



REGULATION OF THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

NUMBER: 11 / M-DAG / PER / 3/2006

ABOUT

PROVISIONS AND PROCEDURES

ISSUANCE OF REGISTRATION LETTERS

AGENTS OR DISTRIBUTOR OF GOODS AND / OR SERVICES

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA,

- Considering:
- a. that the era of globalization and free market provides equal opportunity for business actors to participate in the marketing of goods and / or services in order to create a conducive business climate;
 - b. that controlling the distribution of goods and / or services in an orderly manner and smoothly, through an agent and / or distributor, directed to provide consumer protection, as well as provide legal certainty and business certainty, it is necessary to stipulate and procedure for the issuance of registration certificates of agents or distributors of goods and / or services;
 - c. that based on the considerations as meant in letters a and b, it is necessary to issue Regulation of the Minister of Trade;
- Bearing in mind:
1. Bedrijfsreglementeerings Ordonnantie 1934 (Staatsblad 1938 Number 86);
 2. Law of the Republic of Indonesia Number 1 Year 1967 concerning Foreign Investment (State Gazette of the Republic of Indonesia Year 1967 Number 1, Supplement to State Gazette of the Republic of Indonesia Number 2818) as amended by Act of the Republic of Indonesia Number 11 Year 1970 (State Gazette of the Republic Indonesia Year 1970 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 2943);
 3. Law of the Republic of Indonesia Number 6 Year 1968 concerning Domestic Investment (State Gazette of the Republic of Indonesia Year 1968 Number 1, Supplement to State Gazette of the Republic of Indonesia Number 2853);

4. Law of the Republic of Indonesia Number 3 of 1982 concerning Compulsory Company Registration (State Gazette of the Republic of Indonesia of 1982 Number 7, Supplement to State Gazette Number 3214);
5. Law of the Republic of Indonesia Number 1 of 1995 concerning Limited Liability Companies (State Gazette of the Republic of Indonesia Year 1995 Number 13, Supplement to State Gazette of the Republic of Indonesia Number 3587);
6. Law of the Republic of Indonesia Number 10 of 1995 concerning Customs (State Gazette of the Republic of Indonesia of 1995 Number 73, Supplement to the State Gazette of the Republic of Indonesia Number 3612);
7. Law of the Republic of Indonesia Number 5 Year 1999 concerning Prohibition of Monopolistic Practices and Unfair Business Competition (State Gazette of the Republic of Indonesia Year 1999 Number 33, Supplement to State Gazette of the Republic of Indonesia Number 3817);
8. Law of the Republic of Indonesia Number 8 Year 1999 concerning Consumer Protection (State Gazette of the Republic of Indonesia Year 1999 Number 42, Supplement to State Gazette of the Republic of Indonesia Number 3821);
9. Law of the Republic of Indonesia Number 15 Year 2001 regarding Trademark (State Gazette of the Republic of Indonesia Year 2001 Number 110, Supplement to State Gazette of the Republic of Indonesia Number 4131);
10. Law of the Republic of Indonesia Number 32 Year 2004 regarding Regional Government (State Gazette of the Republic of Indonesia Year 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437);
11. Government Regulation No. 36/1977 concerning the Termination of Foreign Business Activities in the Field of Trade as amended by Government Regulation No. 15/1998 (Statute Book of 1977 No. 60, Supplement to Statute Book of the Republic of Indonesia No. 3113);
12. Presidential Decree No. 96/2000 on the Closed Business Field and Open Business Fields with Certain Requirements for Investment as amended by Presidential Decree No. 118/2000;
13. Decree of the Minister of Trade No. 66 / Kp / III / 1973 on Single Agent of Foreign Fertilizer;
14. Decree of the Minister of Trade No. 382 / Kp / XII / 1977 concerning Provisions on the Implementation of Termination of Foreign Business Activities in the Field of Trade;

15. Decree of the Minister of Trade No. 77 / Kp / III / 1978 on Provisions on Limited Trading Activities for Production Enterprises in the Framework of Capital Investment;
16. Decree of the Minister of Industry and Trade No. 230 / MPP / Kep / 7/1997 on Goods Subject to Import Customs, as amended by Decree of the Minister of Trade and Industry of the Republic of Indonesia Number 406 / MPP / Kep / 6/2004;
17. Regulation of the Minister of Trade No. 01 / M-DAG / PER / 3/2005 on Organization And Working Procedure of the Ministry of Trade as amended by Regulation of the Minister of Trade No. 30 / M-DAG / PER / 12/2005;
18. Regulation of the Minister of Trade No. 09 / M-DAG / PER / 3/2006 concerning Provisions and Procedures for Issuance of Trading Business License;
19. Regulation of the Minister of Trade No. 10 / M-DAG / PER / 3/2006 concerning Provisions and Procedures for Issuance of Business License of Representatives of Foreign Trading Companies;

HAS DECIDED:

Stipulate: **REGULATION OF THE MINISTER OF TRADE ON PROVISIONS AND PROCEDURES OF ISSUANCE OF REGISTRATION OF REGISTRATION OF AGENTS OR DISTRIBUTOR OF GOODS AND / OR SERVICES.**

CHAPTER I

GENERAL REQUIREMENTS

Article 1

In this Regulation the meaning of:

1. Principal is an individual or business entity in the form of a legal entity or non-legal entity abroad or within the country that appoints an agent or distributor to sell goods and / or services owned / controlled. The principal is divided into principal producers and supplier principals.
2. The principal producer is an individual or business entity in the form of a legal entity or non-legal entity, a status as a manufacturer appointing another business entity as sole agent, sole distributor or distributor to sell the goods of production and / or services owned / controlled.
3. The supplier principal is an individual or business entity in the form of a legal entity or non-legal entity appointed by the principal of the manufacturer to appoint another business

entity as agent, sole agent, distributor or distributor in accordance with the authority granted by the producer principal.

4. Agent shall be a national trading company acting as an intermediary for and on behalf of the principal under an agreement to engage in marketing without transferring the physical rights of the goods and / or services owned / controlled by the principal designating it.
5. Distributor is a national trading company acting for and on its own behalf under an agreement that makes purchases, storage, sales and marketing of goods and / or services owned / controlled.
6. Exclusive rights are privileges granted by principals to national trading companies as sole agents or sole distributors.
7. Sole Agent is a national trading company that gets exclusive rights from principal based on agreement as sole agent in Indonesia or certain marketing area.
8. Sole Distributor is a national trading company that gets exclusive rights from principal based on agreement as the sole distributor in Indonesia or certain marketing area.
9. Sub Agent is a national trading company acting as an intermediary for and on behalf of principals on the basis of appointment or agreement of a sole agent or agent to do marketing.
10. Sub-Distributor is a national trading company acting as an intermediary for and on its own behalf based on the appointment or agreement of a single distributor or distributor to conduct marketing.
11. Goods shall be any object, tangible or intangible, whether mobile or immovable, expendable or non-consumable, which may be traded, used, used or exploited by the consumer or business actor.
12. Services are any services in the form of work or achievement and traded in the community for use by consumers or business actors, which is an integral part of the agency / distributorship of goods that have been registered.
13. Registration Certificate, hereinafter referred to as STP, is a proof that the relevant company has been registered as Agent, Sole Agent, Sub Agent, Distributor, Sole Distributor or Sub-distributor of goods and / or services issued by Director of Business Development and Company Registration, Department of Trade.
14. Certificate of Trade Attaché of the Republic of Indonesia or Representative Officer of the Republic of Indonesia is a certificate concerning principal data of producer / supplier principal which contains at least the name of the company, date of establishment, legal entity form, address of head office and branch office as well as business field issued by the Trade Attaché of the Republic of Indonesia or the Representative Official of the Republic of Indonesia in the principal country.
15. Minister is the Minister whose duties and responsibilities are in the field of Trade.

CHAPTER II
REGISTRATION AND AUTHORITY
Part One
Registration

Article 2

- (1) Any national trading company making agreements with the principals of overseas or domestic goods or services of production as agents, sole agents, distributors or sole distributors shall be registered with the Ministry of Commerce to obtain STP.
- (2) A single agent, sole agent, distributor or distributor who has obtained STP as referred to in paragraph (1) may appoint sub-agents or sub-distributors.
- (3) The designated sub-agent or sub-distributor as intended in paragraph (2) shall be registered with the Ministry of Trade to obtain STP.

The second part
Authority

Article 3

- (1) The Minister has the authority to regulate agency registration or distributor.
- (2) The Minister shall delegate the authority of the registration of an agency or distributor to the Director General of Domestic Trade.
- (3) Director General of Domestic Trade, delegates the authority referred to in paragraph (2) to the Director of Business Development and Corporate Registration.

CHAPTER III
APPOINTMENT OF AGENT, SOLE AGENT,
DISTRIBUTOR AND SOLE DISTRIBUTOR

Article 4

The appointment of an agent, sole agent, distributor or sole distributor may be made by:

- a. Principal producers;
- b. Principal supplier based on approval from producer principal;
- c. Foreign Investment Company engaged in trading as a distributor / wholesaler;
- d. Representative Office of Foreign Trading Company.

Article 5

- (1) Foreign Investment Company (PMA) as referred to in Article 4 letter c in conducting business activities of trade shall:

- a. appoint a national trading company as agent, sole agent, distributor or sole distributor;
 - b. the designation referred to in letter a. shall be made in the form of agreement legalized by a notary;
 - c. an agreement with a national trading company as referred to in letter b. must obtain written approval from the principal of the producer it represents overseas.
- (2) The Representative Office of a Foreign Trading Company as referred to in Article 4 letter d which already has a Business License of the Representative of a Foreign Trading Company (SIUP3A) in conducting business activities of a trade shall:
- a. appoint a national trading company as agent, sole agent, distributor or sole distributor;
 - b. the designation referred to in letter a in the form of agreement legalized by a notary;
 - c. an agreement with a national trading company as referred to in letter b must obtain written approval from the principal of the producer it represents overseas.

CHAPTER IV

REGISTRATION PROCEDURES AND REQUIREMENTS

Part One

Registration Procedures

Article 6

- (1) Applications for the registration of an agent, sole agent, sub-agent, distributor, sole distributor or sub-distributor of overseas or domestic production goods and / or services are submitted in writing to the Director of Business Development and Company Registration, Ministry of Trade.
- (2) The application for registration as referred to in paragraph (1) shall be completed with an Application Form as stated in Attachment I to this rule.
- (3) Application for registration of Sole Agency of Foreign Fertilizer Production shall be submitted in writing to the Director of Business Development and Company Registration completed by Application Form as stated in Attachment II of this rule.
- (4) The application for registration shall be signed by the Director or the person in charge of the company.

Article 7

- (1) At the latest 5 (five) working days after the receipt of complete and correct registration application, the Director of Business Development and Corporate Registration issues STP.
- (2) If the application letter is considered incomplete and correct as referred to in Article 8, Article 9, Article 10, Article 11, Article 12, Article 13, Article 14 and Article 15 of this Regulation, no later than 3 (three) the receipt of the application letter, the Director of Business Development and Company Registration must submit a written denial to the company concerned with the reasons.

Part Two
Registration Requirements for Agent / Distributor of
Foreign Production Goods and / or Services

Article 8

Applications for registration as agents, sole agent, distributors or sole distributor of foreign goods and / or services are submitted to the Director of Business Development and Company Registration by enclosing the following documents:

- a. Agreement already certified by Notary Public and certificate from Trade Attaches of the Republic of Indonesia or Officers of Representative Office of the Republic of Indonesia in the principal state, by showing the originals;
- b. If the agreement is made by the supplier principal, the supplier principal is obliged to show the authority of the producer principal;
- c. Copy of Trading Business License (SIUP);
- d. Copy of valid Company Registration Certificate (TDP);
- e. Copy of the current General Importer Identification Number (API-U), exclusively for a single distributor or distributor;
- f. Copy of Deed of Establishment and / or Deed of Change which has been approved by the authorized institution;
- g. Copy of Legal Entitlement from the Ministry of Law and Human Rights for Limited Liability Company;
- h. Especially for a sole agent or agent, make a declaration stating that it does not exercise the control and storage of the goods which it administers;
- i. Original leaflet / brochure / catalog of the principal for the type of goods and / or services administered;
- j. Copy of license or other registration letter from the technical institution that is still valid for certain types of goods in accordance with applicable regulations;
- k. Copy of Permanent Business License / Letter of Approval of BKPM if agreement is made with Foreign Investment Company (PMA) engaged in distributor / wholesaler;
- l. Copy of Business License of Foreign Trade Representative Company (SIUP3A) if agreement is made with Representative Office of Foreign Trading Company.

Article 9

Applications for renewal of registration as agents, sole agents, distributors or sole distributors of foreign goods and / or services are submitted to the Director of Business Development and Company Registration, by enclosing the documents referred to in Article 8 and shall be furnished with:

- a. confirmation of the Principal which has been legalized by Notary Public and certificate from Trade Attaches of the Republic of Indonesia or Representative Office of the Republic of Indonesia in the principal state by showing the originals;
- b. reports on the activities of the company every 6 (six) months;
- c. original STP requested extension.

Article 10

Against certain types of goods as meant in Article 8 letter j, shall be equipped with:

- a. Charter of the members of the Association of Hankam / ASPERDIA HANKAM Providers for weapons, and goods for the purposes of TNI / POLRI;
- b. Recommendation from Perum DAHANA for explosives;
- c. Motor vehicle license from the Ministry of Industry;
- d. Registration / License for beauty and medical devices from the Ministry of Health of the Republic of Indonesia;
- e. Signs of Registration / Permission for medicines, food and beverages from the Food and Drug Supervisory Agency (BPOM);
- f. Certification and Marking for telecommunication equipment / equipment from DG Post and Telecommunications;
- g. Signs of Registration for Measuring, Measuring, Weighing and Equipment (UTTP) tools from the Directorate of Metrology, Ministry of Trade;
- h. Signs of Registration / Certification for lubricating oil from the Office of the Minister of Energy and Mineral Resources;
- i. Pesticide Certificate from Pesticide Commission / Ministry of Agriculture.

Part Three

Registration Requirements Sub Agent / Sub Distributor of Goods and / or Services of Foreign Production

Article 11

- (1) Application for registration as sub-agent / sub-distributor of goods and / or service of foreign production shall be submitted in writing to the Director of Business Development and Company Registration by attaching documents:
 - a. Agreement or Appointment with / from agents, sole agents, distributors or sole distributors who designate and have been certified by Notary by showing the originals;
 - b. Copy of valid STP from agent, sole agent or distributor, sole distributor who appoints;
 - c. Copy of Trading Business License (SIUP);
 - d. Copy of valid Company Registration Certificate (TDP);

- e. Copy of Deed of Establishment and / or Deed of Change which has been approved by the authorized institution;
 - f. Copy of legal entity approval from the Ministry of Law and Human Rights for Limited Liability Company.
- (2) Application for renewal of registration as sub agent / sub distributor of goods or services of foreign production shall be submitted in writing to the Director of Business Development and Company Registration, by attaching the documents as referred to in paragraph (1) and shall be accompanied by:
- a. Confirmation of an agent, sole agent or distributor, sole distributor appointed and notarized by Notary by showing the originals;
 - b. Copy of valid STP from agent, sole agent or distributor, sole distributor who appoints;
 - c. Company activity report every 6 (six) months;
 - d. Original STP Sub Agent / Sub Distributor requested extension.

Part Four
Admission Requirements Agent /
Distributor of Goods and / or Services of Domestic Production

Article 12

Applications for registration as agents, sole agents, distributors or sole distributors of domestic goods and / or services are submitted to the Director of Business Development and Company Registration completed with the following documents:

- a. Agreements that have been certified by Notary by showing the originals;
- b. Copy of Trading Business License (SIUP);
- c. Copy of valid Company Registration Certificate (TDP);
- d. Copy of Deed of Establishment and / or Deed of Change which has been approved by the authorized institution;
- e. Copy of Legal Entitlement from the Ministry of Law and Human Rights for Limited Liability Company;
- f. Copy of Industrial Business License from producer principal;
- g. Especially for a sole agent or agent, make a declaration stating that it does not exercise the control and storage of the goods which it administers;
- h. Original leaflet / brochure / catalog of the principal for the type of goods / services represented.

Article 13

Applications for renewal of registration as agent, sole agent, distributor or sole distributor of domestic production shall be submitted to the Director of Business Development and Company

Registration in writing by enclosing the documents referred to in Article 12, and shall be furnished with:

- a. Confirmation of the Principal which has been certified by Notary by showing the original;
- b. Company activity report every 6 (six) months;
- c. Original Registration Letters requested for renewal.

Article 14

Against certain types of goods as referred to in Article 8 letter j shall be accompanied by documents as referred to in Article 10.

Part Five Registration Requirements Sub Agent / Sub Distributor of Goods and / or Services Domestic Production

Article 15

- (1) Application for registration as sub agent / sub-distributor of goods and / or service of domestic production shall be submitted in writing to the Director of Business Development and Company Registration by enclosing document:
 - a. Agreement or appointment of an agent, sole agent or distributor, sole distributor certified by notary by showing the origin;
 - b. Copy of valid STP from agent, sole agent or distributor, sole distributor who appoints;
 - c. Copy of Trading Business License (SIUP);
 - d. Copy of valid Company Registration Certificate (TDP);
 - e. Copy of Deed of Establishment and / or Deed of Change which has been approved by the authorized institution;
 - f. Copy of Legal Entitlement from the Ministry of Law and Human Rights for Limited Liability Company.
- (2) Application for renewal of registration as sub agent / sub distributor of goods and / or service of domestic production shall be submitted in writing to the Director of Business Development and Company Registration, by attaching the documents as intended in paragraph (1) and shall be equipped with:
 - a. Confirmation of an agent, sole agent or distributor, sole distributor legalized by Notary by showing the originals;
 - b. Company activity report every 6 (six) months;
 - c. Original STP requested extension.

CHAPTER V
APPLICABLE, REPLACEMENT AND COLOR
REGISTRATION LETTERS

Article 16

- (1) STP validation period as agent, sole agent, distributor or sole distributor of overseas production or goods or services in the country designated by the principal of the producer, shall be granted **for 2 (two) years** from the date of issuance of STP, except in the agreement or confirmation is determined less than 2 (two) years.
- (2) The validity of STP as agents, sole agents, distributors or sole distributors of goods and / or services of foreign production appointed by the supplier principal shall be given **for 2 (two) years** as of STP date unless the agreement or confirmation is less than 2 (two) years or less determined by the producer principal.
- (3) The validity of the STP as sub agent or sub-distributor shall be granted within the agreed timeframe and no later than the validity of STP from the agent, sole agent, distributor or sole distributor.

Article 17

- (1) Any agent, sole agent, sub agent, distributor, sole distributor or sub-distributor of goods and / or services whose STP is missing shall submit a written reimbursement application to the Director of Business Development and Company Registration by enclosing the Certificate of Loss from the Police.
- (2) Any single agent, sole agent, sub-agent, distributor, sole distributor or sub-distributor of goods and / or services whose STP is damaged shall submit a written reimbursement request to the Director of Business Development and Company Registration by enclosing a damaged Original STP.
- (3) Validity of STP issued as a substitute or duplicate, same as STP's missing or damaged term.

Article 18

STP agent, sole agent, sub agent, distributor, sole distributor or sub distributor consist of:

- a. STP as an agent, sole agent, sub-agent, distributor, sole distributor or sub-distributor of overseas production goods in yellow color;
- b. STP as agent or sole agent, sub agent of foreign or domestic production service in red;
- c. STP as agent, sole agent, sub agent, distributor, sole distributor or sub-distributor of domestic produce in blue color;
- d. STP as sole agent for foreign fertilizer production in green color.

CHAPTER VI

REPORTING

Article 19

- (1) Agent, sole agent, sub agent, distributor, sole distributor or sub distributor of goods and / or services must submit company activity report once every 6 (six) months to Director of Business Development and Company Registration.
- (2) Any agent, sole agent, sub agent, distributor, sole distributor or sub-distributor of goods and / or services that does not renounce its business activities or close its business must report the closure of its business activities and return the original STP to the Director of Business Development and Company Registration.
- (3) Agents, sole agents, sub agents, distributors, sole distributors or sub-distributors of goods and / or services subject to change of principal name, agency designation / distributorship status, brand, marketing area, type of goods, company address, report to the Director of Business Development and Company Registration.

CHAPTER VII

RIGHTS AND OBLIGATIONS

Article 20

- (1) Agent, sole agent, sub-agent, distributor, sole distributor or sub-distributor, is entitled to education and training to enhance the skills and after-sales service of the principal, and regularly obtain information on product developments.
- (2) Where necessary, agent, sole agent, distributor or sole distributor may employ foreign experts in the technical field in accordance with applicable regulations.
- (3) Agent, sole agent, distributor or distributor shall protect the principal interests and secrecy of the goods and / or services administered as agreed in the agreement.
- (4) Manufacturers Principals who supply goods that are sustainable within a period of at least 1 (one) year shall provide spare parts or after-sales service and fulfill warranties or warranties in accordance with an agreed agreement.

CHAPTER VIII

AGREEMENT

Article 21

- (1) The bond between the principal and the agent, sole agent, distributor or sole distributor of overseas production goods and / or services shall be in the form of an agreement legalized by the Notary Public and certificate from the Trade Attaché of the Republic of Indonesia or Official of the Representative Office of the Republic of Indonesia in the principal country.
- (2) Engagement between principal and agent, sole agent, distributor or sole distributor of domestic goods and / or services shall be in the form of an agreement certified by a Notary.
- (3) Principals may enter into agreements with only a single sole agent or sole distributor for the same type of goods and / or services of a brand in a particular marketing area for a specified period of time.
- (4) Principals may enter into agreements with one or more agents or distributors for the same type of goods and / or services of a mark in a particular marketing area outside the sole agent's marketing area or sole distributor.
- (5) Where the principal makes agreements with more than one agent or distributor as referred to in paragraph (4), the principal shall state the names of the appointed agents or distributors.
- (6) Where there is an agreement of more than one sole agent or sole distributor by the principal for the same type of goods and / or services of a mark in a particular marketing area, STP shall be granted to the first applicant.
- (7) The agreement referred to in paragraph (1) and paragraph (2) shall at least contain:
 - a. The full name and address of the parties making the agreement;
 - b. The intention and purpose of the agreement;
 - c. Agency status or distributorship;
 - d. Type of goods and / or services agreed upon;
 - e. Marketing area;
 - f. Rights and obligations of each party;
 - g. Authority;
 - h. Duration of the agreement;
 - i. Ways of terminating the agreement;
 - j. Methods of dispute settlement;
 - k. Laws used;
 - l. Timeline for completion.
- (8) Any agreement written in a foreign language shall be translated into Indonesian by a sworn translator.

CHAPTER IX TERMINATION OF THE AGREEMENT

Article 22

- (1) A valid agreement may terminate upon the agreement of both parties in accordance with the agreement and the applicable law.
- (2) A valid agreement may be terminated by either party if:
 - a. the company is dissolved;
 - b. the company stops the business;
 - c. transferred agency rights / distributorship;
 - d. bankrupt / out of business; and
 - e. agreement not renewed.
- (3) If the termination of the agreement as sole agent or sole distributor is followed by the appointment of the new agents, sole agent, distributors or sole distributor by the principal prior to the expiration of STP, then the new agents, sole agent or distributors, sole distributor may be granted STP after achieving complete settlement (clean break).
- (4) If the termination of the agreement as an agent or distributor followed by the appointment of a sole agent or sole distributor by the principal prior to the expiration of STP, a sole agent or sole distributor may be awarded a STP after the completion of a clean break.
- (5) If the unilateral termination of the agreement by the principal is not followed by the appointment of an agent, sole agent, distributor or sole distributor, the principal shall continue to supply parts to an agent, sole agent, distributor or sole distributor for at least two years to maintain continuity of after sales service to the user of the goods.
- (6) If within three months after the termination of the agreement as referred to in paragraphs (3) and (4) has not yet been reached a clean break, while the completion is still finalize, STP shall be declared no longer valid and the principal may appoint a new agent, sole agent, distributor or sole distributor.

CHAPTER X DISPUTE RESOLUTION

Article 23

Disputes between the two parties in the implementation of the agreement are resolved by:

- a. In accordance with the contents of the agreement;
- b. Discussion;
- c. Arbitration;
- d. Court according to the law used.

CHAPTER XI SANCTIONS

Article 24

Companies that violate the provisions referred to in Article 2 paragraph (1) shall be liable to administrative sanctions in the form of:

- a. Written warning at most 3 (three) consecutive times with a grace period of 2 (two) weeks from the date of delivery by the Director of Business Development and Corporate Registration.
- b. Revocation of SIUP for companies that do not heed the warning as referred to in letter a.

Article 25

Violations of Article 19 shall be liable to administrative sanctions in the form of:

- a. Written warning at most 3 (three) consecutive times with a grace period of 2 (two) weeks from the date of delivery by the Director of Business Development and Corporate Registration.
- b. STP temporary discharge for 6 (six) months for companies that do not heed the warning as referred to in letter a. as from the date of stipulation of STP temporary discharge.
- c. STP that has been temporarily suspended as referred to in letter b may be re-enacted if the company concerned has fulfilled the provisions as referred to in Article 19.
- d. The withdrawal of STP if after termination has expired; the company still fails to comply with the provisions referred to in Article 19.

CHAPTER XII OTHER PROVISIONS

Article 26

- (1) The provisions on the sole agent of foreign production of fertilizers as stipulated in the Decree of the Minister of Trade No. 66 / Kp / III / 1973 on Single Agent of Foreign Fertilizer Production shall remain effective, except the provisions concerning the registration as regulated in Article 4 of Decree of the Minister of Trade No. 66 / Kp / III / 1973 shall be declared null and void.
- (2) The provisions in this Ministerial Regulation shall also apply to the sole agency of foreign production fertilizers.
- (3) Implementation provisions and technical matters not yet regulated in this Ministerial Regulation shall be further stipulated by the Director General of Domestic Trade, Ministry of Trade.

**CHAPTER XIII
TRANSITIONAL PROVISIONS**

Article 27

- (1) For a company that already has STP prior to the enactment of this Regulation, its STP shall remain valid until its expiry date.
- (2) The company as referred to in paragraph (1) in the extension of registration is still given 1 (one) year since the stipulation of this Regulation to make adjustment of registration requirements.

**CHAPTER XIV
CLOSING**

Article 28

The rules will apply on the set date.

For public cognizance, this Regulation shall be announced by placing it in the State Gazette of the Republic of Indonesia.

Place set at : Jakarta

At the date of : March 29, 2006

MINISTER OF TRADE R.I

Sign

MARI ELKA PANGESTU

The copy corresponds to the original

Head of law firm

Department of Trade

Djunari I Waskito