

ELUCIDATION OF
GOVERNMENT REGULATION OF THE REPUBLIC OF INDONESIA
NUMBER 8 OF 2011
ON
MULTIMODAL TRANSPORT

I. GENERAL

Multimodal Transport is the transportation of goods using not less than two different modes of transportation, in accordance with a contract that uses multimodal transport document from one place of the goods is taken in charge by multimodal transport operator to the designated place of delivery of the goods. Multimodal transportation is an important component of the logistics system, because the transportation of goods in logistics activities generally uses more than one mode of transportation. Multimodal transportation services are provided by multimodal transportation operator. A multimodal transportation operator does not merely provide freight transportation services from the place of origin to the destination, but also provides additional services in the form of freight forwarding services, warehousing services, cargo consolidation services, provision of cargo space, and customs for inward and outward multimodal transportation.

Multimodal transport is regulated under the United Nations Convention on International Multimodal Transport of Goods, and the ASEAN Framework Agreement on Multimodal Transport (AFAMT). The role of multimodal transport is increasingly important along with the agenda of the integration of the ASEAN logistics system towards the realization of the ASEAN single market. The integration of the ASEAN logistics system and the ASEAN Framework Agreement on Multimodal Transport implies the liberalization of multimodal transportation services in the ASEAN region

which ultimately leads to the liberalization of services at the global level of the General Agreements on Tariffs and Trade (GATT's). Thus, it is necessary to create conducive climate for the development of national multimodal transportation operators that grow sustainably and competitive.

National multimodal transport operators must be able to provide multimodal transportation services with safety and security standards in accordance with the provisions of legislation as well as service quality that are able to ensure the realization of high effectiveness and efficiency in the operation of transportation as an important component in the logistics system. In order to realize the proper quality of service, suitable regulations, policies, standards, guidelines and criteria are needed.

In the operation of multimodal transportation, it is necessary to formulate a regulation that is realized in the form of a Government Regulation as an elaboration and implementation of the four Laws in transportation sector.

The provisions regarding multimodal transportation are regulated in Article 165 of Law Number 22 of 2009 on Road Traffic and Transport, Article 50 to Article 55 of Law Number 17 of 2008 on Shipping, Article 187 to Article 191 of Law Number 1 of 2009 on Aviation, and Article 147 to Article 148 of Law Number 23 of 2007 on Railways.

In Government Regulation on Multimodal Transport, the regulation regarding multimodal transport operator and its requirements is the most important element in order to provide guidelines and the development for the operation of multimodal transport in Indonesia.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

User may be a consignor and/or consignee. The term "consignor" means the party who delivers the goods to multimodal transport operator at the place of origin of goods to be transported and delivered to the consignee in accordance with the multimodal transport documents. The term "consignee" means the party who receives goods at the place of delivery of goods which delivered by multimodal transport operator in accordance with the multimodal transport document.

Section (4)

Point a

The term "freight forwarding" means the activity of Freight Forwarding Services. Freight Forwarding is a business aimed at representing the interests of the owner of the goods to handle all the activities required for the delivery and receipt of goods through land, railway, sea, and/or air transportation which may include the activities of delivering, receiving, loading and unloading, storing, sorting, packing, marking, measuring, weighing, arranging document settlement, issuing transportation documents, booking transport room, managing distribution, calculating transportation costs, claims, insurance for goods delivery, settling invoices and other necessary costs, as well as provision of information and communication systems, and logistics services.

Point b

Sufficiently clear.

Point c

The term "cargo consolidation" means the collection of several cargoes from several senders into one unit that is transported to the destination to be delivered to one or several consignees.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Article 3

Sufficiently clear.

Article 4

Sufficiently clear.

Article 5

Section (1)

Sufficiently clear.

Section (2)

The term "Standard Trading Conditions" means various provisions regarding transportation of goods services determined by the association in accordance with provisions of legislation.

Section (3)

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term "Special Drawing Right (SDR)" means a unit of account determined by the International Monetary Fund (IMF). The determination of the value of SDR into rupiah is based on the middle rate of Bank Indonesia.

Section (4)

Point a

The term "controlling working equipment" means the working equipment which is controlled by Indonesian legal operator in accordance with a legal agreement agreed by the parties for the activities of storing, leasing, and/or trading of transport equipment.

Point b

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

The term "certificate of competence" means the evidence of working capability of each individual which includes the aspects of knowledge, skills and/or expertise, as well as working ethics in accordance with the established standards.

Section (7)

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

The operation of multimodal transport in Indonesia is required to comply with the cabotage principle. Multimodal goods transported by foreign multimodal transport operator after arriving at the import-export transportation node for advanced transportation must cooperate with National multimodal transport operator appointed as agents/representatives. Transportation node is a designated place for intermodal and intramodal transfers in the form of terminals, train stations, sea ports, inland waterways ports, and/or airports.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

The term "mark" means dangerous cargo along with its technical name, as well as the classification number stating the contents of the cargo in accordance with the provisions of the International Maritime Organization (IMO). The term "label" means a sticker affixed to each dangerous cargo wrapping and containers carrying dangerous goods. The term "special goods" means goods which due to their nature, type and size require special handling such as logs, bulks, rails, and so on. The term "dangerous goods" means goods or materials that may impose the risks of endangering health, safety of lives, property, as well as transportation safety and security. Dangerous goods are classified as follows:

- a. explosives;
- b. compressed gases, liquified or dissolved under pressure;
- c. flammable liquids;
- d. flammable solids;
- e. oxidizing substances;
- f. toxic and infectious substances;
- g. radioactive materials;

- h. corrosive substances;
- i. liquids aerosols and gels in certain amounts; or
- j. other miscellaneous dangerous substances.

Article 17

Section (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

The term "information regarding the location of goods" means the information that may be obtained anytime regarding the location/whereabouts of the goods transported by multimodal transport operator.

Section (2)

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Sufficiently clear.

Article 21

Sufficiently clear.

Article 22

Sufficiently clear.

Article 23

Sufficiently clear.

Article 24

The term "errors, negligence, and/or carelessness of multimodal transport operator" means the errors, negligence, and/or carelessness committed by agents, representatives, branch offices, and/or any person who works for them.

Article 25

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

The term "other forms of packaging" means the packaging other than containers and pallets used to pack shipping units.

Section (5)

Sufficiently clear.

Article 26

Insurance coverage covers the activities from the time the goods are received by multimodal transportation operator from the consignor or owner of the goods until the delivery of the goods to the consignee at the place agreed in the contract.

Article 27

Sufficiently clear.

Article 28

Sufficiently clear.

Article 29

Competent human resources are obtained by fostering, which among others covers the establishment of the standards of competence, certification, education and training, accreditation of educational institutions and training of multimodal transport human resources. Multimodal transport human resources consist of experts of

multimodal transport business operator handling sorting, packaging, managing Hazardous and Poisonous Goods, marking, measuring, weighing, arranging document settlement, transport document issuance, transportation cost calculation, claims, insurance, provision of information and communication systems, and other logistics services.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

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