



Thursday, 2nd June 2022

INFORMATION

Update on the Distribution of Subsidized Bulk Cooking Oil, Effective from May 23rd, 2022

The Ministry of Trade of the Republic of Indonesia has issued The Ministry of Trade Regulations (Permendag) No. 33 Year 2022 regarding the Governance of the Cooking Oil Program. In general, this regulation is focused on the detailed mechanism for the distribution of subsidized bulk cooking oil, which took effect effectively on Monday, May 23rd, 2022.

As stated by the government, this new regulation is a part of the government's effort to lower cooking oil prices to IDR 14.000 per liter. This regulation obliges that producers and exporters of all palm oil including Crude Palm Oil (CPO); Refined, Bleached and Deodorized Palm Oil (RBD Palm Oil); Refined, Bleached and Deodorized Palm Olein (RBD Palm Olein), and Used Cooking Oil (UCO) to participate in the bulk cooking oil public program (MGCR or Minyak Goreng Curah Rakyat) or be barred from exporting certain commodities. These are the several updates regarding the governance of the cooking oil program:

1. Under the new regulation, CPO producers and cooking oil producers are required to register to the ministry's bulk cooking oil information system (SIMIRAH app). For CPO producers, they need to provide information, such as production estimates and supply plans for cooking oil producers. Meanwhile, cooking oil producers must provide their supply plans for distributors and retailers.
2. The retailers must record the buyers' National Identity Number (Nomor Induk Kependudukan/NIK).
3. The customers are required to comply with the sale of bulk cooking oil and submit information on MGCR Program participants and the highest retail price (Harga Eceran Tertinggi/HET) information.
4. The government has limited the sales of bulk cooking oil to 10,000 locations.
5. The Ministry of Trade is assembling a joint team that involves personnel from the Development Finance Comptroller (Badan Pengawasan Keuangan dan Pembangunan/BPKP) of the Ministry of Finance, the National Police and the Attorney General's Office (AGO) to help monitor the distribution.

For your reference, please check the Ministry of Trade Regulations (Permendag) No. 33 Year 2022 regarding the governance of the cooking oil program in Bahasa Indonesia and the Unofficial English translation in the link [here](#).

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