

IMPORT IDENTIFICATION NUMBERS REGULATIONS

The Minister of Trade (“**MOT**”) Regulation No. 70/M-DAG/PER/9/2015 on Import Identification Numbers (“**API**”), issued in September 2015 (“**MOT Reg 70/2015**”), came into effect on 1 January 2016 and revoked the previous API regulation: MOT Regulation No. 27/M-DAG/PER/5/2012 as lastly amended by MOT Regulation No. 84/M-DAG/PER/5/2012.

Under MOT Reg 70/2015:

1. there is no longer a restriction only allowing goods from 1 (one) section to be imported by an API-U holder. Therefore, goods from more than 1 (one) section can be imported without having to prove a special relationship with the overseas supplier or that the company is wholly or majority owned by the state;
2. goods imported under an API-P, and granted an import duty exemption, may be transferred to other parties after the goods have been used for at least 2 years as of the date of the Customs import notification;
3. importing “certain industrial goods” and being designated an Importer Producer (Produsen Importir) is no longer regulated. Importing certain industrial goods, such as complementary goods, goods for market testing and/or goods for after sales services now fall under MOT Regulation No. 118/M-DAG/PER/12/2015 on Import Provisions on Complementary Goods, Goods for Market Testing and for After Sales Services (“**MOT Reg 118/2015**”). According to MOT Reg 118/2015, API-P holders can now import finished goods and/or manufactured goods as long as they are needed for the development of the company’s business and investment. The manufactured goods can be traded and/or transferred to other parties and be used as complementary goods, for market testing and/or for after sales services, subject to several requirements under MOT Reg 118/2015. Import Approval (Persetujuan Impor) from the MOT (delegated to the Director General of Foreign Trading), is required to import these goods. MOT Regulation 118/2015 came into force on 1 January 2016. Import Approvals issued under previous regulations remain valid, but must be adjusted to comply with MOT Regulation 118/2015 by 30 June 2016.
4. not only API-P holders designated as Importer Producers but both API-U and API-P holders may now be post-audited by the MOT, if the MOT deems it necessary.
5. the authority to issue APIs is delegated by the MOT to (i) the BKPM, (ii) MOT’s Director General of Foreign Trading, and (iii) the Head of the Provincial Trade Office.

6. under Article 37 of MOT Reg 70/2015, API-Ps and API-Us issued under the previous regulation remain valid, but must be adjusted to MOT Reg 70/2015 by 30 June 2016. Therefore, if your company holds an API-P or API-U, your company must apply for a new API-P or API-U adjusted to MOT Reg 70/2015, by 30 June 2016.