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To: All SSA Members
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INDUSTRY ADVISORY: ENFORCEMENT EFFORTS BY THE INDONESIAN GOVERNMENT TO COMBAT ILLEGAL SMUGGLING

The Indonesia government is seriously demonstrating its commitment to the success of Import Control, Excise and Illegal Exports in the Malacca Strait, the East Coast of Sumatra and Batam, after signing the Memorandum of Understanding (MoU) between the Directorate General of Customs and Excise (DJBC) with Sea Transportation Directorate, Ministry of Transportation at Batu Ampar Port, Batam, Tuesday (01/15).

We do not, unfortunately, have a copy of an official Indonesian government directive, but based on a translation of local media reports (<http://vibiznews.com/2019/01/17/mou-penertiban-impor-cukai-dan-ekspor-illegal-telah-ditanda-tangani/>), the government has compiled 11 strategic steps which are divided into 3 major themes, namely the Synergy Program, Support for Facilities and Infrastructure for Joint Operation and Monitoring, with activities including:

1. Unauthorised port control to prevent the entry or expulsion of illegal goods to/from the Batam Free Zone;
2. Management of ship to ship area to prevent the mode of struggling of goods by demolition in the middle of the sea from ship to ship without regard to applicable customs provisions;
3. Data exchange related to ships departing from ports, both destinations outside customs and inter-island areas to facilitate supervision of ship carrying imported/exported goods or goods that will enter/exit Batam Free Zone;
4. Establishment of Maritime Domain Awareness (MDA) to create a synergic monitoring pattern between agencies in the context of maritime supervision;
5. The obligation to use Automatic Identification System (AIS) for all ships in Indonesia to facilitate the supervision of ships carrying imported/exported goods or goods that will enter/exit the Batam Free Zone;
6. Speed restrictions for non-government/non-military vessels to combat smuggling with small high-speed vessels;
7. Issuance of import quotas in Batam's Free Trade Zone and Control of quota of Excisable Goods that enter Batam Free Zone so that they do not occur over quota and quota abuse;
8. Utilization of IT-based communications analysis to detect/ seek violations/ suspected perpetrators of violations criminal acts;
9. Marine patrol with DJBC, TNI and POLRI in waters around Batam and the East Coast of Sumatra;
10. Operations with DJBC, TNI and POLRI in the area of origin or destination for smuggling imported good from aboard or from Batam Free Zone that does not fulfil customs obligations and does not pay Import Duty and Taxes for Import;
11. Layered supervision of illegal ex-imported goods transported between islands for the Tanjung Priok port area (from Batam and Pontianak).

The Association would like to remind the shipping community to comply with the local law and regulations of each country and to obtain respective authorities' prior approval before conducting any operations in the vicinity.

Thank you.

Best Regards,
Wong ShuYi
Executive Officer