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Date: 7/3/2012

GAIN Report Number: ID1219

Indonesia

Post: Jakarta

Postponement of the Minister of Trade Regulation No 30 2012

Report Categories:

Agricultural Situation

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Report Highlights:

On June 15, 2012, the Indonesian Ministry of Trade announced via a press release the postponement for the implementation of Regulation No. 30/2012 from June 15, 2012 to September 28, 2012. As a result, the Ministry of Agriculture's corresponding regulation, No. 30/2012, will also be delayed.

General Information:

On June 15th, 2012 the Ministry of Trade (MOT) office released an official press release delaying of the implementation of Regulation No 30/2012. MOT's regulation corresponds to the Ministry of Agriculture's Regulation No. 3/20122, which regulates imports of fresh and processed horticulture products. This press release has the effect of postponing the requirements designated in Regulation #30. Since Regulation #30 is required for implementation of Regulation #3, those requirements are postponed as well.

Below is complete the Press Release from MOT:

PRESS RELEASE

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Horticulture Imports Regulation Effective Date Postponement

Jakarta, June 15th, 2012 – The government has postponed the enactment of Regulation of Minister of Trade Number 30/M-DAG/PER/5/2012 on Provisions for Importing Horticulture Products that was formerly to be effective from June 15th, 2012 and now the regulation is postponed to be effective from September 28th, 2012.

The Director General of Foreign Trade, Deddy Saleh, today on Friday (6/15) explained the three main reasons for the postponement of this Regulation No. 30/2012. Firstly, more time is needed to disseminate this regulation to allow all stakeholders to better understand this regulation on importing horticulture products, including the government officials, the importers and the exporters as well as the vendors of the horticulture product.

Secondly, the postponement is aimed to provide the importers sufficient time to prepare the infrastructure that is necessary for storing the products such as cold storage, warehouse, and transportation vehicles equipped with refrigeration. Besides that, the importers would have more time to appoint a distributor and fulfill the terms and condition for the business licensing.

Thirdly, the government needs more time to provide a notification of this Regulation to the World Trade Organization (WTO). "This notification is proof of Indonesia's commitment towards WTO's rules that have been ratified by Indonesia as a Law enacted in Indonesia," said Deddy Saleh.

Furthermore, The Director General of Foreign Trade explained that with the postponement of this Regulation No. 30/2012, the Ministry of Trade has coordinated with the Directorate General of Customs and Excise of the Ministry of Finance, and the Agriculture Quarantine Agency of the Ministry of

Agriculture, on June 15th, 2012, so that the imported horticulture products that do not have an import clearance shall not be suspended at the port.

The Regulation of MoT No. 30/2012 on the Provision of Importing Horticulture Products in Brief

The Indonesian Ministry of Trade, on May 7th, 2012, issued the Regulation of Minister of Trade Number 30/M-DAG/PER/5/2012 on Provisions for Importing Horticulture Products. This Regulation is based on Law Number 13 of 2010 on Horticulture, which obligates the importers of horticulture products to ensure the safety aspect of the imported food, the stock availability of the domestic products, the production and consumption target of the horticulture products. In addition the importers must also meet the standards for packaging and labeling and the requirements for safety and protection for the health of humans, animals, plants and the environment.

It is also set forth in this regulation that every import of horticulture products must obtain an approval from the Ministry of Trade as recommended by the Ministry of Agriculture through its Horticulture Product Imports Recommendation (RIPH – *Rekomendasi Impor Produk Hortikultura*).

Further, imported horticulture products are required to be labeled and packaged using food grade and recyclable packaging. It is aimed as consumers' protection, which consumers could obtain complete and correct information through the labels and could consume safe and environmental friendly products.

In the past recent years, the import of horticulture products has significantly increased. In 2008, the value of imported horticulture products reached USD 881.6 million, while in 2011 the import value reached USD 1.7 billion. The largest value of horticulture products is from garlic worth USD 242.4 million, apples worth USD 153.8 million, oranges/mandarins worth USD 150.3 million and grapes worth USD 99,8 million. Meanwhile, the largest exporting countries of horticulture products to Indonesia in 2011 are China, Thailand and the United States.

The horticulture commodities regulated under this Regulation include decorative plants, such as orchids and chrysant; fresh horticulture, such as shallots, vegetables and fruits (carrots, radishes, bananas, potatoes, chili, oranges, apples, grapes, papaya); and other processed horticulture products such as processed vegetables and fruits and fruit juice.

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