



Thursday, 30th July 2020

**INFORMATION**

**The Minister of Trade Regulation (Permendag) No. 51 Year 2020 on Import - Post Border**

In the Seminar of Mid –Year Economic Outlook 2020: Opportunities and Challenges at the New Normal Era on July 28th, 2020, the Minister of Industry, Agus Gumiwang Kartasasmita stated that the import substitution targets to 35% by the end of 2022 by maximize the implementation of the Making Indonesia 4.0 program in seven industrial sectors. He added the strategy is by imports decrease through import substitution in industries with a large import values and increased production utilization throughout the manufacturing sector.

On May 19th, 2020, the Ministry of Trade issued the Minister of Trade Regulation (Permendag) No. 51 Year 2020 concerning on Inspection and Supervision of Import Business Administration After Passing through the Customs Zone (Post Border). It's replacing the Regulation No. 28 Year 2018. There are several changes from the previous regulation; one of them is the revocation of the self-declaration (SD) requirements.

The SD requirements are replaced with the obligation to fulfill import requirements, which is to include data on import requirements in the import goods notification (PIB) in the form of number and date of import approval documents (PI) and / or surveyor reports (LS). This document is following each restriction or limitation (Lartas) that has been imposed by the import trade system in each commodity.

Furthermore, Director General of Consumer Protection and Trade Compliance (PKTN), Veri Anggrijono stated that business players may be subject to sanctions if in the importation process they do not or incorrectly input the data on import requirements within the PIB, and/or incorrectly input the amount or volume of imported goods in PIB that is not aligned following the number and / or unit of measurement stated in PI and / or LS. Therefore, sanctions will be imposed in the form of administrative sanctions.

The post border mechanism aims to facilitate business operators in the import trade system and create equality in doing business for business actors, and to improve the effectiveness of inspection and supervision of the import trade system after going through the customs area. However, as a consequence, the Ministry of Trade will tighten the supervision of imported goods after going through the customs area. This regulation will take an effect by the upcoming August 25th, 2020.

Please find attached the Minister of Trade Regulation (Permendag) No. 51 Year 2020 for your reference.

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