



EXCEPTIONS TO THE MINIMUM PRICE FOR THE TRADING OF IMPORTED GOODS IN E-COMMERCE

February 2024

The Ministry of Trade has issued a decree (“**MOT Decree 1998/2023**”)¹ providing guidance on the exception to the current regulatory requirement that a cross-border transaction of finished goods conducted by an e-commerce operator must adhere to a minimum FOB price of USD 100 per unit in its electronic system.

MOT Decree 1998/2023 sets out lists of finished goods allowed to be imported by an e-commerce operator at prices below the minimum pricing requirement of a Freight on Board (“**FOB**”) price of USD 100 per unit (“**Positive List**”).

This Decree also establishes criteria for the inclusion of finished goods on the Positive List, *i.e.*:

- a) Goods that are not and/or cannot be produced in Indonesia;
- b) Goods that are not associated with Indonesian intellectual property, including geographical indications;
- c) Goods that are not and/or cannot be produced by Micro, Small, and Medium Business Enterprises; and/or
- d) Goods that can be used as a means or facility to disseminate knowledge, inspire creativity, and enhance the literacy of Indonesians.

The Decree also includes the description on the relevant goods and their tariffs which generally cover books, dictionaries, journals, magazine, films, software and other digital products, and sound reproduction devices.

MOT Decree 1998/2023 **provides that** the Positive List may be evaluated every 6 months and/or if there is any technology development and/or public need which shall be submitted and subject to ministerial stipulation upon coordination meeting among ministerial and non-ministerial government institutions.

For any inquiries, please do not hesitate to reach out to Ms. Ananda Aviati (ananda@mkklaw.net) or Ms. Eka Wahyuning Siswani (ekaws@mkklaw.net).

¹ Decree No. 1998 of 2023 on the Stipulation of Importation of Finished Goods at Prices Below the Minimum Price of Goods Allowed to Enter Directly Through E-Commerce Operator Engaged in Cross-Border Trading Activities