

Asia Internet Coalition (AIC) Industry Letter on Ministry of Trade issued Regulation No. 36 of 2023 ("MOT 36") and Ministry of Industry ("MOI") Regulation No. 5 of 2024

17 April 2024

Attn: To the Ministry of Industry, Indonesia

On behalf of the [Asia Internet Coalition](#) (AIC) and its members, I am writing to express our recommendations on the Ministry of Trade issued Regulation No. 36 of 2023 ("MOT 36"), which introduced a new import application process in Indonesia and Ministry of Industry ("MOI") Regulation No. 5 of 2024. AIC is an industry association of leading internet and technology companies in the Asia Pacific region with a mission to promote the understanding and resolution of Internet and ICT policy issues in the Asia region.

On December 11, 2023, the Ministry of Trade issued Regulation No. 36 of 2023 ("MOT 36"), which introduced a new import application process in Indonesia. This regulation, to be jointly reviewed by the Ministry of Trade and the Ministry of Industry ("MOI"), has significant implications for the importation of various goods, including textiles, textile products, bags, and footwear. Subsequently, on March 10, 2024, the MOI Regulation No. 5 of 2024 went into effect, providing guidelines for the importation of these specific goods under MOI 5.

Issues and Recommendations:

1. Trademark Registration Certificate/ Registration of Trademark License Agreement:

Issue: Under MOI 5, the requirement for trademark registration in Indonesia has become mandatory for imported textiles, textile products, bags, and footwear. However, the registration process is known to be time-consuming, typically taking between 18 to 24 months. This poses a significant obstacle for both international and local brands seeking to import their products into Indonesia.

Recommendation: Considering the lengthy process of trademark registration, we propose allowing trademarks that are under the "applied" status to be considered compliant with MOI 5 requirements. In practical terms, importers should be permitted to submit a copy of the trademark application receipt or a signed trademark license agreement, even if the trademarks have not yet been officially registered. Furthermore, we suggest including a signed statement from the trademark owner, certifying compliance with MOI 5 requirements, and committing to providing the official trademark registration certificate once it is issued. Additionally, the trademark owner should undertake to process the recordation of the trademark license agreement once the trademark is registered, and provide copies of the certificate of trademark license recordation to MOI within five (5) working days from receipt of the

certificate. Failure to comply within the provided deadline may result in the cessation of importing the affected brand.

2. **Standard Requirement Certificate:**

Issue: MOI 5 mandates the submission of laboratory quality certificates as part of the import application process. However, obtaining these certificates can be delayed due to the testing processes involved, creating additional challenges for importers.

Recommendation: To address this issue, we propose allowing products undergoing testing to be considered compliant with MOI 5 requirements. Importers should be required to submit a copy of the receipt issued by the laboratory as evidence of ongoing testing, along with a signed statement indicating the current testing status and providing an estimated completion date. Similar to the previous recommendation, the trademark owner should commit to providing the laboratory certificate promptly upon its issuance, within five (5) working days from receipt of the certificate. Failure to meet this requirement within the provided deadline may result in the cessation of importing the affected products.

We believe that these recommendations strike a balance between regulatory compliance and practical feasibility, ultimately fostering a more conducive environment for trade and innovation in Indonesia. We kindly request the Ministry of Industry's support in considering and implementing these recommendations to streamline import processes and support the growth of businesses in Indonesia.

We further welcome the opportunity to offer our inputs and insights, directly through industry meetings and participating in the official consultations / workshops.

Should you have any questions or need clarification on any of the recommendations, please do not hesitate to contact our Secretariat Mr. Sarthak Luthra at Secretariat@aicasia.org or at +65 8739 1490.

Thank you,

Sincerely

A handwritten signature in blue ink, appearing to read "Paine".

Jeff Paine
Managing Director
Asia Internet Coalition (AIC)