

Procedures And Requirements Relating to The Import of Battery-Powered Electric Motor Vehicles

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Indonesia commits to reduce greenhouse gas emissions. The use of electric vehicles plays an important role in reducing emissions that significantly harm air quality. To increase production capacity and use of electric vehicles, the government regulates the provisions related to the import of electric vehicles for industrial business players who are interested in developing their business in imported electric vehicles. This article attempts to summarize several important provisions and requirements based on the applicable laws and regulations to conduct the import of electric vehicles in Indonesia.

A. Import of Battery-Powered Electric Motor Vehicles in General

Battery-powered electric motor vehicles for road transportation constitute a means of increasing energy efficiency, energy security, and energy conservation in the transportation sector, with an aim of realizing clean energy and clean air in an environmentally friendly manner, as well as Indonesia's commitment to decrease greenhouse gas emissions. Battery-powered electric motor vehicles as regulated in Presidential Regulation Number 55 of 2019 concerning the Acceleration of the Battery-Powered Electric Motor Vehicles for Road Transportation Program (as lastly amended by Presidential Regulation Number 79 of 2023) ("PR 55/2019") are grouped into 2 categories: battery-powered electric motor vehicle with two or three wheels, and battery-powered electric motor vehicles with four or more wheels.

In accordance with PR 55/2019, battery-powered electric motor vehicle industrial companies can import battery-powered electric motor vehicles in a completely built-up form in accordance with the criteria and requirements provided further in Section B below.

Alongside importing battery-powered electric motor vehicle in a completely built-up form as mentioned above, battery-powered electric motor vehicle industrial companies can import completely knocked down or incompletely knocked down for battery-powered electric motor vehicles with four or more wheels, and can import completely knocked down for battery-powered electric motor vehicles with two or three wheels¹, according to Minister of Industry Regulation Number 29 of 2023 concerning Completely Knocked Down or Incompletely Knocked Down for Battery-Powered Electric Motor Vehicles ("MOIR 29/2023").

B. Requirements for Import of Completely Built-Up, Completely Knocked Down, and Incompletely Knocked Down Battery-Powered Electric Motor Vehicles

The imports of completely built-up battery-powered electric motor vehicles can be carried out by battery-powered electric motor vehicle industrial companies that have the following criteria:

1. they will build battery-powered electric motor vehicle manufacturing facilities within the country;
2. they have invested in domestic battery-powered electric motor vehicle manufacturing facilities in order to introduce new products; and/or
3. they will increase the production capacity of Battery-Powered electric motor vehicles in order to introduce new products.

¹Article 3 paragraph (1) and (2) of MOIR 29/2023

According to the regulated criteria, battery-powered electric motor vehicle industry companies can import a certain amount of completely built-up battery-powered electric motor vehicles by taking into account the realization of development, investment, and/or increase in the production of battery-powered electric motor vehicles until the end of 2025 and must obtain facility approvals from the minister who administers government affairs in the investment sector, which such certain amount shall be regulated in a regulation of the minister who organizes government affairs in the investment sector, regulation of the minister who organizes government affairs in the industrial sector, regulation of the minister who organizes government affairs in the trading sector, and/or regulation of the minister who organizes government affairs in the state finance sector in accordance with their authorities.²

Imports of completely knocked down or incompletely knocked down battery-powered electric motor vehicles, on the other hand, can be carried out based on an approval which states that the battery-powered electric motor vehicle industrial company can import completely knocked down or incompletely knocked down battery-powered electric motor vehicles. The approval is issued by a Director General within the Ministry of Industry³, to whom business actors need to submit an application for the issuance of the approval electronically through the National Industrial Information System (*Sistem Informasi Industri Nasional/SIINas*)⁴, submitting the following required documents:

- a. a list of production equipment;
- b. the plan to import completely knocked down or incompletely knocked down battery-powered electric motor vehicles or exempted components of incompletely knocked down battery-powered electric motor vehicle for 1 (one) year;
- c. realization of production of the import of completely knocked down or incompletely knocked down battery-powered electric motor vehicles or exempted components of incompletely knocked down battery-powered electric motor vehicles; and
- d. a proof of fulfillment of the technical requirements and roadworthiness of motor vehicles issued by the ministry that administers government affairs in the traffic and road transportation sector for completely knocked down battery-powered electric motor vehicles with two or three wheels⁵.

The application referred to above must use the form in accordance with Format A as set out in Appendix III of MOIR 29/2023⁶.

Note:

To the best of our knowledge, as of the date of this Article, provisions regarding the application for the import of completely built-up battery-powered electric motor vehicles form have not been set forth in the applicable laws and regulations, as has been done in MOIR 29/2023 for the application requirements for the import of completely knocked down or incompletely knocked down battery-powered electric motor vehicles.

C. Requirements Which Must Be Obtained For Importing Battery-Powered Electric Motor Vehicles

Under the applicable laws and regulations, battery-powered electric motor vehicle industrial companies which intend to import battery-powered electric motor vehicles must fulfill the following requirements:

No.	Requirement	Explanation	Legal Basis	Issuance
1.	Register of Type and Vehicle Identification Number (VIN) of the Battery-Powered Electric Motor Vehicle ⁷	Battery-powered electric motor vehicle industrial companies that wish to import completely built-up battery-powered electric motor vehicle must register their types and variants, which must comply with the following provisions: <ol style="list-style-type: none"> a. produced no later than 2 (two) years before importation; b. never having been registered in another country; c. battery-powered electric motor vehicle odometers show a maximum reading of 1,000 km (one thousand kilometers); d. not being a battery-powered electric motor vehicle for test driving; and e. not being a re-manufactured battery-powered electric motor vehicle. 	Minister of Industry Regulation Number 34 of 2019 concerning Registration of Motor Vehicle Types and Variants (“MOIR 34/2019”)	Submitted through the National Industrial Information System (<i>Sistem Informasi Industri Nasional/SIINas</i>) to the Director General who has the duty and function to develop the battery-powered electric motor vehicle industry at the Ministry of Industry

²Article 12 paragraph (1) and (2) of PR 55/2019

³Article 15 of MOIR 29/2023

⁴Article 16 paragraph (1) of MOIR 29/2023

⁵Article 16 paragraph (2) of MOIR 29/2023

⁶Article 16 paragraph (5) of MOIR 29/2023

⁷MOIR 34/2019

No.	Requirement	Explanation	Legal Basis	Issuance
		<p>The register of type and variant for battery-powered electric motor vehicles is for type testing (as explained in Number 2 below) or for imports. For type testing, the applicant is required to submit the following documents:</p> <ol style="list-style-type: none"> a completed application form using the format according to Form A as stated in the Appendix of MOIR 34/2019; an explanation of the VIN or proof of application for the VIN for at least the first 9 (nine) characters in sequence along with the explanation and accompanied by information on the year of manufacture in the tenth character, made by the battery-powered electric motor vehicle factory or supplier from the country of origin; import plan for 1 year; drawings/brochures issued by the manufacturer or supplier containing the technical specifications of the registered type; Business Identification Number (<i>Nomor Induk Berusaha/NIB</i>); a statement of quality assurance and after-sales service made by the importer and ratified by a notary according to the type and variant, using the format according to Form B as stated in the Appendix of MOIR 34/2019; and Freight On Board (FOB) price statement affixed with a stamp made by the importer concerned in accordance with the type of battery-powered electric motor vehicle being imported, using the format according to Form C as stated in the Appendix of MOIR 34/2019. <p>Meanwhile for import purposes, the applicant is required to attach the same documents as the above but also adding: (i) type test pass certificate; (ii) Type Registration Certificate (<i>Tanda Pendaftaran Tipe</i>) that has been obtained for the purposes of type testing or Type Registration Certificate for the latest import of the same type and variant; and (iii) workshop certificate from an independent surveyor or agreement between the principal and the applicant company regarding the commitment to provide after-sales service.</p>		
<p>Additional notes:</p> <p>(a) <i>If the battery-powered electric motor vehicle is to be imported, it is necessary to register the type and variant for 2 times, namely in the Type Registration Certificate for type testing and in the Type Registration Certificate for import (which must have the previous Type Registration Certificate attached).</i></p> <p>(b) <i>The provisions relating to registration of types and variants of battery-powered electric motor vehicle regulated in MOIR 34/2019 above are understood to only be required for battery-powered electric motor vehicles in CBU form. However, PR 55/2019 provides that type registration is mandatory for imported battery-powered electric motor vehicles in general, not limited to battery-powered electric motor vehicle imports in CBU form. Nevertheless, in order to carry out type testing as written below, it is appropriate to register the type and variant as required under MOIR 34/2019.</i></p>				
2.	Technical and Roadworthy Requirements (Type Test/ <i>Uji Tipe</i>) ⁸	Type testing required for motorized vehicles, which also includes battery-powered electric motor vehicles, as required under MOTR 33/2018, consists of physical testing and research into the design and engineering of motorized vehicles. Physical testing is regulated further under MOTR 87/2020 under which the testing consists of electric batteries, electric energy recharging devices, electric touch protection, functional safety and hydrogen emissions ⁹ .	1. Minister of Transportation Regulation Number 33 of 2018 concerning Type Testing of Motorized Vehicles (as lastly amended by Presidential Regulation Number 79 of 2023) (" MOTR 33/2018 ");	Type testing is carried out by the Type Test Implementation Unit/ <i>Unit Pelaksana Uji Tipe</i> (a work unit within the Directorate General of Land Transportation with the task and function of carrying out the motor vehicle type testing).

⁸MOTR 33/2018

⁹MOTR 87/2020

No.	Requirement	Explanation	Legal Basis	Issuance
		<p>Motor vehicle type tests must be carried out in accordance with the categories regulated in Article 3 paragraph (7) of the MOTR 33/2018.</p> <p>Proof of passing the motor vehicle type test will be obtained by the applicant if they pass the test, which proof of passing will be in the form of the following:</p> <ol style="list-style-type: none"> Director General's Decree on Motor Vehicle Type Validation; Type Test Certificate (Sertifikat Uji Tipe/SUT); test results; and photos of the Motor Vehicle. 	2. Minister of Transportation Regulation Number 87 of 2020 concerning Physical Type Testing of Battery-Based Electric Motorized Vehicles ("MOTR 87/2020")	Type testing can be carried out other than by the Type Test Implementation Unit in accordance with the provisions stated in Article 36 paragraph (2) of MOTR 33/2018, which must include test results that have been legalized by the accredited principal/agent of the brand holder/test laboratory, and fulfil the provisions stated in Article 36 paragraph (4) of MOTR 33/2018.
	Technical and Roadworthy Requirements (Type Test Registration/ Registrasi Uji Tipe) ¹⁰	<p>Every person in charge of a manufacturing, assembling, importing and/or modifying company must register the type of motor vehicle for each unit of motor vehicle that is manufactured, assembled, imported and/or modified, which also includes battery-powered electric motor vehicles.</p> <p>Every motor vehicle unit whose type has been registered is given a Type Test Registration Certificate (Sertifikat Registrasi Uji Tipe/SRUT). After obtaining the SRUT, the battery-powered electric motor vehicle industrial companies can fill in the chassis number and engine number.</p>	MOTR 33/2018	Submit the application to the Director General of Land Transportation through a system based on information technology, attaching proof of payment of the motor vehicle SRUT issuance fee and a statement that each motor vehicle unit manufactured, assembled and/or imported has the same technical specifications and performance as well as the same physical suitability as the type. Such application must also have a copy of the SUT (and show the original), and copy of Minutes Physical examination of the design of road transportation facilities (and show the original).
	Registration and Identification of Motor Vehicle ¹¹	<p>A Motor vehicle that has been registered is provided with the following documents as proof:</p> <ol style="list-style-type: none"> Motor Vehicle Log Book (<i>Buku Pemilik Kendaraan Bermotor/BPKB</i>); Motor Vehicle Registration Certificate (<i>Surat Tanda Nomor Kendaraan Bermotor/STNK</i>); and Motor Vehicle Sign (<i>Tanda Nomor Kendaraan Bermotor/TNKB</i>). 	National Police Regulation Number 7 of 2021 concerning Registration And Identification of Motor Vehicles (" SPR 7/2021 ")	BPKB issuance is carried out through submission of a written application to the Unit implementing Motor Vehicle Registration and Identification.

¹⁰MOTR 33/2018

¹¹SPR 7/2021

No.	Requirement	Explanation	Legal Basis	Issuance
		The requirements for the issuance of BPKP for imported motorized vehicles in CBU form are regulated in Article 18 of SPR 7/2021, while the requirements for the issuance of STNK for imported motorized vehicles in CBU form are regulated in Article 47 of SPR 7/2021, where the information of the TNKB will be included in the STNK.		The application for issuance, validation and extension of STNK and/or TNKB is submitted to the Unit implementing Motor Vehicle Registration and Identification located at the Joint Office with a One-Stop Single Administration System (Kantor Bersama Samsat).
<p>Additional note:</p> <p><i>The above provisions relating to registration and identification of motor vehicles from SPR 7/2021 only apply to motor vehicles imported in CBU form. However, under PR 55/2019, battery-powered electric motor vehicle identification and classification must be conducted generally, not only for battery-powered electric motor vehicle imports in CBU form.</i></p>				

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The article above was prepared by Dentons HPRP's lawyers

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