head of Operational Plant Quarantine in the destination port prior to the loading of the goods in the country of origin.

Halal Certification

Islamic purity or "Halal" is important to a large portion of the Indonesian population. Indonesia requires that imported meat products, except pork, be accompanied by halal certificate issued by an approved halal certifying body in the United States.

MUI on March 6, 2009 released the new list of approved halal certifying bodies, which will go into effect on October 1, 2009. Different from the current list, the new list groups the Halal Certifying Bodies only into three categories:

- halal for cattle slaughtering;
- halal for the processing industry;
- halal for flavorings.

The approved halal certifier bodies in the United States are as follows:

For cattle slaughtering house

No.	Name of Halal Certifier Body	Approval Status
1.	Islamic Information Center of America (IICA), Des Palines, IL	Yes
2.	Halal Transaction of Omaha, Omaha, NE	Yes
3.	Islamic Services of America (ISA), Cedar Rapids, IA	Yes
4.	Halal Food Council S.E.A., Salisbury, MD	Yes
5.	American Halal Foundation (AHF), Boling Brook, IL	Yes

For the processing industry

No.	Name of Halal Certifier Body	Approval Status
1.	Islamic Information Center of America (IICA), Des Palines, IL	Pending
2.	Halal Food Council S.E.A., Salisbury, MD	Pending

3.	Islamic Food and Nutrition Council of America (IFANCA), Chicago, IL	Yes
4.	American Halal Foundation (AHF), Boling Brook, IL	Pending
5.	Islamic Services of America (ISA), Cedar Rapids, IA	Yes

For Flavoring

No	Name of Halal Certifier Body	Approval Status
1.	Islamic Information Center of America (IICA), Des Palines, IL	Pending
2.	Islamic Food and Nutrition Council of America (IFANCA), Chicago, IL	Pending

Based on the new list there are no Halal certifier bodies that are approved for halal certification for U.S. poultry products.

"Halal slaughtering of poultry" is defined as the slaughtering of poultry by a Muslim butcher who is physically and spiritually healthy and who performs his duties pursuant to Muslim procedures set forth in the Codex Alimentarius Commission, CAC/GL 24-1997.

Health Certificates

A health or safety certificate from the country of origin must accompany all food imports. The certificate is to be issued by the responsible authority in the country of origin or the exporting country. It should state that the food is safe or fit for human consumption, and that its distribution is permitted in the country of origin.

Alcoholic Beverages (Wine and Spirits)

Alcoholic beverages are strictly controlled and subject to high rates of excise. The requirements for obtaining approval for importing alcoholic liquor are stated in several Ministerial and Departmental documents that should be researched before contemplating the export of alcohol to Indonesia.

Only one government owned company is permitted to import alcoholic beverages since the middle of 2007.

Alcoholic beverages are classified into three categories:

- A is for alcoholic beverages with 1-5% ethanol (C2H5OH) content;
- B with 5-20% ethanol; and
- C with 20-55% ethanol.

The government controls the production, importation, distribution and selling of alcoholic beverages in category B and C. The Minister determines the type and the amount of the products to be imported. Distributors and sub distributors of categories B and C can only be sold to hotels, certain restaurants, bars, pubs, night clubs, and other places as assigned by a

mayor or head of district. The duty free shop is the only outlet that is allowed to sell B and C category products in package sizes smaller than 187 ml. Ministry of Health regulation No 1700/B/SK/VIII/82 stated that alcoholic beverages in category A and B sold in packaging smaller than 200 ml and products in category C sold in packaging smaller than 250 ml can not be registered.

Irradiation Certificates

A certificate stating that the product is not contaminated by radiation greater than the level stated is required to accompany imports of the food types listed below:

- Milk and milk products: Cs137 150 Bq/kg
- Fresh or processed fruit and vegetables: Cs137 300 Bq/kg
- Fish and seafood both fresh and processed: Cs137 100 Bg/kg
- Meat and meat products: Cs137 100 Bq/kg
- Mineral water: Cs137 150 Bg/kg
- Cereals including corn flour and barley: Cs137 300 Bg/kg

The radiation compliance certificate is to be issued by the responsible authority in the country of origin or exporting country.

Food products that may be irradiated are as follows:

- Dry spices to prevent or retard insect infestation.
- Tubers and root crops (potatoes, onions, garlic) to retard sprouting.
- Grain cereals to prevent insect infestation.

Irradiated food must be labeled as such, using the specified green logo and the word "RADURA: PANGAN IRADIASI". A certificate that states the following information for the batch must accompany the food:

- That the food has been irradiated
- Objective of the irradiation
- National or international code of the radiation facility
- Date of treatment
- Radiation source used with the type, quantity and batch number of the food irradiated

Others

- Milk products have special regulations
- Baby food has special regulations
- Food sanitation laws are contained in the guide to good food processing
- Animal quarantine regulations for live animals vary and should be consulted before

Section VIII. Copyright and/or Trademark Laws:

Indonesian copyright law was released in 2002; patent and trademark laws were released in 2001. In November 2007, Indonesia was moved from the U.S. priority watch list to the U.S. watch list for protection of intellectual property.

In general a copyright is valid for 50 years and a patent is valid for 10 to 20 years.

A trademark should be registered at the Directorate General for Intellectual Property Rights in the Ministry of Justice and Human Rights. Generally, the process requires over 1 year to complete.

Once registered, trademarks have to be extended every 10 years.

Section IX. Import Procedures:

Importer must obtain an import permit (SPP) or import recommendation before product is shipped. Directorate General of Livestock in the Ministry of Agriculture is responsible for issuing SPP for animal-based processed food, where as an import recommendation for the remaining processed food products and food additive are issued by BPOM.

Import documents may be prepared in English, but the level of comprehension by officials is limited. As an example, Customs would not accept the term "cartage" on an invoice as meaning a freight charge because "cartage" is not in the most widely used English-Indonesian dictionary.

Documents should be concise, with simple language, and complete. If all documentation is complete, customs clearance can be finished as early as two days. Incomplete documentation could result in delays of several weeks.

Standard documents, such as invoices, regularly used in the domestic market, may not be suitable for imports. For example, invoices that show a list price, a discount percentage, and a total price charged will result in the duty being levied based on the price before discount, because the list price is the "correct" price.

A determination by a government official can be appealed. However, the official's determination would invariably be couched in terms of the current legislation and hence would be unlikely to be over-ruled. Indonesian Courts give judgments on the basis of perceived justice, and are not strictly bound by precedent. Hence decisions have a degree of inconsistency and unpredictability.

Rice

Imports of specialty rice such as rice for medicinal purposes, 100 percent broken rice, and some other types of rice not produced in Indonesia are allowed only after obtaining approval from the Ministry of Trade based on a written recommendation from the Ministry of Agriculture.

Sugar

The May 29, 2008 amendment to the Minister of Industry and Trade decree No. 527/MPP/Kep/9/2004 states that plantation white sugar (semi-refined, HS No. 1701.91.00 and 1701.99.90) must have ICUMSA ranging from 70 IU to 200 IU. Semi-refined sugar may only be imported by the four importers registered with the Ministry of Trade if the farm gate price of semi-refined sugar is above Rp. 5,000/kg and if the domestic production or supply of semi-refined sugar is not sufficient to meet demand. Imports are strictly prohibited one month prior to, during, and two months after the season when local cane is milled. The beginning and end of the milling seasons is determined by the Minister of Agriculture. The Minister of Trade has the flexibility to appoint other importers of semi-refined sugar when needed to support the domestic price and to maintain the national semi-refined sugar stock.

The Directorate General of Foreign Trade in Ministry of Trade must approve the volume of sugar, type of sugar, ports of destination and the valid period of import of sugar imported by ITs. In addition, a surveyor appointed by the Minister of Trade must inspect the shipment in the country of origin. The report will be part of import documentation. The surveyor fees may be borne by the importer. Inspections are not required for imports of sugar intended for research and technological development, samples, promotion, carried as personal belongings, and packages of sugar sent via aircraft.

While the Director General in the Ministry of Trade is responsible for approving importers and imports, importers are still required to submit monthly reports to the Directorate General for Import, Ministry of Trade with the copies to the Directorate General for Chemical Industry, Agro, and Forest Products of the Ministry of Trade and to the Directorate General for Estate Crop Productions in the Ministry of Agriculture.

Seed

Indonesian seed import procedures are mainly regulated based on the Minister of Agriculture Regulation No. 37 and 38/Permentan/OT.140/8/2006 issued on August 31, 2006. Following is the summary of the regulations:

Every seed variety proposed to be released in Indonesia must undergo an adaptation test for seasonal crops or observation test for annual crops. Before conducting the test, the requestor must report to the National Seed Agency (BBN), which evaluates tests and reports the results to the Minister of Agriculture. After completing the test, the license from the variety holder must be attached to the introductory varieties, the parent seed description must be attached to the hybrid varieties, and genetically modified organism must meet bio-security requirements.

All written proposals for tested and named variety releases must be submitted to the Minister of Agriculture through BBN. For every introductory hybrid variety, it must be documented that the seed can be produced in Indonesia, and must have attached a guarantee letter from the seed release requestor containing a statement that the F1 hybrid seed will be produced in Indonesia within two years after the date of the release.

Based on the BBN recommendation, the Minister of Agriculture can release the variety to the market or reject the variety. A released variety will be published in a Minister Decision letter on variety release, while the seed release requestor of a rejected variety will be informed in a written notification containing the refusal reason. An already released variety can be withdrawn from the market if it is proven to spread new and dangerous pests or disease and cause some loss to the environment and the community.

The Minister of Agriculture must provide a license before seed can be imported.

To acquire an import license for research purposes, the seed must meet the following requirements:

- The amount of seed or parent seed is limited to the amount required for research as stated in the summary of the research proposal.
- The seed or parent seed is not currently available in Indonesia
- Must be accompanied by a seed description
- Must comply with the plant quarantine law.

The Head of the Agricultural Research and Development Agency will issue the import license for research purposes and must receive a report from the importer after the product has been shipped.

Other seeds must meet the following requirements:

- The variety must be of good quality, be unique, and have a specific use.
- The amount is limited to what is needed for the seed release preparation.
- If the seed has already been released in the Indonesian market but the amount is not sufficient to meet domestic demand or the propagation cannot be conducted in Indonesia.
- Must comply with plant quarantine law.

The import license for non-research purposes will be issued by the Director General of each crop (Horticulture, Food Crops, and Estate). The import license can be used for:

- variety release preparation
- F1 seed procurement
- plant observer needs
- export objective needs

Imports of transgenic seeds for non-research purposes must pass bio-security and food security tests.

The Head of the Agricultural Research and Development Agency and the Director General of each crop who will issue the import license will coordinate with the Head of the Agricultural Quarantine Agency.

To acquire a seed import license, an importer must first submit a written request to the Head of the License and Investment Center (PPI) complete with the Information Required for Seed Introduction/Importation to Indonesia form. The Head of the License and Investment Center will forward the request to each Directorate General or the Head of Agricultural Research and Development Agency as appropriate within 3 working days after receiving the importer request. The decision to accept, postpone or reject the import request will be issued within 10 working days after they receive the request from the Head of PPI. If no notification is received by an importer after 10 working days, it means that the import license request is accepted. The seed import license will be valid for six months, and import must be completed within that period of time.

The importer must submit the seed or parent seed import license to quarantine officials at the entrance point. The seed or parent seed importer must:

- have a dated record of the imported seed and must keep the record for one year.
- report to the Head of the Agricultural Research and Development Agency or Director General with a cc to the Head of PPI on the import progress.

In addition to this regulation, the Decision of the Head of the Agricultural Quarantine Agency

No. 152/Kpts/PD.540/L/8/03 states that the import of seed must be:

- accompanied with a Phytosanitary certificate from the country of origin and transit country
- through the determined entrance point
- reported and delivered to Plant Quarantine Officials at the entrance point for quarantine treatments
- accompanied with an Import License form the Ministry of Agriculture or appointed officials
- accompanied by the original copies of the phytosanitary and import licenses, copies of the invoice, packing list, and airway bill or bill of lading to be produced for review by Quarantine Officials

Although no Indonesian quarantine lab has been accredited by ISTA, the Ministry refers to the International Standard for Phytosanitary Measures from the United Nations Food and Agriculture Organization for quarantine inspections and actions. Reportedly, there have been cases where Indonesian lab results indicated the presence of a seed-borne disease not typically found on that seed. There have also been reports that certain pests or diseases declared absent on the phytosanitary certificate was found during the test in the Indonesian lab. When such a case occurs all of the imported seed must be burned, with no chance for re-export.

Meat and Poultry Products

An Import Permit (SPP), issued by the Director General of Livestock Services (DGLS), must accompany every import of poultry and meat. In a letter, requesting the certificate, importers must indicate the product being imported, quantity, and destination (restaurant, hotel, wet market, etc.).

Appendix I. Government Regulatory Agency Contacts: Ministry of Finance

<u>Directorate General for Customs and Duties</u>
Jalan Jend. A. Yani / By Pass
Jakarta

Tel: +6221-489-7511 Fax: +6221-489-0308

Homepage: http://www.beacukai.go.id/

Products regulated: Tariff

Ministry of Agriculture

Directorate General for Food Crops Jalan AUP Pasar Minggu, Kotak Pos 97 Jakarta 12520

Tel: +6221-780-6810 Fax: +6221-780-6309

Homepage: http://www.deptan.go.id/

<u>Directorate General for Livestock Services (DGLS)</u>

Building C, 6th Floor Jalan Harsono RM No. 3, Ragunan Pasar Minggu Jakarta 12550

Tel: +6221-781-5580 Fax: +6221-7815581

Homepage: http://www.ditjennak.go.id/

Products regulated: animal-based food

Agency for Agricultural Quarantine

Building E, 5th Floor Jalan Harsono R.M No. 3 Ragunan, Jakarta 12550

Tel: +6221-781-6483 Fax: +6221-781-6483

Homepage: http://karantina.deptan.go.id/
Products regulated: fresh fruit and vegetable

Ministry of Trade

<u>Directorate General for Foreign Trade</u>

Building I, 4th Floor

Jalan M.I. Ridwan Rais No. 5

Tel: +6221- 385-8204, 386-0940 Fax: +6221-385-8191

Homepage: http://www.djdaglu.go.id/ Products regulated: rice and sugar.

Ministry of Industry

<u>Directorate General for Agro and Chemical Industry</u>

Jalan Gatot Subroto No. 52-53, 18th Floor

Jakarta 12950

Tel: +6221-525-5861/5509 ext 4061/62 Fax: +6221-525-2450/5861

Homepage: http://www.depperin.go.id/

Products regulated: sugar

National Agency of Drugs & Food Control - BPOM

Deputy III for Dangerous Materials and Food Safety Control

Jl. Percetakan Negara No. 23

Jakarta 10560

Tel: +6221-425-3857 Fax: +6221-425-3857

Homepage: http://www.pom.go.id

Products regulated: package food for retail and further processed includes food additive and

processing aids.

National Standardization Agency - BSN

Chairman

Manggala Wanabakti Building, Block IV, 4th Floor

Jl. Jend. Gatot Subroto, Senayan

Jakarta

Tel: +6221-574-7043 Ext. 104 Fax: +6221-574-7045

Homepage: http://www.bsn.go.id/

Products regulated: products standardization

The Indonesian Council of Ulama - MUI

Chairman

Jl. Proklamasi No. 51

Menteng

Jakarta Pusat

Tel/Fax: +6221-391-8915

Homepage: http://www.mui.or.id/mui in/index.php

or

Kampus IPB Baranangsiang

Jl. Raya Pajajaran

Bogor

Tel: +62251-8358-748 Fax: +62251-8358-747

Homepage: http://www.halalmui.org

Products regulated: halal food

Appendix II. Other Import Specialist Contacts: The Indonesian Food & Beverage Association - GAPMMI

Chairman

Building F, 2nd Floor, Room 224A

Ministry of Agriculture Jl. Harsono RM No. 3

Jakarta 12550

Tel: +6221-7032-2626/27 Fax: +6221-780-4347

Email: gapmmi@cbn.net.id

Homepage: http://www.gapmmi.or.id/

The Indonesian Food Manufacturer Association - ASPIPIN

Chairman 1

c/o PT Olaga Sukses Mandiri Sudirman Tower, 10th Fl. Jl. Jend. Sudirman Kav. 60

Jakarta 12190

Tel: +6221-522-3344 Fax: +6221-522-3444/522-4747

Email: <u>alhami@indosat.net.id</u>

The Indonesian Cold Chain Association - ARPI

Chairman

Graha Mustika Ratu Building, Mz Floor

Jl. Gatot Subroto Kay 74-75

Jakarta 12870

Tel: +6221-830-6609 Fax: +6221-830-6609

Email: arpi@arpionline.org; arpi@cbn.net.id

Association of Indonesian Fresh Fruit and Vegetable Importers (ASSIBSINDO)

Chairman

Jl.Kemang Raya No. 1 Kebayoran Baru Jakarta 12730

Tel: +6221-721-1358 Fax: +6221-721-1357

E-mail: biangpenasaran@cbn.net.id

Indonesian Consumer Organization - YLKI

Chairperson

Jalan Pancoran Barat VII No. 1 Duren Tiga, Pasar Minggu Jakarta 12760

Tel: +6221-798-1858 Fax: +6221-798-1038

Email: konsumen@rad.net.id; Homepage: www.ylki.org

Association of Flourmills - APTINDO

Chairperson

Daniprisma Building, 3rd Floor Jl. Sultan Hasanuddin No. 47-48

Jakarta 12160

Ph: +6221-7279-7843 Fax: +6221-720-6008

Email: aptindo@rad.net.id

Association of Meat Importers - ASPIDI

Chairman

Wisma BNI 46, 9th Floor

Suite 9.05 Jakarta

Ph: +6221-574-2103 Fax: +6221-574-2104

Email: asp-1984@cbn.net.id

American Soybean Association - ASA

Indonesian Representative C/O PT Swaco Prima Windutama Wisma Mitra Sunter #402 Block C-2 Jl. Yos Sudarso Kav. 89

Jakarta 14350

Ph: +6221-651-4752 Fax: +6221-651-4753

Email: asagrain@indosat.net.id

US Wheat Associates

Indonesian Representatives C/O HBS & Associates Jl. Saung Gintung No. C-2, Cirendeu

Jakarta 15419

Ph: +6221-749-1455 Fax: +6221-749-1455

Email: hbsuta@indo.net.id

Regional COOPERATORS who also cover Indonesia:

USA Poultry & Egg Export Council

#15-04 Liat Towers 541 Orchard Road Singapore 238881

Ph: +65-6797-1726 Fax: +65-6737-1727

Email: <u>usapeec sing@pacific.net.id</u>

U.S. Meat Export Federation

#15-03 Liat Towers 541 Orchard Road Singapore 238881

Ph: +65-6733-4255/56 Fax: +65-6732-1977

Email: singapore@usmef.com.sg

U.S. Wheat Associates

#15-02 Liat Towers 541 Orchard Road Singapore 238881

Ph: +65-6737-4311 Fax: +65-6733-9359

Email: msamson@uswheat.org

U.S. Potato Board

48 Toh Guan Road East #02-129 Enterprise Hub Singapore 608586

Ph: +65-6515-6113 Fax: 65-6278-4372

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