

DEREGULATION ON IMPORT POLICIES AND REGULATIONS

August 2025

To simplify importing activities, the Minister of Trade (“**MoT**”) has issued MoT Regulation No. 16 of 2025 regarding Import Policies and Regulations (“**MoT 16/2025**”) which will be effective on 30 August 2025. This regulation supersedes MoT Regulation No. 36 of 2023, as amended.

Along with MoTR 16/2025, the MoT has also issued eight other new regulations. These regulations which relate to import policy and regulation are clustered around the following commodities:

- textile and textile products,
- agricultural and livestock products;
- salt and fisheries commodities,
- chemicals, hazardous materials, and mining materials
- electronic and telematics goods,
- certain industrial goods,
- consumer goods, and
- used goods and non-hazardous and non-toxic waste.

This new regulations are intended to accommodate future regulatory amendments relating to specific commodities.

Some highlighted matters regarding MoTR 16/2025 are as follows:

- **Criteria for Conversion of Import Identification Number Amended** – the criteria to convert a company/importer with a General Importer Identification Number/ *Angka Pengenal Importir Umum* (known as API-U) to a Producer Importer Identification Number/*Angka Pengenal Importir Produsen* (known as API-P) has been relaxed.
- **Relaxation of Import Approval on Some Commodities** –import approvals for forestry products, plastic raw materials, subsidized fertilizers, fuel and fuel mixtures, and other types of fuel that are not classified as fuel and fuel mixtures are no longer required.

For forestry products, only an Import Approval Declaration is required, and Technical Approval/ *Persetujuan Teknis* and import approval from the MoT are no longer necessary. Additionally, import prohibitions and restrictions have also been lifted for subsidized fertilizers, other types of fuel (which include fuel and fuel mixtures, and other types of fuel that are not classified as fuel and fuel mixtures), and plastic raw materials.

- **Reporting Deadlines Clarification Expansion of Sanctions** – MoTR 16/2025 now clarifies that an importer must report its Surveyor's Report/*Laporan Surveyor* ("LS") – where the import has been realized, to the MoT within 30 days after such LS is being used in the custom area or at a post-border.
- **Expansion of Sanctions - MoTR 16/2025** has introduced a structured and tiered system of administrative sanctions for certain violations. Such violations consist of the following:
 1. inconsistencies in the documents relating to requirement and data or information reflected in the application of import business license, the amendment of import business license, or the extension of import business license, statement letter or amendment of statement letter;
 2. inconsistencies between the type or quantity of the imported goods with the data or information reflected in the import business license or statement letter; or
 3. importing certain goods without the required LS where holding an LS is a prerequisite document.

The penalty system introduced for the violations described above is as follows:

- a written warning for the first violation,
- a 3-month suspension or postponement of import business license and/or statement letter for repeated violations, and
- revocation of the import license and/or postponement of application of import business license or statement letter for one year, as well as a recommendation to revoke the applicable Business Identification Number/ *Nomor Induk Berusaha* ("NIB") which is valid as API.

If a company's NIB is revoked, there is a stand-down period of 12 months before they may apply for a new NIB.

At the discretion of the Directors General of consumer protection and trade, the above sanctions do not have to be imposed in ascending order of seriousness.

Should you have any other questions on the above, please contact Partner Ananda Aviati (ananda@mkklaw.net) for further information.