



**Australian Government**  
**Department of Agriculture,  
Water and the Environment**



**AUSTRALIAN  
FOOD &  
GROCERY  
COUNCIL**

# Indonesia

**Regulatory Update - Food & Beverage Products**  
**Digital Brief**  
**July 2022**



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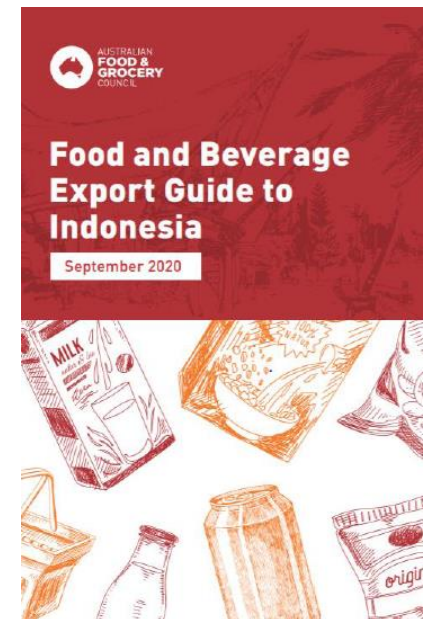
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# **Introduction and overview**

# Introduction

- This Digital Brief forms part of AFGC Indonesian activities
- A key activity was development of a food and beverage (F&B) export guide (the Guide) (2020)
- The Guide described the regulatory framework and import process requirements for Australian processed food exports
- This Digital Brief is an high level update of key laws and regulations since the Guide was published – Jan 2020 to May 2022
- **It is recommended that this Digital brief is read in conjunction with the Guide**
- This Digital Brief covers “processed food and non-alcoholic beverage exports”. It excludes alcoholic and grocery (non-food) sector regulations



# Indonesia's regulatory framework

- Indonesia's import process includes a variety of pre-market and post-market checks
- Important exporters:
  - ✓ Understand general rules and regulations
  - ✓ Ensure compliance with labelling, safety and composition regulations
  - ✓ Ensure appropriate licences, registrations and certifications in place
  - ✓ Make sure the labels & claims are compliant
  - ✓ Are aware of regulation changes

The key regulatory bodies relevant to processed foods are:



National Agency of Drug and Food Control (BPOM)

The National Agency of Drug and Food Control, also known as BPOM, is responsible for overseeing the registration process of foreign food products and beverages, as well as issuing permits such as entry permit (SKI) and ensuring food safety control.



Ministry of Trade (MOT)

Indonesia's Ministry of Trade ensures import regulations are followed with the responsibility of issuing initial permits such as the import permit (SPI) to importers and distributors looking to bring processed foods to Indonesia.



Directorate General of Customs and Excise, Ministry of Finance (MOF)

The Ministry of Finance, through the Directorate General of Customs and Excise, oversees customs clearance of imported products as well as post-market control of imported goods. The ministry also collects any required import duties and taxes.



Ministry of Agriculture (MOA)

The Indonesian Ministry of Agriculture is also involved in the product registration phase and pre-shipment controls. It has the responsibility to issue a letter of recommendation for specific processed food categories, particularly those that are animal derived.



Indonesian Halal Product Assurance Agency (BPIPH)

The Indonesian Halal Product Assurance Agency is the main organisation responsible for the issuance of Halal Certification for products up for trade in Indonesia, as well as auditing of Halal Assurance Systems.

# Objectives of this Update

- Objective of this **high level** Digital Brief is to:
  - Provide **guidance** to new regulations & key changes as appropriate
  - Assist Australian processed F&B exporters improve understanding of import compliance requirements as relate to the updated regulations
  - **Not** intended to provide detailed analysis of the implications
- The outputs of this project include a:
  1. Digital brief – available [AFGC website](#), including links to regulations
  2. Webinar to present key regulations and changes

# Summary of regulation updates – 2020 to May 2022

Name	Type	Impact	Date in force
<b>Government of Indonesia</b>			
GOI Law No. 11/2020 on Job Creation	Law	Various	2/11/2020
Government Regulation No. 5/2021 regarding the Administration of Risk-Based Business Licensing	Regulation	Registration	2/04/2021
Government Regulation No. 29/2021 regarding the Administration of the Trade Sector	Regulation	Various	2/02/2021
Government Regulation No. 39/2021 regarding the Administration of Halal Products Assurance Sector	Regulation	Certification	12/02/2021
<b>BPJPH</b>			
Decree of the Head of BPJPH Number 40 of 2022 concerning the Determination of the Halal Label	Regulation	Labelling	1/3/2022
<b>BPOM</b>			
BPOM Regulation No.1 of 2022 on Processed Food Claims and Advertisements	Regulation	Claims	4/1/2022
BPOM Regulation No. 6 of 2021 Supervision of Processed Food Advertising	Regulation	Claims	23/2/2021
BPOM No. 9 of 2022 on Heavy Metal Contaminants in Processed Food	Regulation	Food safety	22/4/2022
BPOM Regulation No. 13 of 2020 Flavoured Food Additives	Regulation	Food safety	2/7/2020
BPOM Regulation No.20 of 2021 on Processed Food Labels	Regulation	Labelling	2/8/2021
BPOM No. 26 of 2021 Information on Nutritional Values on Processed Food Labels	Regulation	Labelling	2/11/2021
BPOM No. 30 of 2021 on Processed Food Labelling	Regulation	Labelling	31/12/2021
BPOM Decree No. 21/2021 Food Labelling	Decree	Labelling	2/8/2022
<b>Indonesian Ministry of Religious Affairs</b>			
MORA Regulation No. 2 Regarding International Cooperation on Halal Product Assurance	Regulation	Certification	6/1/2022
MORA Decree No.1360 Regarding Materials that are Excluded from Halal Certification Obligation	Decree	Certification	27/11/2021
MORA Decree 748/2021 No. 748 on Product Types that are Mandatory to be Halal Certified	Decree	Certification	1/1/2022
<b>Ministry of Agriculture</b>			
BPOM No 7 of 2021 Processed Food Registration	Regulation	Registration	23/03/2021
Regulation No. 15 of 2021 Import of food products of animal origin	Regulation	Registration	1/4/2021
<b>Standards &amp; Guidelines</b>			
Compulsory Enforcement of Indonesian National Paper and Cardboard Standards for Food Packaging	Standard	Packaging	6/2/2022
Guidelines for Good Processed Food Production Practices for Complementary Foods to Breast Milk	Guideline	Food Safety	14/10/2020
Guidelines for Proper Production Practices for Commercially Sterile Food Sterilized After Packaging	Guideline	Food Safety	28/9/2020





**Omnibus law**

# Omnibus Law

## Government of Indonesia Law No. 11/2020 on Job Creation

- Enacted on **2 November 2020** - "Omnibus Law"
- Amends several previous laws including on halal certification & labelling, the food sector, fisheries, and agriculture
- Aims to generate a more **competitive** business climate, attract investment and create new jobs through **simplifying** the licensing process and **harmonizing** various laws and regulations.
- Implementing regulations relevant to the processed food sector include:
  - *Government Regulation No. 5/2021 regarding the Administration of Risk-Based Business Licensing*
  - *Government Regulation No. 29/2021 regarding the Administration of the Trade Sector*
  - *Government Regulation No. 39/2021 regarding the Administration of Halal Products Assurance Sector*

# Administration of Risk-Based Business Licensing (GR No. 5/2021)

- Simplified process for business license based on risk and scale
- Does not apply to businesses with licenses prior effective date
- Businesses activities classified into one risk-level types
- Wholesale of food and beverages products is categorised as a low-risk business – only requires NIB ( no SKI and MA)

No.	Low risk business activities	Medium-low risk business activities	Medium-high risk business activities	High risk business activities
1	Business Identification Number (Nomor Induk Berusaha – “NIB”)			
2		Certificate of Standards		License

## Key message

✓ Know the risk rating for your business

# Administration of the Trade Sector (GR No. 29/2021)

- Outlines a range of new provisions on Indonesia's trade sector
- In force 2<sup>nd</sup> Feb 2021
- Key area of focus – “Distribution of goods”
- Largely reaffirm previous requirements & combines existing provisions

## Key requirements/changes

- Indirect distribution – definition, licences (NIB, licence, registered warehouse), documentation
- Direct distribution - ceiling for commission raised
- Import - defines restrictions for retailers, licenses
- Mandatory use of labels with the Indonesian language - now also applies to packers
- Warehouse – minor changes to information records

### Key message

- ✓ Minor changes to existing rules
- ✓ Check compliance with distributors



# Halal – certification and labelling

# Halal certification (GR 39/2021) & labelling (BPJPH Decree 40/2022)

## Laws

- GR No. 39/2021 - Halal Product Assurance (omnibus)
- BPJPH Decree 40/2022 - Halal Label
- MORA No. 2 - International Cooperation on Halal Product Assurance
- MORA Decree No.1360/2021 - Halal Certification Obligation exemptions
- MORA Decree 748/2021 - Mandatory Halal Certified Products

## Certification

- Compliance 17 Oct 2024
- Extensive list of products that require halal certification
- Products & process to be certified Halal
- Halal certificates must be registered with BPJPH
- Halal certification is valid for 4 years unless an ingredient change

## Foreign Certification

- Foreign Halal certification products must be registered with BPJPH
- Only products certified by an overseas Halal institution with a cooperation agreement
- Transitional period - MUI approved entities

## Labelling

- In force 1 March 2022
- New logo must be visible on packaging
- Products already in stock with old logo can be circulated

## Non halal

- Positive list – non-halal materials/ingredients exempted
- Must provide non-halal statement on the products
- Non - halal label must be clearly visible on packaging
- The non-halal ingredient must be visible and highlighted



## Key messages

- ✓ All mandated food & beverage products must comply by 17 Oct 2024
- ✓ Halal compliance required across supply chain (to sales)
- ✓ New Halal label in force
- ✓ Non Halal products must be labelled





# Labelling, claims and advertising

# Food Labelling (BPOM No. 30 of 2021 & BPOM Decree No. 21/2021)

Replaces BPOM No. 31/2018

## General

- Relevant % raw material content - identity of processed foods / emphasised in the labelling / reflected in the names
- B2B food statements – not for retail sale

## Final food products

- **Compliance 13/12/21**
- Halal / Non-halal foods – refer previous
- Ingredient % must be included
- Polyol warning
- Allergen information – change allows use of term “contains allergens:” followed by the allergen name(s) typed in bold
- Comparison claims - must include an asterisk (\*) after the comparison claim  
\* *information on distinguishing features, comparative food products of the same type, and clearly visible and easy to read*

## For further processing

- **Compliance 2/8/22**
- Require to be labelled with disclaimers such as “Not for Retail Sale,” “Not for Repackaging,” “Only for Hotels, Restaurants, and Catering,” etc.
- But not applicable if sold directly from the manufacturer to processor

## Food additives

### Compliance 2/8/22

- Labels for retail must identify:
  - As food additive in Indonesian
  - name of food additive category
  - name of food additive type
  - maximum amounts used in processed foods
  - lists of supporting materials contained in food additives (if any)
- If food additive contains processing aids, must also be included in the ingredient list



# Information on Nutritional Values on Processed Food Labels (Decree No. 26/2021)

Replaces BPOM No. 22/2019

In force **2 November 2021**, but grace periods up to 30 months, where permits in place

Some components require compliance from **22 February 2022**

Minimum information, label format etc for Nutrition Facts and serving size for each food category

## Key requirements/changes

- Definition revisions and additions
- New definition/requirement - 2D Barcode
- Expanded scope of exemptions but within similar categories, package size, SME requirements
- Compliance & tolerance limit revisions:
  - Total energy, total fat, saturated fat, cholesterol, trans fat, sugar and salt'
  - Claims i.e. "low", "free", "less"
- Labelling - amendments to the voluntary front-of-pack labelling

### Key message

- ✓ Be aware of compliance dates
- ✓ 2D barcode required (track the originality of the product)

# Processed Food Claims & Advertisements (BPOM No.1/2022 & No. 6/2021)

Replaces No. 13/2016 & No 2/2016 respectively

## No 1/2022

- In force **4 January 2022**
- Concerns the use of claims such as nutritional, health, vegan
- Any claim or description must accurately reflect the actual food product
- Claims in advertisements must be in accordance with the approved label (MA)
- A claim must be proven with certificate of analysis
- Appendices of this Regulation details guidelines
- Some changes to note:
  - Vegan claim requires DNA analysis (App X)
  - Assessment data of microorganisms in processed food - clinical trials in some 3<sup>rd</sup> (similar) countries now accepted (App. XIII)

## No 6/2022

- In force **21 February 2023**
- 6 months to comply for advertisements published prior to this date
- Advertisements must contain information that is true, honest, and not misleading
- Information must comply with Processed Food label information approved (MA)
- If warnings required, obligation to include on label

### Key messages

- ✓ Be aware of guidelines relating to specific claims
- ✓ Be aware that Vegan claims require DNA analysis
- ✓ Ensure advertisements are compliant



**Food safety**

# Heavy Metal Contaminants in Processed Food (BPOM No. 9 of 2022)

Replaces No. 5/2018

**In force 22 April 2022**

amendment covers the maximum limit for 5 heavy metals in 50 food categories

## **Key requirements/changes**

- 12 months to comply for foods with distribution permit prior to this date
- Exporters must meet the maximum limits
- Must be proven with analysis from an accredited or government laboratory
- Some lack of clarity re food ingredients intended for further use in food processing
- Some inconsistencies with other markets, and with product registration requirements

### **Key message**

- ✓ Be aware of compliance dates
- ✓ Note that levels may vary from requirements in other markets

# Flavoured Food Additives (BPOM No. 13 of 2020)

Replaces Food Number 22/2016

- In force **2 July 2020**, with grace period of 24 months for additives & foods containing additives which were already registered
- Key change is re the positive list for the sources of natural aromatic raw materials and/or sources of flavour preparations (App IV)
- The Appendix lists allowed flavoured food additives



# Registration

# Processed Food Registration (BPOM No. 7/2021)

Amends No 27/2017

- In force **23 February 21**
- Amends regulation in regard to the circulation time limit
- Processed Food with old data can still be circulated for 12 months (previously 6 months) where:
  - already approved
  - distribution permit has expired and is still in the process of re-registration or has obtained an extension of the distribution permit

# Import of food products of animal origin (MoA No. 15 of 2021)

Amends No 27/2017

In force **1 April 2021**

## Key requirements/changes

- Products of animal origin (**meat and dairy**) require an import permit from Ministry of Trade
- Import **permits** require an import **recommendation** from the Ministry of Agriculture
- Halal certificates for halal-required products required to obtain an import recommendation
- An import recommendation valid for six months
- The import recommendation number must be included in the Health Certificate
- An import permit is valid for one year

Australian diary companies requiring updated listing require an official letter from the Australian Government and documentation as follows:

- Letter from the Government confirming changes, and that the occupier is currently registered & approved
- Current HACCP or Approved Arrangement certificate
- Halal certificate



# Concluding comments

- The Indonesia market is complex with a highly regulated environment
  - The BPOM is the authorised institution that issues import permits for food products and oversees the distribution of food products in Indonesia
  - The recent Omnibus Law (Law No. 11 of 2020) regarding Job Creation has established a number of new processes reflected in implementing regulations
  - Imported food must:
    - satisfy food classification characteristics
    - have the required licenses
    - comply with labelling & composition requirements
    - have the required certifications
- Important that exporters:
    - ✓ Understand general rules and regulations
    - ✓ Ensure compliance with labelling, safety and composition regulations
    - ✓ Ensure appropriate licences, registrations and certifications are in place
    - ✓ Make sure the labels as well as claims are compliant
    - ✓ Are aware of regulation changes
  - The Digital Brief which provides more detail is available on the AFGC website
  - Stay up to date with changes on DAFF website and MICOR



**Thank you  
Discussion**

# Halal certification process

## Submission of Halal certification application

### Step 1

Business submits application to BPJH (Halal Product Assurance Agency) in Indonesian language with documents:

- Data relating to the business (NIB)
- Names and types of products
- List of products and materials used
- Product processing methods

Business required to implement the Halal Product Guarantee System



## Examination of the Completeness of Documents

### Step 2

BPJH examines application (1 day)

### Step 3

BPJH appoints LPH (Halal Examination Agency) (5 days)



## Examination of the Halal status of products

### Step 4

Halal auditors conduct examination of the product (15 days)

### Step 5

LPH submits examination results to BPJH (2 days)



## Issuance of Halal certificate

### Step 6

BPJH verifies and delivers results to MUI (2 days)

### Step 7

MUI determines the halal status of the product (3 days)

### Step 8

BPJH issues Halal certification (1 day)