

Indonesia Updates: No more ten-digit commodity nomenclature on Indonesian Tariff Book

Indonesia, as a World Customs Organisation Member and an ASEAN Member State, has adopted the eight-digit commodity nomenclature of the ASEAN Harmonized Tariff Nomenclature (AHTN). Due to the importance of the Harmonised System (HS) as a global tool for collecting trade statistics and monitoring trade, there are amendments to the HS Codes in agricultural, chemical, wood, textile, base metal, machinery, transport and other sectors. Following the amendments, the Minister of Finance (MoF) issued Regulation No.6/PMK.010/2017 (PMK-06) regarding classification of commodity and import duty rate on 27 January 2017.

This provision has resulted in an update to the current Indonesian Tariff Book (Buka Tarif Kepabeanan Indonesia/BTKI) for the year 2017 onwards. The previous version of the BTKI issued in 2012 consisted of ten-digit commodity nomenclature, wherein the last two digits were an identifier for Indonesian purposes only. Now the new BTKI, effective from 1 March 2017, consists of an eight-digit commodity nomenclature, due to the following reasons:

1. Recommendation from AHTN Task Force and in accordance with AHTN Protocol;
2. Supporting the establishment of the ASEAN Economic Community;
3. As a basis to form an ASEAN Single Window; and
4. As a starting point for the implementation of a Single Document Export-Import (ASEAN Customs Declaration Document) among ASEAN Member States.

The updates to the BTKI are summarised as follows:

	BTKI (2012)	BTKI (2017)
Classification Structure	10 digits	8 digits
Total Chapters	98	98
Total Subheading WCO	5,205 (6-digit level)	5,387 (6-digit level)
Total Subheading AHTN	9,558 (8-digit level)	10,826 (8-digit level)
Total HS Codes (National)	10,025 (10-digit level)	

Let's talk

If you would like further advice or a deeper discussion of how this issue might affect your business, please contact:

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