



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF
REGULATION OF THE MINISTER OF FINANCE
NUMBER 111 / PMK.011 / 2011
CONCERNING

GOVERNMENT-BORNE IMPORT DUTIES ON IMPORTS OF GOODS AND MATERIALS
FOR THE MANUFACTURE OF FIBER OPTIC CABLES
FOR FISCAL YEAR 2011

BY THE GRACE OF GOD ALMIGHTY
THE MINISTER OF FINANCE,

- Considering :
- a. whereas in the context of fulfilling the provision of goods and/or services for public interest and increasing the competitiveness of the domestic fiber optic cable manufacturing industry, it is necessary to provide incentive in the form of Government-borne Import Duties on imports of goods and materials for fiber optic cable manufacturing industry;
 - b. whereas the imports of goods and materials by the fiber optic cable manufacturing industry have fulfilled the assessment criteria and provisions on goods and materials, to be provided with Government-borne Import Duties pursuant to the provision of Article 2 of Regulation of the Minister of Finance Number 261/PMK.011/2010 regarding Government-borne Import Duties on Imports of Goods and Materials to Provide Goods and/or Services for Public Interest and Increase in the Competitiveness of Industries in Certain Sectors for Fiscal Year 2011;
 - c. whereas in the context of providing Government-borne Import Duties on imports of goods and materials by the fiber optic cable manufacturing industry as referred to in subparagraph b, the budget ceiling for providing Government-borne Import Duties for Fiscal Year 2011 has been determined;
 - d. whereas based on the considerations as referred to in subparagraphs a, b and c, as well as in the context of implementing the provision of Article 3 paragraph (4) of



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Regulation of the Minister of Finance Number 261/PMK.011/2010 regarding Government-borne Import Duties on Imports of Goods and Materials to Provide Goods and/or Services for Public Interest and Increase in the Competitiveness of Industries in Certain Sectors for Fiscal Year 2011, it is necessary to stipulate a Regulation of the Minister of Finance regarding Government-borne Import Duties on Imports of Goods and Materials for the Manufacture of Fiber Optic Cables for Fiscal Year 2011;

- In view of :
1. Law Number 10 Year 1995 regarding Customs (State Gazette of the Republic of Indonesia Year 1995 Number 75, Supplement to the State Gazette of the Republic of Indonesia Number 3612) as amended with Law Number 17 Year 2006 (State Gazette of the Republic of Indonesia Year 2006 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4661);
 2. Law Number 17 Year 2003 regarding State Finances (State Gazette of the Republic of Indonesia Year 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286);
 3. Law Number 1 Year 2004 regarding State Treasury (State Gazette of the Republic of Indonesia Year 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355);
 4. Law Number 10 Year 2010 regarding State Revenues and Expenditures Fiscal Year 2011 (State Gazette of the Republic of Indonesia Year 2010 Number 126, Supplement to the State Gazette of the Republic of Indonesia Number 5167);
 5. Presidential Decree Number 56/P Year 2010;
 6. Regulation of the Minister of Finance Number 63/PMK.05/2010 regarding the Implementation and Accountability Mechanisms of Government-borne Import Duties;
 7. Regulation of the Minister of Finance Number 261/PMK.011/2010 regarding Government-borne Import Duties on Imports of Goods and Materials to Provide Goods and/or Services for Public Interest and Increase in the Competitiveness of Industries in Certain Sectors for Fiscal



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Year 2011;

HAS DECIDED:

To stipulate : REGULATION OF THE MINISTER OF FINANCE ON GOVERNMENT-BORNE IMPORT DUTIES ON IMPORTS OF GOODS AND MATERIALS FOR THE MANUFACTURE OF FIBER OPTIC CABLES FOR FISCAL YEAR 2011.

Article 1

Referred to herein as:

1. Companies shall be the companies included within the industry whose primary activity is manufacturing fiber optic cables.
2. Goods and Materials for Fiber Optic Cables Manufacturing Industry, hereinafter referred to as Goods and Materials, shall be finished goods, semi-finished goods and/or raw materials, including components to be processed, assembled or installed, in order to manufacture fiber optic cables by Companies.

Article 2

- (1) Government-borne Import Duties shall be provided for imports of Goods and Materials as set forth in the Attachment hereto which shall become an inseparable part hereof.
- (2) Government-borne Import Duties as referred to in paragraph (1) shall be government-borne tax spending subsidy as referred to in the Regulation of the Minister of Finance on the implementation and accountability mechanisms of Government-borne Import Duties.
- (3) Government-borne Import Duties shall not be provided for:
 - a. Goods and Materials which are subject to general import duty tariff at 0% (zero percent);
 - b. Goods and Materials which are subject to import duty tariff at 0% (zero percent) based on international contract or agreement;
 - c. Goods and Materials which are subject to Anti-dumping Import Duties/Temporary Anti-dumping Import Duties, Safety Measure Import Duties/Temporary Safety Measure Import Duties, Compensatory Import Duties, Reprisal Import Duties;
 - d. Goods and Materials imported into Bonded Zone using Import Customs Notification documents by obtaining a suspension of import duties and taxes in the context of imports; and/or
 - e. Goods and Materials imported in the context of utilizing the Export-



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purpose Imports Facility.

- (4) Government-borne Import Duties as referred to in paragraph (1) shall be provided with a budget ceiling of Rp5,350,000,000.00 (five billion three hundred and fifty million rupiah).
- (5) The Minister of Finance as the General State Treasurer as the Budget User of the General State Treasurer's Budget Portion shall assign the Director General of High Technology-based Leading Industry at the Ministry of Industry as the Budget User's Proxy in order to make the payment for government-borne tax subsidy spending.
- (6) The budget allocation for Government-borne Import Duties with the ceiling as referred to in paragraph (4) for Companies shall be determined by the Budget User's Proxy as referred to in paragraph (5).

Article 3

- (1) In order to obtain Government-borne Import Duties as referred to in Article 2 paragraph (1), Companies shall submit an application to the Director General of Customs and Excise by attaching Goods Import Plan approved and legalized by the Director General of High Technology-based Leading Industry at the Ministry of Industry.
- (2) The Goods Import Plan as referred to in paragraph (1) must at least include the following particulars:
 - a. number and date of the Goods Import Plan;
 - b. name of the Company;
 - c. Taxpayer Registration Number;
 - d. address;
 - e. customs office handling the incoming goods;
 - f. description, type and technical specification of the goods;
 - g. tariff item (HS);
 - h. quantity/unit of goods;
 - i. estimated import price;
 - j. country of origin;
 - k. estimated government-borne import duties; and
 - l. board of directors of the Company.

Article 4

- (1) With regard to the application as referred to Article 3 paragraph (1), the Director General of Customs and Excise shall approve or reject within a period of no longer than 14 (fourteen) days as of the receipt of



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complete application.

- (2) The approval as referred to in paragraph (1) may be provided in the form of partial approval or full approval on the Goods and Materials specified in the Goods Import Plan attached to the application submitted by the Company as referred to in Article 3.
- (3) In the event that the application as referred to in Article 3 paragraph (1) has been partially or fully approved, the Director General of Customs and Excise on behalf of the Minister of Finance shall issue a Decree of the Minister of Finance regarding Government-borne Import Duties on Goods and Materials for the manufacture of fiber optic cables by the fiber optic cable manufacturing industry.
- (4) In the event that the application as referred to in Article 3 paragraph (1) is rejected, the Director General of Customs and Excise on behalf of the Minister of Finance shall deliver a rejection notice to the Company with reason(s) thereof.

Article 5

- (1) With regard to the import realization of Government-borne Import Duties the implementation of which is based on the Decree of the Minister of Finance as referred to in Article 4 paragraph (3), the Customs and Excise Supervisory and Service Office or the local Customs and Excise Primary Service Office shall affix a stamp reading "IMPORT DUTY BORNE BY GOVERNMENT UNDER REGULATION OF THE MINISTER OF FINANCE NUMBER 111 /PMK.011/2011" on all pages of the Import Customs Notice.
- (2) The Import Customs Notice as referred to in paragraph (1) shall serve as the basis for recording revenues of Government-borne Import Duties and such revenues shall be allocated as tax subsidy spending in the same amount.

Article 6

- (1) In the event of difference between the Goods and Materials to be imported and the list of Goods and Materials in the Decree of the Minister of Finance as referred to in Article 4 paragraph (3), the Company may submit an application for an amendment to such Decree of the Minister of Finance.
- (2) The application as referred to in paragraph (1) shall be submitted to the Director General of Customs and Excise by attaching the Amended



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Goods Import Plan approved and legalized by the Director General of High Technology-based Leading Industry at the Ministry of Industry.

Article 7

- (1) With regard to the application as referred to in Article 6, the Director of Customs and Excise shall approve or reject within a period of no longer than 14 (fourteen) days as of the receipt of complete application.
- (2) Approval on the application for an amendment to Decree of the Minister of Finance as referred to in paragraph (1) may be provided in the form of partial approval or full approval.
- (3) In the event that the application as referred to in Article 6 has been partially or fully approved, the Director General of Customs and Excise on behalf of the Minister of Finance shall issue a Decree of the Minister of Finance regarding Government-borne Import Duties on Goods and Materials for the manufacture of fiber optic cables by the fiber optic cable manufacturing industry.
- (4) In the event that the application as referred to in Article 6 is rejected, the Director General of Customs and Excise on behalf of the Minister of Finance shall deliver a rejection notice to the Company with reason(s) thereof.

Article 8

The implementation and accountability of Government-borne Import Duties as referred to in Article 2 shall be carried out in accordance with the provisions of the Regulation of the Minister of Finance setting forth the implementation and accountability mechanisms of Government-borne Import Duties.

Article 9

- (1) Goods and Materials obtaining Government-borne Import Duties must be utilized by the relevant Company for manufacturing fiber optic cables and cannot be transferred to any other party.
- (2) Any violation of the provision as referred to in Paragraph (1) shall subject the Company to the originally payable import duties plus 2% (two percent) interest per month for no longer than 24 (twenty-four) months as of the import realization of Government-borne Import Duties as referred to in Article 5 paragraph (1).



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Article 10

This Regulation of the Minister of Finance shall come into effect as of its promulgation date until December 31, 2011.

For public cognizance, ordering the promulgation of this Regulation of the Minister of Finance by including it in the Official Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On July 18, 2011

MINISTER OF FINANCE,

Signed

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

On July 18, 2011

MINISTER OF LAW AND HUMAN RIGHTS,

Signed

PATRIALIS AKBAR

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 421

Issued as True Certified Copy

HEAD OF THE GENERAL AFFAIRS BUREAU

represented by

HEAD OF THE MINISTERIAL ADMINISTRATIVE DIVISION

GIARTO

Civil Service Reg. No. 195904201984021001



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

ATTACHMENT TO
REGULATION OF THE MINISTER OF FINANCE NUMBER
111/PMK.011/2011 REGARDING GOVERNMENT-BORNE
IMPORT DUTIES ON IMPORTS OF GOODS AND
MATERIALS FOR THE MANUFACTURE OF FIBER OPTIC

**LIST OF GOODS AND SERVICES
FOR THE MANUFACTURE OF FIBER OPTIC CABLES
OBTAINING GOVERNMENT-BORNE IMPORT DUTIES
FOR FISCAL YEAR 2011**

NO.	DESCRIPTION OF GOODS	SPECIFICATION	INCLUDED IN TARIFF ITEM
1.	Compound	Natural-colored, non-toxic petroleum jelly	2712.10.00.00
2.	High Density Polyethylene (HDPE)	Black-colored polymer in granular form with high specific gravity and UV-resistant suitable for covering fiber optic cable	3901.20.00.00
3.	Anti-tracking Polyethylene	Black-colored polymer in granular form with high specific gravity and resistant to UV and electric ion burst suitable for covering ADSS-type fiber optic cable	3901.20.00.00
4.	Flame Retardant Polyethylene	Black-colored polymer in granular form with high specific gravity, UV-resistant and non-combustible suitable for in-building cabling to replace PVC	3901.20.00.00
5.	Natural Polyethylene	Natural-colored polymer in granular form with high specific gravity suitable for covering fiber optic cables	3901.20.00.00
6.	Fiber Reinforced	Bars mixed from polyester and glass as cable pull load suspender	3916.90.90.00



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NO.	DESCRIPTION OF GOODS	SPECIFICATION	INCLUDED IN TARIFF ITEM
7.	Marking Tape	Powder-coated plastic tape used for marking cables	3919.10.21.00
8.	Aramid Yarn	For strength member and ripcord on fiber optic cables, high modulus high tensile strength on fiber optic cables, made from aramid	5402.11.00.00
9.	Polyester binder yarn/ polyester ripcord	High strength yarn made from polyester	5402.20.00.00
10.	Water Blocking Tape	Tape containing Super Absorber Polymer inflatable in water, used to block water absorption into cables	5603.13.00.00
11.	Swell Yarn	Yarn containing Super Absorber Polymer inflatable in water, used to block water absorption into cables	5604.90.00.00
12.	Glass Yarn	Powder-coated polyester yarn used as pull load suspender	7019.19.10.00
13.	Galvanized Steel Wire	Made from non-alloy steel, zinc-plated or zinc-coated, containing carbon less than 0.25%	7217.20.10.00
14.	Galvanized Steel Wire	Made from non-alloy steel, zinc-plated or zinc-coated, containing carbon of 0.25% or higher, but less than 0.45% by mass	7217.20.20.00
15.	Copper Tape	Copper tape containing 99.8% copper for protecting fiber optic cables	7410.11.00.00

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