

The Indonesian Government has decided to limit the import of rubber tyres to stabilize domestic price and to spur domestic production. It has issued a Regulation No. 45/M-DAG/PER/6/2015 dated 29<sup>th</sup> June 2015 which will come into force w.e.f. 7<sup>th</sup> October 2015.

Indonesia imports tyres from Japan, China, Thailand, Singapore, Republic of Korea, **India**, United States, Spain and Malaysia. Trade data for January-April 2015 shows that Indonesia imported from India vehicle and parts thereof (HS Code 87) worth USD 110 million and rubber and articles thereof (HS code 40) worth USD 9 million.

According to the new regulation, w.e.f. 7<sup>th</sup> October 2015, rubber tyres will be allowed to be imported only through six ports, namely Belawan Port in North Sumatera province, Tanjung Priok in DKI Jakarta province, Tanjung Perak in East Java, Semayang in East Kalimantan, Soekarno Hatta in South Sulawesi province and Sorong in Papua province. Presently, rubber tyres are allowed to be imported through all ports in the country. Tyre importers/exporters must be registered, apply for permit, seek Trade Ministry's recommendation and get special importer's identification number (API) before import/export of tyres.

We are keeping the Ministry informed of the new regulation as it may have a negative impact on export of tyres by India.

Regards,

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