

**DECREE OF THE MINISTER OF INDUSTRY AND TRADE
NO. 756/MPP/Kep/12/2003 DATED DECEMBER 31, 2003**

**ON
IMPORT OF NON-NEW CAPITAL GOODS**

**THE MINISTER OF INDUSTRY AND TRADE
OF THE REPUBLIC OF INDONESIA**

- Considering : a. that, with regard to the nearly expired time for the implementation of the policy on import of non-new machinery and machinery equipment as set forth in Decree of the said minister No. 756/MPP/Kep/11/2002, while, in fact, economic condition of Indonesia has not been conducive, and, therefore still requires a breakthrough to support the smooth flow of distribution of goods and the procurement of productions facilities for users of capital goods with small purchasing power, it is necessary to continue the policy on import of machinery and machinery equipment;
- b. that, in the framework of encouraging of the policy, as set forth in paragraph a, more entirely, the understanding of "machinery equipment" has been broadened to "capital goods";
- c. that, for that purpose, a Decree of the said minister has to be issued.
- In view of : 1. Law No. 3/1982 on Obligatory Registration of Companies (Statute Book of 1982 No. 7, Supplement to Statute Book No. 3214);
2. Law No. 5/1984 on Industrial Affairs (Statute Book of 1984 No. 22, Supplement to Statute Book No. 3274);
3. Law No. 14/1992 on Traffic and Road Transportation (Statute Book of 1989 No. 49, Supplement to Statute Book No. 3480);
4. Law No. 10/1995 on Customs Affairs (Statute Book of 1995 No. 75, Supplement to Statute Book No. 3612);
5. Law No. 8/1999 on Consumer Protection (Statute Book of 1999 No. 42, Supplement to Statute Book No. 3821);
6. Government Regulation No. 17/1986 on Industrial Regulating, Development, and Improvement Authorities (Statute Book of 1986 No. 23, Supplement to Statute Book No. 3330);
7. Government Regulation No. 44/1993 on Vehicles and Drivers (Statute Book of 1993 No. 64, Supplement to Statute Book No. 3530);
8. Government Regulation No. 13/1995 on Industrial Business Permit (Statute Book of 1995 No. 25, Supplement to Statute Book No. 3596);
9. Presidential decree No. 260/1997 on Confirmation of Duties and Responsibilities of Minister of Industry and Trade in the field of Foreign Trading;

10. Presidential decree No. 228/M/2001 on Establishment of Gotong Royong (Mutual Cooperation) Cabinet;
11. Presidential decree No. 102/2001 on Status, Duties, Functions, Authorities, Organizational Structures, and Work Procedures of Departments;
12. Presidential Decree No. 109/2001 on Organizational Units and Echelon I of Departments;
13. Decree of the said minister No. 229/MPP/Kep/7/1997 on General Provisions for Import;
14. Decree of the said minister No. 230/MPP/Kep/7/1997 on Goods, which Procedure of Import is Rules as amended several times and latest by Decree of the said minister No. 478/MPP/Kep/7/2003;
15. Decree of the said minister No. 275/MPP/Kep/6/1999 on Motorized Vehicle Industry;
16. Decree of the said minister No. 276/MPP/Kep/6/1999 on Registration of Type and Variety of Motorized Vehicles;
17. Decree of the said minister No. 589/MPP/Kep/10/1999 on Stipulation of Types of Industry under Development of Each Directorate General and Authority to Grant Permit in the Fields of Trade and Industry within the Department of Trade and Industry;
18. Decree of the said minister No. 86/MPP/Kep/3/2001 on Organization and Work Procedure of Department of Trade and Industry;
19. Decree of the said minister No. 40/MPP/Kep/1/2003 on Importer's Identification Number (API).

DECIDES :

To stipulate : **DECREE OF THE SAID MINISTER ON IMPORT OF NON-NEW CAPITAL GOODS.**

Article 1

In this Decree, the meaning of :

1. Industrial Business Permit is a license issued by the said minister or other Ministers as set forth in Government Regulation No. 17/1986, or by Head of the Capital Investment Coordinating Board, or other official authorized in accordance with the laws in force.
2. Business Permit is a license issued by the Minister or by an official authorized by the Minister responsible in the field of transportations service or tourism or fisheries o plantations or forest or mining or constructions business.

3. Recondition Company is a company that renders recovery, repair, and maintenance services for non-new capital goods.
4. Direct User is a company which business is in the field of industry, transportation service, tourism, fishery, plantation, forestry, mining, and construction.
5. Non-New Capital Goods are capital goods, which are still proper to be used or to be reconditioned for refunctioning (non scraps).
6. Surveyor is a surveyor of the Indonesian government and or other surveyor being member of IFIA (International Federation of Inspection Agency) appointed by the Minister.
8. Minister is the Minister of Industry and Trade.

Article 2

- (1) Non-new capital goods shall only be imported by :
 - a. Direct users that have had an industrial business permit or business permits for the process of production of their industries or for self-use.
 - b. Recondition company that has had an industrial business permit for the businesses of recovery, repair, and maintenance of non-new capital goods.
- (2) Non-new capital goods which can be imported by the companies, as set forth in paragraph (1), are included in HS Nos. 82, 84, 85, 86, 87, 88, 89 and 9009, except those, which import is prohibited, as set forth in Appendix I of this Decree.
- (3) The companies, as set forth in paragraph (1), which can import non-new capital goods, must have :
 - a. Industrial business permit or reconditions industry business permit or business permit for transportation service or fishery or plantation or forestry or mining or construction;
 - b. Taxpayer's Code Number (NPWP);
 - c. Limited Importer's Identification Number (APIT) or General Importer's Identification Number (API-U) or Importer & Producer's Identification Number (API-P);
 - d. Company Registration Certificate (TDP).
- (4) Recondition companies and direct users that still possess a principal approval, shall only import non-new capital goods according to what is required in the framework of development of their industries.

Article 3

- (1) The import of non-new capital goods, as set forth in Article 2 paragraph (2), must obtain prior import approval from the Director of Import of the Department of Industry and Trade accompanied with the requirements as set forth in Article 2 paragraph (3).
- (2) The Director of Import of the Department of Industry and Trade shall issue the import approval, as set forth in paragraph (1), or shall issue rejection against the request for

import, with ten (10) working days since date of receipt of such request from the companies, as set forth in Article 2 paragraph (1), at the latest.

Article 4

- (1) The import of non-new capital goods, as specified in Article 2 paragraph (2), must be completed with a Certificate of Inspection from the surveyor who declares that such capital goods are still proper to be used or reconditioned for re-functioning (non scraps) and information regarding technical specifications.
- (2) The implementation of survey by the surveyor is in the framework of issuance of Certificate of Inspection in the country of loading.

Article 5

Exemptions from the provisions of this Decree shall only be stipulated by the said minister or by an appointed official.

Article 6

The companies, as set forth in Article 2 paragraph (1) who violate the provisions of this Decree, shall be imposed by the sanctions specified below :

- a. Revocation of General Importer's Identification Number (API-U) or Importer & Producer's Identification Number (API-P) or Limited Importer's Identification Number (APIT);
- b. Sanctions for criminal acts in accordance with the laws in force.

Article 7

Technical matters, which have not been set forth in this Decree, will be stipulated by the Director General of Foreign Trading of the Department of Trade and Industry.

Article 8

All provisions contained in Decree of the said minister No. 756/MPP/Kep/11/2002 and all of the legal consequences arising therefrom shall be declared applicable until effective date of this Decree.

Article 9

This Decree shall be in effect from January 1, 2004 and will terminate on December 31, 2005.

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

Stipulated in Jakarta
On December 31, 2003

THE MINISTER OF INDUSTRY AND TRADE
sgd.
RINI M SUMARNO SOEWANDI

Appendix I

NON-NEW IMPORTABLE CAPITAL GOODS

NO.	HS NO.	DESCRIPTION OF GOODS	SPECIFICATION
1	2	3	4
1.	8201.10.000	hand equipment, shovels, spades for digging, beliung (tools that look like an axe), hoes, plows, axes, etc.	All types and sizes
2.	8203.	Files, graters, pincers, tweezers, zinc cutters, cutters, pipe cutters, clamps, and similar sharp tools	All types and sizes
3.	8212.	Razors and safety razors	All types and sizes
4.	8213.	Scissors, sewing scissors, similar scissors, and cutting edge of a knife used as scissors	All types and sizes
5.	8215.	Spoons, forks, big spoons, spoons for picking up seeds, cake trays, knives for cutting fish, knives for smearing butter, sugar tweezers, and other similar kitchen or table equipment	All types and sizes
6.	8414.51.000 8414.59.100	Fans on the table, floor, wall, ceiling, or roof with electric motors installed inside	Not more than 125 W
7.	8415.10.000 8415.20.000 8415820.000 8415.83.000 8415.90.100 8415.90.900	Air temperature regulator for walls windows and for motorized vehicles	Wall or window air temperature regulators with up to 3 PK power
8.	8418.10.000 8418.21.000 8418.29.000 8418.40.000 8418.69.000 8418.91.000 8418.99.100 8418.99.900	Refrigerators, freezers, cooling planes, and other coolers, including parts	All types and sizes
9.	8427.	Forklifts : other trucks equipped with lifters or movers	Forklifts with a capacity of 2-5 tons

10.	8429.	Self-powered bulldozers, engeldozers, graders, flattening devices, scrapers, mechanical shovels, diggers, shovel loaders, tamping machines, and road rollers	Bulldozers with 110 - 220 HP power, motor graders with 100 - 150 HP power, Road Rollers with 2,5 - 12 ton capacity, Excavators with 75 - 140 HP power, and Loaders with 150 - 250 HP power.
11.	8450.11.100 8450.12.100 8450.19.100	Washing machines for household	All types and sizes
12.	8471.	Automatic data processors including units, optic or magnetic reading planes, machines for copying data into data instruments in the form of codes, and data processors (are not described in detail or included in other HS categories)	All types and sizes
13.	8504.10.000	Ballasts for lights or empty electric tubes	All types and sizes
14.	8509.	Electro-mechanical planes for household with electric motors installed inside	All types and sizes
15.	8510.	Razors, hair cutters, and hair removers with electric motor installed inside	All types and sizes
16.	8516.31.000	Hair dryers	All types and sizes
17.	8516.32.000	Other hair drying apparatus	All types and sizes
18.	8516.33.000	Hand-drying apparatus	All types and sizes
19.	8516.40.000	Electric irons	For household with up to 500 W power
20.	8517.11.000 8517.19.000	Telephone instruments and wireless holds	All types and sizes
21.	8518.	Microphones, loudspeakers, including parts	All types and sizes
22.	8519.	Gramophones, phonograph record runners, cassette tape runners, and other voice reproductions apparatus	All types and sizes
23.	8520.	Magnetic tapes recorders and other voice recorders, either combined or not with voice reproductions apparatus	All types and sizes
24.	8521.	Picture recorders or reproductions apparatus, combined or not with video tuners	All types and sizes

25.	8527.	Telephonic radio receivers, telegraphic radios or radio broadcasters, either combined or not, in the same place, with voice recorders/reproductions apparatus/hour	All types and sizes
26.	8528.	Televisions and projector videos	All types and sizes
27.	8534.00.000	Printed circuits	All types and sizes
28.	8536.	Fuses for electric circuits with voltage of not more than 1000 volts	All types and sizes
29.	8537.	Electric panels	All types and sizes
30.	8540.	Picture tubes for color and black & white televisions	All types and sizes
31.	8544.	Cables	All types and sizes
32.	8546.	Electric isolators	All types and sizes
33.	8701.10.100	Hand tractors for single-axis agriculture with one or two wheels equipped with a transmission with one or more speeds for going forward and backward and a power take-off (PTO) for moving the rotary	All types and sizes
34.	8701.10.200	Other hand tractors for single-axis agriculture with one or two wheels	All types and sizes
35.	8701.10.900	Other hand tractors	All types and sizes
36.	8701.20.000	Road tractors for semi trailers	With a GVW of up to 24 tons and engine power of less than 180 KW
37.	8703.	Motorized cars and other motorized vehicles, particularly those used for transporting people (other than those mentioned in HS No. 87.02), including station wagons and racing cars	All types and sizes
38.	8704.	Motorized vehicles for transporting goods	All types and sizes
39.	8705.90.000	Storing cars that can function as lifters and or towing trucks or repairshops' cars	All types and sizes
40.	8706.00.000	Chassis equipped with combustion engine	With a GVW of up to 24 tons

		for motorized vehicles classified in HS Nos. 87.01 to 87.05	
41.	8707.	Cars' bodies (including cabins) for motorized vehicles in HS Nos. 87.01 to 87.05	All types and sizes
42.	8708.10.000 8708.21.000 8708.29.000 8708.31.000 8708.39.000 8708.80.000 8708.91.000 8708.92.000 8708.93.000 8708.94.000 8708.99.100 8708.99.900	Motorized vehicles' parts and equipment	All types and sizes
43.	8711.	Motorcycles (including motor-bikes) and bicycles equipped with additional motors with or without side wagons, and side wagons	All types and sizes
44.	8712.	Bicycles and other bike (including three-wheeled bicycles for deliverers) without motor	All types and sizes
45.	8714.	Parts of motorbikes and bicycles	All types and sizes
46.	9009.	Color photocopiers	All types and sizes