



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

COPY

REGULATION OF FINANCE MINISTER

NUMBER 124/PMK.02/2009

CONCERNING

PROCEDURES FOR SUPPLY, DISBURSEMENT, AND ACCOUNTABILITY OF
NATIONAL SEEDS RESERVE FUND AND DIRECT SUPPORT OF SUPERIOR SEEDS

BY THE GRACE OF THE ONE AMIGHTY GOD

FINANCE MINISTER,

- Having Considered :
- a. that to rehabilitate dried up cropping and develop the use of high quality seeds from superior variety, it is deemed necessary to provide seeds which meet quality standard in time of need through National Seeds Reserve;
 - b. that to support effort to increase productivity and production of food crops and increase awareness of using high-quality superior seeds and ease farmers' burden, it is deemed necessary to implement Direct Support of Superior Seeds for the farmers;
 - c. that State Budget Year 2009 has allocated National Seeds Reserve Fund and Direct Support of Superior Seeds;
 - d. that pursuant to the considerations as referred to in letter a, letter b, and letter c, it is deemed necessary to enact Regulation of Finance Minister concerning Procedures for Supply, Disbursement, and Accountability of National Seed Reserve Fund and Direct Support of Superior Seeds.
- Having observed :
1. Law Number 17 of 2003 on State Finance (State Gazette of The Republic of Indonesia Number 47 of 2003, Supplement to the State Gazette of The Republic of Indonesia Number 4286);
 2. Law Number 19 of 2003 on State-Owned Enterprises (State Gazette of The Republic of Indonesia Number 70 of 2003, Supplement to the State Gazette of The Republic of Indonesia Number 4297);
 3. Law Number 1 of 2004 on State Treasury (State Gazette of The Republic of Indonesia Number 5 of 2004, Supplement to the State Gazette of The Republic of Indonesia Number 4355);
 4. Law Number 41 of 2008 on State Budget Year 2009 (State Gazette of The Republic of Indonesia Number 171 of 2008, Supplement to the State Gazette of The Republic of Indonesia Number 4920);



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-2-

5. Government Regulation Number 21 of 2004 on Compilation of Working Plan and Budget at State Ministries/Institutions (State Gazette of The Republic of Indonesia Number 75 of 2004, Supplement to the State Gazette of the Republic of Indonesia Number 4406);
6. Government Regulation Number 8 of 2006 on Finance and Performance Report of Government Institutions (State Gazette of The Republic of Indonesia Number 25 of 2006, Supplement to the State Gazette of The Republic of Indonesia Number 4614);
7. Presidential Decree Number 42 of 2002 on Guidelines for the Implementation of State Budget of The Republic of Indonesia (State Gazette of The Republic of Indonesia Number 73 of 2002, Supplement to the State Gazette of The Republic of Indonesia Number 4212) as amended by Presidential Decree Number 72 of 2004 (State Gazette of The Republic of Indonesia Number 92 of 2004, Supplement to the State Gazette of The Republic of Indonesia Number 4418);
8. Presidential Decree Number 20/P of 2005;
9. Presidential Regulation Number 72 of 2008 on Details of Central Government Budget Year 2009
10. Regulation of Finance Minister Number 08/PMK.02/2005 on Management of Costs and Estimates Budget Section;
11. Regulation of Finance Minister Number 82/PMK.05/2007 on Procedures for Disbursement of Fund on State Budget through State General Treasury Account;
12. Regulation of Finance Minister Number 171/PMK.05/2007 on Central Government's Accounting and Financial Report Systems;
13. Regulation of Finance Minister Number 105/PMK.02/2008 on Guidelines for Compiling and Analyzing Working Plan and Budget of State Ministries/Institutions and Compiling, Analyzing, Endorsement, and Implementation of List of Budget Implementation Year 2009.

Having Reviewed : Conclusions of Working Meeting between Budget Committee of DPR RI and Minister of Finance as Government Representative and Bank of Indonesia Governor on the First Reading of Draft Law on State Budget Year 2009 and its Financial Note on 24 August-29 October 2008;

-3-



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

HAS DECIDED:

To enact : REGULATION OF FINANCE MINISTER ON PROCEDURES FOR SUPPLY, DISBURSEMENT, AND ACCOUNTABILITY OF NATIONAL SEED RESERVE FUND AND DIRECT SUPPORT OF SUPERIOR SEEDS.

CHAPTER 1

GENERAL PROVISIONS

Article 1

In this Regulation, the following words have the following meanings:

1. National Seed Reserve, later abbreviated as CBN, is a certain amount of rice, corn (hybrid and composite), and soybean seeds which meet technical specification. They belong to Central Government and the supply comes from State Budget Fund and the management is assigned to PT Sang Hyang Seri (Persero) as the contractor of Public Service Obligation (PSO);
2. Direct Support of Superior Seeds, later abbreviated as BLBU, is a certain amount of high quality food-crop seeds of superior variety which are distributed for free to a farmer (or a group of farmers) in order to ease farmers' burden and increase awareness of using superior seeds so that production and productivity of food crops can be increased. The supply comes from State Budget fund and the management is assigned to PT Sang Hyang Seri (Persero) and PT Pertani (Persero) as the contractors of Public Service Obligation (PSO).

CHAPTER II

USE OF NATIONAL SEEDS RESERVE FUND AND DIRECT SUPPORT OF SUPERIOR SEEDS

Article 2

- (1) CBN is used for the purposes of recovery and development of high quality seeds from superior varieties.
- (2) CBN as referred to in paragraph (1) is implemented with reference to General Guidelines for CBN as issued by Minister of Agriculture.
- (3) BLBU is used to increase awareness of using high quality superior varieties in order to increase productivity and production of food crops and ease farmers' burden in providing and using high quality seeds from superior varieties.



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-4-

- (4) BLBU as referred in to paragraph (3) is implemented with reference to BLBU General Guidelines as issued by Minister of Agriculture.
- (5) Funding allocation for CBN expenses includes tutoring, monitoring, reporting, and evaluation, and the implementation refers to CBN General Guidelines issued by Minister of Agriculture.
- (6) Funding allocation for BLBU expenses includes tutoring and mentoring which among others include monitoring, reporting, and evaluation activities, and the implementation refers to BLBU General Guidelines issued by Minister of Agriculture.

CHAPTER III

PROCEDURES FOR PROVIDING AND DISBURSEMENT OF NATIONAL SEEDS

RESERVE FUND AND DIRECT SUPPORT OF SUPERIOR SEEDS

Article 3

- (1) Funding allocation for CBN and BLBU is set in State Budget (APBN) or Revised State Budget (APBN-P).
- (2) For the purpose of disbursement of CBN and BLBU, Finance Minister appoints Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator.
- (3) Director General of Budget issues Line Item Budget for Each Line Agency (SP-SAPSK) for CBN and BLBU expenses with the ceiling as set in State budget (APBN) or Revised State Budget (APBN-P).
- (4) Pursuant to the SP-SAPSK as referred in to paragraph (3), Director General of Food Crops, Ministry of Agriculture issues and signs a draft List of Budget Implementation (DIPA) and is later approved by Director General of Treasury.
- (5) DIPA as referred in to paragraph (4) becomes the basis for executing the payment of CBN and BLBU.

Article 4

- (1) Payment of CBN and BLBU may be done after Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator submit the following documents:
 - a. Agreement with PT Sang Hyang Seri (Persero) and PT Pertani (Persero) ;



b. Payment Order (SPM) and relevant required appendices.

- (2) Complete supporting documents must be attached with Verification Result Notice.
- (3) Verification is executed with reference to invoice submitted by the Board of Directors of PT Sang Hyang Seri (Persero) or the Board of Directors of PT Pertani (Persero) to Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator.
- (4) Verification for the purpose of BLBU payment is conducted towards supporting documents in accordance with Standard Operating Procedure (SOP) approved by Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator.
- (5) Verification as referred in to paragraph (4) is conducted by Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator, and in its implementation, Director General of Food Crops, Ministry of Agriculture may establish a team involving Ministry of Finance cq. Directorate General of Budget and other related institutions.
- (6) Verification result as referred to in paragraph (5) is written in Verification Results Notice signed by Authorized Budget administrator/Person in Charge of the activity and the Board of Directors of of PT Sang Hyang Seri (Persero) or PT Pertani (Persero) with reference to Working Papers of verification result which has been conducted and approved by the Team/other parties who have conducted verification.
- (7) Verification Result Notice as referred in to paragraph (6) is primarily administrative and still requires PT Sang Hyang Seri (Persero) or PT Pertani (Persero) to be audited by Auditor appointed in accordance with applicable regulations and laws.
- (8) PT Sang Hyang Seri (Persero) or PT Pertani (Persero) must keep the supporting documents pertaining to CBN and BLBU complete and in order as well as presentable in the future in case they are needed for evaluation, inspection or other administrative purposes.

Article 5

- (1) Pursuant to DIPA as referred in to Article 3 paragraph (4), Directorate General of Food Crops, Ministry of Agriculture enters into an agreement with PT Sang Hyang Seri (Persero) as the basis for the performance of its obligation of general services for CBN Management and BLBU implementation.



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-6-

- (2) Pursuant to DIPA as referred to in Article 3 paragraph (4), Directorate General of Food Crops, Ministry of Agriculture enters into an agreement with PT Pertani (Persero) as the basis for BLBU.
- (3) The agreement as referred to in paragraph (1) and paragraph (2) may be signed by an Officer who is appointed and has the authority as mandated by Director General of Food Crops, Ministry of Agriculture and the President Director of PT Sang Hyang Seri (Persero) and the President Director of PT Pertani (Persero).

Article 6

- (1) Authorized Budget Administrator as referred to in Article 3 paragraph (2) appoints:
 - a. Officer who is given the authority to perform act resulting in disbursement of expenses budget, /the person-in-charge of the activity /the commitment officer hereinafter referred to as Commitment Officer; and
 - b. Officer who is given the authority to issue invoice to the state and sign SPM hereinafter referred to as SPM Signatory Officer.
- (2) A copy of directive for the appointed officers as referred to in paragraph (1) is sent to Director General of Treasury cq. Director of State Treasury Management.
- (3) Pursuant to DIPA for CBN and BLBU expenses which has been approved by Directorate General of Treasury as referred to in Article 3 paragraph (4), the appointed officer as referred to in paragraph (1) issues SPM as referred to in Article 4 paragraph (1) and submit it to Director of State Treasury Management at Directorate General of Treasury as Authorized State General Treasurer.
- (4) The SPM as referred to in paragraph (3) for CBN expenses must attach the following:
 - a. Receipt of payment;
 - b. Agreement of Implementation on Public Service Obligation for CBN management as referred to in Article 5 paragraph (1);
 - c. Declaration of Seeds Availability for CBN stock in the warehouse and PT Sang Hyang Seri (Persero) nursery made following a template as set in Appendix 1 which is an integral part of this Finance Minister Regulation; and



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-7-

- d. Declaration of Commitment to distribute CBN to recovery and development made by PT Sang Hyang Seri (Persero) following a template as set format in Appendix II which is an integral part of this Finance Minister Regulation.
- (5) SPM as referred to in Article 4 paragraph (1) for payment of BLBU must attach the following:
 - a. Receipt of payment;
 - b. Agreement of Implementation as referred to in Article 5 paragraph (1);
 - c. Notice of Verification Result for the implementation of BLBU.
 - (6) Pursuant to SPM as referred to in paragraph (3), Director of State Treasury Management as Authorized General Treasurer issues Fund Disbursement Order (SP2D) in accordance with the prevailing laws and regulations;

CHAPTER IV

ACCOUNTABILITY REPORT

Article 7

- (1) Director General of Food Crops, Ministry of Agriculture as Authorized Budget Administrator must submit financial statement of CBN and BLBU fund management per semester and per year to Finance Minister cq. Director General of Budget in accordance with the prevailing laws and regulations.
- (2) The utilization of CBN and BLBU is audited by State Audit Bureau or another authorized Auditor in accordance with the prevailing laws and regulations.
- (3) The audit report as referred to in paragraph (2) is submitted to Finance Minister with copies for Director General of Budget and Director General of Treasury.
- (4) In the event of surplus between between the amount of BLBU paid to PT Sang Hyang Seri (Persero) or PT Pertani (Persero) and the amount of BLBU specified in the audit report by State Audit Agency and/or another authorized Auditor as specified by prevailing laws and regulations in 1 (one) fiscal year, the aforesaid surplus must be deposited by PT Sang Hyang Seri (Persero) and PT Pertani (Persero) to State Treasury no later than 30 (thirty) working days after the invoice from Ministry of Finance cq. Director General of Treasury to PT Sang Hyang Seri (Persero) or PT Pertani (Persero) has been endorsed and recorded as Non-Tax State Revenue (PNBP).



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-8-

- (5) In the event of deficit between the amount of BLBU paid to PT Sang Hyang Seri (Persero) or Pt Pertani (Persero) and the amount of BLBU specified in the result of audit by State Audit Agency and/or another authorized auditor in accordance with the prevailing laws and regulations in 1 (one) fiscal year, the aforesaid deficit may be paid as long as the ceiling of funding is allocated in State Budget in the following fiscal year in accordance with prevailing laws and regulations.

CHAPTER V

OTHER PROVISIONS

Article 8

- (1) CBN with decreasing quality of seeds which cannot meet the acceptable quality standard as referred to in CBN General Guideline may be sold with prior approval from Minister of Agriculture;
- (2) The proceeds from the sale of CBN as referred to in paragraph (1) must be deposited to state treasury as Non Tax State Revenue (PNBP) in accordance with the prevailing laws and regulations.

CHAPTER VI

CLOSING PROVISIONS

Article 9

- (1) BLBU which has not been paid until the end of the year can be put in the Subsidy Reserve- Account/PSO in accordance with the prevailing laws and regulations.
- (2) Procedure for disbursement of fund from Subsidy Reserve- Account/PSO as referred to in paragraph (1) is implemented in accordance with the prevailing laws and regulations.

Article 10

This Regulation of Finance Ministry of is applicable as long as the funding for CBN and BLBU is in the State Budget.

Article 11

The implementation of procedure for supply, disbursement, and responsibilities of CBN and BLBU fund as governed in this Ministry of Finance Regulation is in force since 1 January 2009.



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

-9-

Article 12

This Ministry of Finance Regulation shall be in force since its enactment.

For the public to be informed, it is ordered that this Ministry of Finance Regulation is promulgated in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta

On 24 July 2009

FINANCE MINISTER

(signed)

SRI MULYANI INDRAWATI

Promulgated in Jakarta

On 24 July 2009

MINISTER OF JUSTICE AND HUMAN RIGHTS

(Signed)

ANDI MATTALATA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 214 OF 2009

This copy is in conformity with the original
Head of General Affairs Bureau
For
Head of Administration, the Ministry of Finance

(signed and sealed with the seal of the
General Affairs Bureau)

Antonius Suharto
NIP 060041107



FINANCE MINISTER
THE REPUBLIC OF INDONESIA

APPENDIX I
FINANCE MINISTER REGULATION
NUMBER 124/PMK.02/2009 ON
PROCEDURES FOR SUPPLY,
DISBURSEMENT, AND
ACCOUNTABILITY OF NATIONAL
SEEDS AND DIRCT SUPPORT OF
SUPERIOR SEEDS

**DECLARATION OF AVAILABILITY
RICE, SOYBEAN, HYBRID CORN, AND COMPOSITE CORN
FOR NATIONAL SEEDS RESERVATION**

I, the undersigned:

Name :

Position :

Address :

Acting for and on behalf of PT Sang Hyang Seri (Persero) hereby state truly that rice, soybean, hybrid corn, and composite corn seeds stock for National Seeds Reservation are available in the warehouse and stock yard of PT Sang Hyang Seri (Persero).

This Declaration is prepared in 3 (three) copies for the purpose of fund disbursement and management of National Seeds Reservation.

Jakarta

Acknowledged by:
Authorized Budget Administrator/
Commitment Officer

President Director
PT SANG HYANG SERI (PERSERO)
STAMP DUTY OF Rp 6.000,-

This copy is in conformity with the original
Head of General Affairs Bureau
For
Head of Administration, the Ministry of Finance

FINANCE MINISTER

Signed

SRI MULYANI INDRAWATI

(signed and sealed with the seal of the
General Affairs Bureau)

Antonius Suharto
NIP 060041107



APPENDIX II
FINANCE MINISTER REGULATION
NUMBER 124/PMK.02/2009
CONCERNING PROCEDURES FOR
SUPPLY, DISBURSEMENT, AND
ACCOUNTABILITY OF NATIONAL
SEEDS AND DIRECT SUPPORT OF
SUPERIOR SEEDS

**DECLARATION OF COMMITMENT
TO SUPPLY NATIONAL SEEDS RESERVATION**

I, the undersigned,:

Name :

Position :

Address :

Acting for and on behalf of PT Sang Hyang Seri (Persero) hereby declare truly that PT Sang Hyang Seri (Persero) is committed to distribute National Seeds Reservation which comprises of hybrid rice, soybean, hybrid corn, and composite corn seeds for the purposes of recovery and development.

This Declaration is prepared in 3 (three) copies for the purpose of fund disbursement and management of National Seeds Reservation.

Jakarta,

Acknowledged by:

President Director

Authorized Budget Administrator/

PT SANG HYANG SERI (PERSERO)

Commitment Officer

STAMP DUTY OF Rp 6000,-

This copy is in conformity with the original
Head of General Affairs Bureau
For
Head of Administration, the Ministry of Finance

FINANCE MINISTER

Signed

SRI MULYANI INDRAWATI

(signed and sealed with the seal of the
General Affairs Bureau)

Antonius Suharto
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