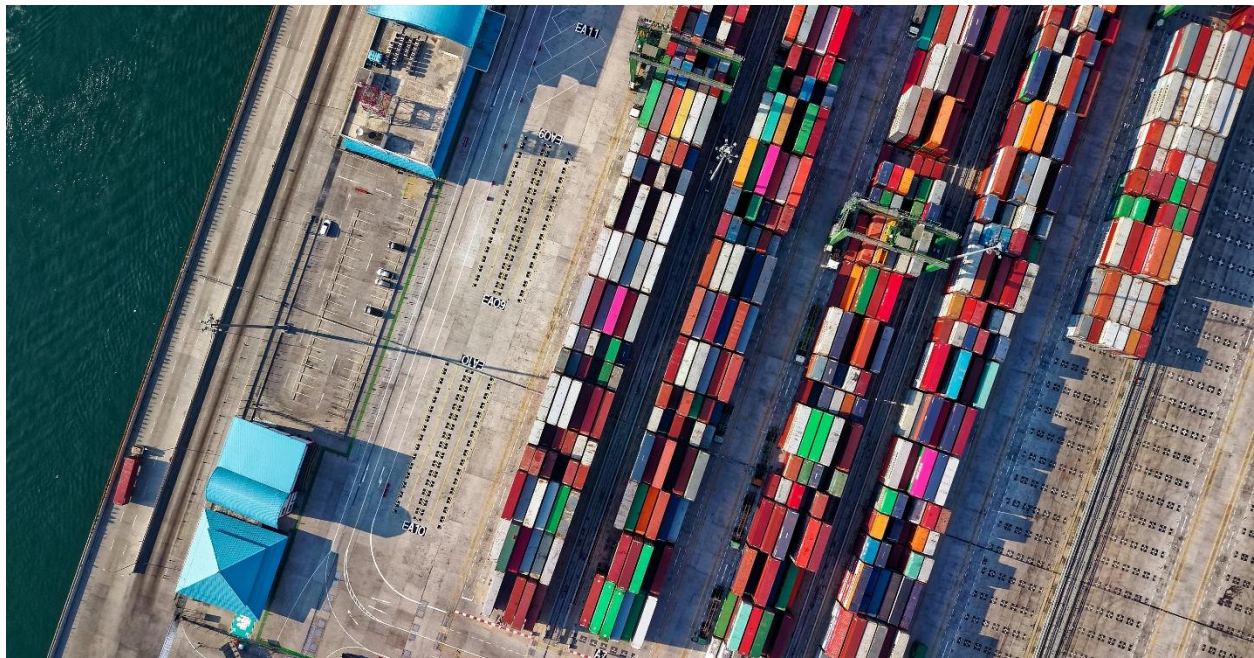


INDONESIA INTRODUCES NEW IMPORT POLICY REGIME UNDER MINISTRY OF TRADE REGULATION NO. 16 OF 2025



Summary

- MOTR 16/2025 becomes Indonesia's new import regulatory framework, which aimed at simplifying certain licensing procedures, removing overlapping rules under the previous regime and strengthening compliance oversight.
- Notably, MOTR 16/2025 clarifies certain key definitions of goods subject to this rule, relaxes import license conversion requirements and streamlines licensing application process. Also, MOTR 16/2025 restructures the sanctioning mechanism and narrows exemptions for used goods and non-commercial imports.
- MOTR 16/2025, which will take effect on 30 August 2025, includes transitional provisions that companies should note to facilitate business adjustment and ensure compliance ahead of the effective date.



Background

On 30 June 2025, the Ministry of Trade of the Republic of Indonesia (*Kementerian Perdagangan Republik Indonesia* or “**MOT**”) issued MOT Regulation No. 16 of 2025 on Import Policy and Provisions (“**MOTR 16/2025**”), which introduces major changes to Indonesia’s import governance framework. MOTR 16/2025, which takes effect on 30 August 2025, repeals and replaces MOT Regulation No. 36 of 2023 on the same subject (as lastly amended by MOT Regulation No. 8 of 2024, “**MOTR 36/2023**”).

MOTR 16/2025 intends to simplify import procedures, remove regulatory overlaps and strengthen compliance oversight. It also aims to facilitate access to strategic goods and raw materials, while promoting the development of domestic industries through more disciplined import governance.

Importantly, MOTR 16/2025 serves as the umbrella import regulation for eight newly issued, sector-specific import regulations (including those covering textiles, agriculture and livestock, fisheries, salt, chemicals and hazardous substances, mining inputs, electronics and telematics, consumer goods and non-new or non-hazardous waste). This update outlines key provisions introduced by MOTR 16/2025 and aims to provide practical insights to help importers navigating the revised import regime.

Key Regulatory Changes

New rules and key changes introduced under MOTR 16/2025 are as follows:

- **Clarified Definition for Imported Goods**

MOTR 16/2025 has now clarified several key terms of goods that were not specifically defined in MOTR 36/2023, including:

- (a) Categories of imported goods, which include Restricted Import Goods (*Barang Dibatasi Impor*), Freely Importable Goods (*Barang Bebas Impor*) and Prohibited Import Goods (*Barang Dilarang Impor*); and
- (b) Categories of imported manufacturing goods, which include Complementary Goods (*Barang Komplementer*), Goods for Market Testing (*Barang untuk Keperluan Tes Pasar*), and Goods for After-Sales Services (*Barang untuk Pelayanan Purna Jual*).

These definitions provide clearer legal interpretation, reduce ambiguity and lay a stronger foundation for consistent policy enforcement across sectors.

- **Relaxed API-U to API-P Conversion Requirements**

MOTR 16/2025 simplifies the requirements for converting a Business Identification Number (*Nomor Induk Berusaha* or “**NIB**”) with a General Import License (*Angka Pengenal Importir Umum* or “**API-U**”) status to an NIB with a Producer Import License (*Angka Pengenal Importir Produsen* or “**API-P**”) status.



Under the previous regime, MOTR 36/2023 requires importers, who wish to convert their API-U to API-P, to meet two requirements: (i) complete all import activities in accordance with their existing Import Approvals (*Persetujuan Impor*) and/or Surveyor Reports (*Laporan Surveyor*); and (ii) maintain an active API-U status for at least one year prior to conversion.

MOTR 16/2025 removes these restrictive requirements, allowing importers to convert their API-U to API-P even if they do not hold any valid Import Approvals and/or Surveyor Reports. Additionally, conversion is also permitted even if the importers hold those licenses but are not conducting any import activities.

- **Expanded Exceptions of Trading or Transferring Goods Imported under API-P**

Both MOTR 36/2023 and MOTR 16/2025 set out the categories of goods that the holders of NIB with API-P status may import and subsequently trade or transfer to other parties. While MOTR 16/2025 retains the categories provided under the previous regime, it introduces one new category i.e., capital goods, raw materials, auxiliary materials and/or other production-supporting materials originating from the exporting country, provided that these goods are later re-exported and their quantity does not exceed the amount stated in the original customs declaration.

- **Streamlined Import Licenses Processing and Approval Timelines**

MOTR 16/2025 now also provides maximum time period for the administrative review of any applications related to the issuance, amendment or extension of any Import Licenses (including API-U, API-P and Import Approval). The administrative review must now conclude within 15 (fifteen) working days from the application date.

To further enhance legal certainty, MOTR 16/2025 introduces a new mechanism whereby the INATRADE system, which is integrated with the Indonesia National Single Window (INSW) system, will, within 5 (five) working days upon receipt of complete application documents, automatically issue the relevant Import Licenses regardless of whether the system fails to issue the relevant Import Licenses within the prescribed deadline. These changes reduce uncertainty and delays in licensing, helping importers plan and execute import operations more efficiently.

- **Additional Ground for Temporary Suspension of Import Approvals**

While MOTR 16/2025 retains the existing grounds for temporary suspension of the issuance, amendment or renewal of any Import Approval on MOTR 36/2023, it now provides an additional ground for suspension. Under MOTR 16/2025, Import Approvals process may also be suspended if an investigation is required due to alleged violations of import policies and regulations on certain goods, particularly those are subject to post-border trade activity monitoring.

- **Exception on the Obligation to Import Only New Products**



MOTR 36/2023 explicitly outlined several exceptions under which certain used goods could be imported, including (i) capital goods that are insufficiently sourced domestically, for use in industrial production aimed at export development and other purposes, (ii) goods for reconstruction following natural disasters; and (iii) residues, scrap or remnants (excluding hazardous and toxic waste) used as raw or auxiliary materials for industrial use.

While MOTR 16/2025 maintains the general principle that used goods can be imported under applicable laws and regulations, ministerial authority, or based on technical recommendations from relevant government agencies, it no longer provides the detailed exceptions previously stipulated under MOTR 36/2023.

- **Classification of Freely Imported Goods**

MOTR 16/2025 retains the general rule that certain goods are allowed to be freely imported by parties not eligible to hold a NIB functioning as an API and the imports are not for commercial purposes. However, MOTR 16/2025 now provides distinct provisions and more detailed rules for two categories i.e. (i) goods intended for the use of government institutions, state agencies and/or public, which now also include goods for the needs of the head of state, and (ii) goods for sporting purposes, imported by the national sports federations or committees.

Under the previous regime, these goods must be imported directly by the relevant institution, organization or agency. MOTR 16/2025 now permits those parties to appoint third-party importers to conduct the import process on their behalf.

Another key change involves the scope of goods permitted to be imported by those parties. While previously limited to freely importable goods, the scope now expands to restricted goods, provided that all applicable requirements are fulfilled.

- **Narrowed Eligibility for Import of Manufacturing Goods by Industrial Sectors**

MOTR 16/2025, similar to MOTR 36/2023, specifies industrial sectors that are permitted to import manufacturing goods classified as Complementary Goods and Goods for Market Testing. However, MOTR 16/2025 narrows this eligibility by removing certain industries previously listed in MOTR 36/2023, such as (i) cereal food industry, (ii) infant food industry and (iii) chocolate and confectionery food industry.

- **New List on Used Restricted Import Goods not for Business Purpose**

MOTR 16/2025 provides clearer guidance on categories of restricted used goods that may be imported for non-commercial purposes, specifically listing the goods that fall under these categories. This applies to both importers without a NIB functioning as an API and those with such API status, subject to applicable requirements. For example, MOTR 16/2025 includes iron or steel, alloy steel and their



derivatives, tires, ceramics, and sheet and safety glass, all of which may be imported by eligible parties for research or scientific development.

- **Amended Import Reporting Obligations**

Under the previous regime, MOTR 36/2023 required importers holding any Import Licenses (including Import Approval) as well as any Surveyor's Report to submit monthly import realization report, no later than the 15th of the following month. MOTR 16/2025 narrow this obligation whereby only importers with import licenses or approvals are now required to submit monthly reports, regardless of whether any imports have occurred.

Meanwhile, importers holding a Surveyor's Report who have realized their importation must submit the realisation report no later than 30 calendar days after using the Surveyor's Report as a customs clearance document.

- **Improved Supervision of Imported Products**

The supervision of import-related business licensing compliance in MOTR 16/2025 now occurs at both the border and post-border. This represents a significant shift from the previous approach under MOTR 36/2023, where inspections were conducted only after goods had cleared customs (post-border).

This dual-layered supervision framework indicates the government's commitment to tighten regulatory enforcement from the point of entry. Importers must now ensure strict compliance with licensing, documentation, and trade-related obligations both at the border and after customs clearance.

- **More Structured Sanction Regime**

MOTR 16/2025 retains most administrative sanctions previously set out under MOTR 36/2023 but introduces a more structured and tiered enforcement framework. Under the new regime, importers may face sanctions for specific violations, including inconsistencies between submitted application documents and the issued Import Licenses, importation of goods in types or quantities that deviate from the issued Import Licenses, and failure to submit a mandatory Surveyor's Report.

- **Revocation of Import Approval for Several Commodities**

Under the transitional provisions of MOTR 16/2025, all previously issued Import Approvals for certain commodities will be revoked and deemed invalid as of 30 August 2025. This revocation applies regardless of whether importers obtained these approvals under an API-U or an API-P. The affected commodities include forestry products, plastic raw materials, subsidized fertilizers, fuels, fuel blends, and other fuel types not classified as standard fuel or blends and other commodities. Any pending applications for Import Approvals related to these commodities will no longer be processed, and the relevant importers must submit new applications in accordance with the requirements provided under MOTR 16/2025.



- **Transitional Provisions**

To ensure legal certainty and a smooth transition, MOTR 16/2025 includes several transitional provisions aimed at aligning import activities with the new framework, among others:

- (a) Any Import Licenses previously issued by the authorities under the previous regime (including MOTR 36/2023), shall remain valid until their respective expiry dates and may be amended or extended, provided that the changes do not conflict with the provisions of MOTR 16/2025.
- (b) Save for application for Import Approvals related to certain commodities as referred in the above, applications for Import Licenses submitted prior to the effective date of this Regulation and still under review shall continue to be processed, as long as they do not conflict with the new provisions under MOTR 16/2025.
- (c) Supporting documents such as verification reports, technical considerations, exemptions, explanatory letters, certificates, recommendations, and other related documents issued by ministries, non-ministerial government agencies, or other relevant institutions prior to 30 August 2025 shall remain valid until their expiration, provided they are not inconsistent with this Regulation.
- (d) Imported goods that arrive at the port of destination, as evidenced by customs documents (BC 1.1 manifest), shall be subject to the import policies and regulations under MOTR 16/2025.

Conclusion

MOTR 16/2025 fundamentally shifts Indonesia's import governance framework. By repealing and replacing MOTR 36/2023, MOTR 16/2025 consolidates and streamlines previously fragmented rules while introducing significant procedural and substantive changes. These include clearer definitions or classifications for goods subject to import rules, enhanced flexibility in licensing conversions, streamlined timelines for administrative processes and reinforced dual-layered supervision mechanisms at both border and post-border levels.

Equally important are the more structured sanction regime and transitional measures, which provide importers a defined path to compliance. The revocation of existing import approvals for select commodities emphasises the government's commitment to reassert control over critical sectors while fostering more transparent and strategic trade flows.

As MOTR 16/2025 takes effect on 30 August 2025, businesses engaged in import activities should immediately assess their current practices, identify any gaps and update their internal procedures to align with the new framework. Specifically, businesses importing commodities with revoked Import Approvals must ensure they reapply for these approvals.



Contact



Adhika Aditya

Partner

+6221 509 046428

adhika.aditya@ditralaw.com

This Legal Update has been jointly prepared by the Partner named above, with contributions from **Michael Ho** of Ditra Law Partnership.

This Legal Update is published as a general overview of a legal development in Indonesia. It is intended for informational purposes only and does not, and is not intended to, constitute legal advice. The material is current as of the date of this publication; however, Ditra Law does not undertake to update it to reflect subsequent changes in laws or regulations. Ditra Law accepts no liability for any loss or damage arising from any reliance placed on this publication or its contents. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means without the prior written permission of Ditra Law.