REGULATION OF THE REGENCY OF BANYUWANGI NUMBER 12 OF 2015 ON SUPERVISION, CONTROL, DISTRIBUTION AND SALES OF ALCOHOLIC BEVERAGES

BY THE BLESSINGS OF ALMIGHTY GOD

REGENT OF BANYUWANGI,

- Considering : a. that in order to create tranquility and public order as well as increase of distribution and use of alcoholic beverages in Regency of Banyuwangi, so that is necessary more strictly regulations related to the production, distribution and use of alcoholic beverages;
 - b. that Regional Regulation Number 4 of 2007 on Supervision, Control, Distribution and Sales of Alcoholic Beverages, is no longer in accordance with the development of legal needs of the public and governance in Regency of Banyuwangi;
 - c. that based on the considerations as referred to in point a and point b, it is necessary to establish Regional Regulation on Supervision, Control, Distribution and Sale of Alcoholic Beverages.
- Observing : 1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;
 - 2. Law Number 12 of 1950 on Establishment of Regency Areas in Province of East Java (State Gazette of the

Republic of Indonesia of 1950 Number 41) as amended by Law Number 2 of 1965 (State Gazette of the Republic of Indonesia Number 19, Supplement to the State Gazette of the Republic of Indonesia Number 2730);

- Law Number 8 of 1962 on Trade of Goods Under Supervision (State Gazette of the Republic of Indonesia of 1962 Number 42, Supplement to the State Gazette Number 2469);
- Law Number 8 of 1981 on Criminal Procedure Law (State Gazette of Republic of Indonesia of 1981 Number 79, Supplement to the State Gazette Number 3209);
- Law Number 7 of 1996 on Food (State Gazette of the Republic of Indonesia of 1996 Number 99, Supplement to the State Gazette the Republic of Indonesia number 3656);
- Law Number 8 of 1999 on Consumer Protection (State Gazette of the Republic of Indonesia of 1999 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 3821);
- Law Number 10 of 2009 on Tourism (State Gazette of Republic of Indonesia of 2009 Number 11, Supplement to the State Gazette of the Republic of Indonesia Number 4966);
- Law Number 36 of 2009 on Health (State Gazette of Republic of Indonesia of 2009 Number 144, Supplement to the State Gazette of the Republic of Indonesia Number 5063);
- Law Number 12 of 2011 on Legislation Making (State Gazette of Republic of Indonesia of 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234);
- Law Number 7 of 2014 on Trade (State Gazette of the Republic of Indonesia of 2014 Number 45);
- Law Number 23 of 2014 on Local Government (State Gazette of the Republic of Indonesia of 2014 Number 244), Supplement to the State Gazette of the Republic of Indonesia Number 5589); as amended twice, last by Law

Number 9 of 2015 (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5678);

- 12. Government Regulation Number 11 of 1962 on Trade of Goods Under Supervision (State Gazette of the Republic of Indonesia of 1962 Number 46, Supplement to the State Gazette of the Republic of Indonesia Number 2473) as amended by Government Regulation Number 19 of 2004 (State Gazette of the Republic of Indonesia of 2004 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 4402);
- Government Regulation Number 69 of 1999 on Food Label and Advertisement (State Gazette of the Republic of Indonesia of 1999 Number 131, Supplement to State Gazette of the Republic of Indonesia Number 3867);
- Government Regulation Number 79 of 2005 on Guidance of Coaching and Supervision of Administering Local Governance (State Gazette of the Republic of Indonesia of 2005 Number 165, Supplement to the State Gazette of the Republic of Indonesia Number 4593);
- Government Regulation Number 50 of 2011 on Master Plan of National Tourism Development of 2010-2025 (State Gazette of the Republic of Indonesia of 2011 Number 125, Supplement to the State Gazette of the Republic of Indonesia Number 5262);
- Presidential Regulation of the Republic of Indonesia Number 74 of 2013 on Control and Supervision of Alcoholic Beverages, (State Gazette of the Republic of Indonesia of 2013 Number 190);
- 17. Regulation of the Minister of Trade Number 20/M-DAG/PER/4/2014 on Procurement, Distribution and Sales of Alcoholic Beverages as amended twice, last by Regulation of the Minister of Trade Number 6/M-DAG/PER/1/2015 on Second Amendment to Regulation of the Minister of Trade Number: 20/M-DAG/PER/4/2014 on Procurement, Distribution and Sales of Alcoholic Beverages;

- Decision of the Minister of Health Number 1516 of 1981 on Wine and the Like As Well As Use of Ethanol and Similar Drugs.
- Regulation of the Province of East Java Number 6 of 2014 on Control and Supervision of Distribution of Alcoholic Beverages.

With the Joint Approval of THE REGIONAL HOUSE OF REPRESENTATIVE OF THE REGENCY OF BANYUWANGI and THE REGENT OF BANYUWANGI

HAS DECIDED:

To issue

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REGIONAL REGULATION ON SUPERVISION, CONTROL, DISTRIBUTION AND SALES OF ALCOHOLIC BEVERAGES

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regional Regulation:

- 1. Area means Regency of Banyuwangi.
- 2. Local Government means Government of Regency of Banyuwangi.
- 3. Regent means Regent of Banyuwangi.
- 4. Alcoholic beverages means beverages containing ethanol or ethyl alcohol (C2H5OH) processed from agricultural products containing carbohydrates by fermentation and distillation or fermentation without distillation.
- Production of alcoholic beverages means an activity or process of producing, preparing, processing, preserving, repackaging, and/or altering the form of alcoholic beverages.
- Distribution of alcoholic beverages means an activity or series of activities in the distribution of alcoholic beverages for domestic trading.

- 7. Retailer of alcoholic beverages means a company that sells alcoholic beverages to final consumers in the form of packaging in a designated place.
- 8. Direct seller of alcoholic beverages means a company that sells alcoholic beverages to final consumers to drink directly at the designated place
- 9. Agent means a person or an intermediary company that conducts sales for another company on behalf of a representative entrepreneur.
- 10. Business Actor means any individual Indonesian citizen or business entity in the form of a legal entity or non-legal entity established and domiciled within the jurisdiction of the Unitary State of Republic of Indonesia which conducts business activities in the field of trading of alcoholic beverages.
- 11. Distributor means a company appointed by an Alcoholic Beverages Producer of domestic products and/or Register Importer of Alcoholic Beverages (*Importir Terdaftar Minuman Beralkohol*, IT-MB) of imported products to distribute alcoholic beverages to retailers and direct sellers through Sub Distributors in certain marketing areas.
- 12. Sub Distributor means a company appointed by a Distributor to distribute alcoholic beverages of domestic products and/or imported products to retailers and direct sellers in certain marketing areas.
- 13. Every person means an individual, any form of private business or a business entity owned by a citizen of Indonesia and is domiciled in the territory of the Republic of Indonesia, whether in the form of a legal entity or nonlegal entity conducting business of trading of alcoholic beverages.
- 14. Hotel, Restaurant and Café mean places as regulated in the prevailing legislation applicable in the field of tourism.
- 15. Supermarkets and hypermarkets mean large modern stores that sell daily necessities.

- 16. Trading Business License (*Surat Izin Usaha Perdagangan*), hereinafter referred to as SIUP, means a license to conduct trading business activities
- 17. Trading Business License of Alcoholic Beverages (*Surat Izin Usaha Perdagangan Minuman Beralkohol*), hereinafter referred to as SIUP MB means a license to carry out special trading business activities of alcoholic beverages of class B and C.

Alcoholic beverages are grouped into the following groups:

- a. Alcoholic beverages of class A are alcoholic beverages with ethanol content (C2H5OH) up to 5% (five percent);
- Alcoholic beverages of class B are alcoholic beverages with ethanol content (C2H5OH) of 5% (five percent) to 20% (twenty percent); and
- Alcoholic beverages of class C are alcoholic beverages with ethanol content (C2H5OH) of 20% (twenty percent) up to 55% (fifty-five percent).

- Every person, agent and/or business actor conducted in trading of alcoholic beverages of class A is required to own SIUP.
- (2) Every person, agent and/or business actor conducted in trading of alcoholic beverages of class B and class C is required to obtain SIUP MB.
- (3) Provisions on Procedure for Application of Trading Business License of Alcoholic Beverages for the Retailers and direct Sellers of alcoholic beverages of class A, class B and class C as well as alcoholic beverages of class B containing spices, herbs or the like with ethanol content not more than 15% (fifteen percent) is further regulated by regent regulation.

CHAPTER II

PRODUCTION, DISTRIBUTION, AND SALES OF ALCOHOLIC BEVERAGES

- Production of domestic alcoholic beverages may only be held under the permit of the Minister of Industry and Trade as referred to in the prevailing legislation.
- (2) The number of direct distribution and/or sales of alcoholic beverages of class A, B, and C for consumption is determined by the Regent Decision.
- (3) Every person, agent and/or business actor in producing, distributing and/or selling alcoholic beverages as referred to in Article 2 is required to list information labels in Indonesian language which contain the following information:
 - a. product name;
 - b. registration number;
 - c. Alcohol content;
 - d. list of materials used;
 - e. net weight/net contents;
 - f. name and address of the producing party;
 - g. date, month, and year of expiration;
 - h. list a phrase 'alcoholic beverages'.
- (4) Every person is prohibited from deleting, revoking, closing, replacing, relabeling, or changing the alcoholic beverage product information label as referred to in section (2).
- (5) Every person, agent and/or business actor is prohibited from producing, distributing and/or selling other alcoholic beverages and/or similar traditional alcoholic beverages such as *arak*, *tuak* and/or other traditionallyproduced names either by giving preferential treatment first or not, adding other ingredients or not, as well as being processed by mixing concentrates and or drugs with ethanol or by dilution of a drink containing ethanol.

- The direct seller of alcoholic beverages is only allowed to sell alcoholic beverages of class A, class B and/or class C to be drunk directly at a certain place.
- (2) The certain places as referred to in section (1) cover:
 - a. 3, 4 and 5 star hotels;
 - b. restaurants with *Talam Kencana* and *Talam Selaka* Signs;
 - c. café;
 - d. place to buy alcoholic beverages;
 - e. special supermarket and hypermarket for alcoholic beverages class A.
- (3) Alcoholic beverages retailers of class A, class B and/or class C is allowed to sell their products in certain places as referred to in section (2) point a, at most 187 ml (one hundred and eighty-seven milliliters) per pack.
- (4) Consumer who buys alcoholic beverages from an alcoholic beverage retailer as referred to in section (2) can drink it directly in the hotel room where the alcoholic beverage is purchased.
- (5) Retailers of alcoholic beverages at supermarkets and hypermarkets as referred to in section (2) point d must place alcoholic beverages in a special place which is closed by a transparent and locked glass door and separated from other products.
- (6) Supermarkets and hypermarkets selling alcoholic beverages of class A as referred to in section (2) point d must provide special clerks
- (7) Every person, agent and/or business actor is prohibited to distribute alcoholic beverages for retailers and/or direct sellers of alcoholic beverages of class A, class B and/or class C which contain more than 187 ml (one hundred and eighty-seven milliliters) per pack.
- (8) Every person, agent and/or business actor selling and distributing Alcoholic Beverages of Class B and Class C which come from overseas and/or imported products is required to complete the requirements of Certificate from

the Foreign Factories (*Surat Keterangan dari Pabrik Luar Negeri*)/Certificates of Origin (*Surat Keterangan Asal*, SKA) in accordance with the provisions of prevailing legislation with enclosed:

- a. purchase documents of alcoholic beverages;
- the imposition of tax/excise on the sale of alcoholic beverages; and
- c. quality and authenticity of alcoholic beverages product from overseas/imported products.

Article 6

- After considering the activities of foreign tourists in his or her territory, the regent may designate another particular place for the direct seller of alcoholic beverages of class A, class B, class C and/or other alcoholic beverages as referred to in Article 5 section (2);
- (2) Further provisions regarding the particular place as referred to in section (1) is stipulated by Regent Decision.

Article 7

Every person, agent and/or business actor is prohibited from selling in retail of alcoholic beverages of class A, class B, class C as referred to in Article 4 section (5), and/or selling directly alcoholic beverages to drink at the place, at location as follows:

- a. teenagers arena, street vendor, terminals, stations, kiosks, inns, and campgrounds;
- b. places nearby of worship places, schools, hospitals, and settlements; and
- c. other certain places that determined by the Regent.

Article 8

 Every person, agent and/or business actor is prohibited from selling alcoholic beverages of class A, class B and/or class C, except to foreigners or Indonesian Citizens aged 21 (twenty-one) years that is proven by citizen identification card or passport (2) Every person, agent and/or business actor is prohibited from advertising alcoholic beverages of class A, class B, and/or class C in any form in Regency of Banyuwangi.

Article 9

- The direct seller of alcoholic beverages of class A, class B, and/or class C is only allowed to conduct sales at 17.00 to 23.00 Western Indonesia Time.
- (2) The direct sellers in 3 star, 4 star, and 5 star hotels are exempted from the provisions as referred to in section (1).

CHAPTER III LICENSING

Article 10

- Every direct seller of alcoholic beverages or alcoholic beverages retailer is required to own SIUP-MB;
- (2) The direct seller or retailer of alcoholic beverages of class A not only is required to own SIUP-MB but also is required to own A Level-Direct Sales Certificate (Surat Keterangan Penjualan Langsung, SKPL-A)/A Level-Sales Certificate (Surat Keterangan Penjualan, SKP-A) in accordance with prevailing legislation.
- (3) Hotels, restaurants, cafés and certain other places have been determined by the regent, that sell and/or distribute alcoholic beverages of class A are required to own SIUP and for class B and class C are required to own a Permanent Business License (*Surat Izin Tetap Usaha*) of hotel and restaurant, as well as obtain SIUP-MB.

CHAPTER IV

SUPERVISION, CONTROL AND REPORTING

Article 11 The Local Government supervises and controls:

- a. the distribution of alcoholic beverages of class A, class B and/or class C, as well as alcoholic beverages of class B containing spices, herbs and the like with ethanol content not more than15% (fifteen percent).
- b. the Regent in supervising and controlling alcoholic beverages who may form an Integrated Team involving police officers in accordance with prevailing legislation.

- Every person who has obtained SIUP-MB is obligated to submit report to the Regent through the head of official in the service in charge of at least once in every quarterly.
- (2) The reporting procedure as referred to in section (1) is further regulated by regent regulation.

CHAPTER V

ADMINISTRATIVE SANCTIONS

- Every person violating the provisions of Article 4 section
 (1), Article 4 section (3), Article 5, Article 7, Article 8 and Article 9 is imposed with administrative sanctions.
- (2) Administrative sanctions as referred to in section (1) are in the form of:
 - a. written warning;
 - temporary revocation of industrial business license, SIUP and/or SIUP-MB;
 - permanent revocation of industrial business license, SIUP and/or SIUP-MB; and
 - d. administrative fine.
- (3) Procedures for imposition of administrative sanctions as referred to in section (2) are further regulated by Regent Regulation.

CHAPTER VI INVESTIGATION PROVISIONS

- Certain Civil Servant Officials within the Local Government are given special authority as Investigators to conduct criminal investigations in accordance with this Regional Regulation as referred to in the Criminal Procedure Law;
- (2) The Investigator as referred to in section (1) is a certain civil servant official in the Local Government appointed by the competent authority in accordance with the provisions of the prevailing legislation.
- (3) The authorities of the Investigator as referred to in section(1) are:
 - receiving, searching for, collecting and examining statements or reports relating to criminal acts in accordance with this Regional Regulation so that the statements or reports become more complete and clear;
 - examining, searching for, and collecting information concerning individuals or entities about the truth of the acts committed relating to criminal acts in accordance with this Regional Regulation;
 - requesting for information and evidence from individuals or entities relating to criminal acts in accordance with this Regional Regulation;
 - checking books, records, and other documents with regard to criminal acts in accordance with this Regional Regulation;
 - e. conducting a search to obtain evidence of books, records, and other documents, and seizing the evidence;
 - f. requesting for the assistance of experts in the context of the implementation of criminal investigation tasks in accordance with this Regional Regulation;

- g. ordering to stop and/or forbid a person to leave a room or place during an inspection in progress and to examine the identity of the person, object, and or document carried;
- h. photographing a person related to acts in accordance with this Regional Regulation;
- summoning a person to be heard and examined as a suspect or witness;
- j. stopping the investigation; and
- conducting other necessary actions for the smoothness of criminal investigations in accordance with this Regional Regulation with the provisions of the prevailing legislation.
- (4) The Investigator as referred to in section (1) notifies the commencement of the investigation and submits the results of its investigation to the Prosecutor through the Investigator of the Police Officer of the Republic of Indonesia, in accordance with the provisions regulated in the Criminal Procedure Law.

CHAPTER VII CRIMINAL PROVISIONS

Article 15

- Every person or entity violating the provisions of Article 3 section (1) and section (2), Article 4 section (4) and section (5), Article 10 section (1) and section (3) is sentenced to imprisonment for a maximum of 3 (three) months or fined for a maximum of Rp50,000,000.00 (fifty million rupiah);
- (2) The criminal act as referred to in section (1) is a violation.

CHAPTER VIII

CLOSING PROVISIONS

Article 16

The implementing regulations for this Regional Regulation is established not later than 1 (one) year as from the promulgation of this Regional Regulation. At the time when this Regional Regulation comes into force, Regional Regulation Number 4 of 2007 on Supervision, Control, Distribution and Sales of Alcoholic Beverages is repealed and declared ineffective.

Article 18

This Regional Regulation comes into force on the date of its promulgation

In order that every person may know hereof, it is ordered to promulgate this Regional Regulation by its placement in Regional Gazette of Regency of Banyuwangi.

Issued in Banyuwangi on 28 December 2015

ACTING REGENT OF BANYUWANGI,

signed

ZARKASI

Promulgated in Banyuwangi on 8 June 2016

REGIONAL SECRETARY OF REGENCY OF BANYUWANGI,

signed

Drs. H. SLAMET KARIYONO, M.SI Middle Administrator NIP.19561008 198409 1 001

REGIONAL GAZETTE OF THE REGENCY OF BANYUWANGI OF 2016 NUMBER 3 REGISTRATION NUMBER OF REGENCY OF BANYUWANGI 441-12/2015

Jakarta, 9 October 2018 Has been translated as an Official Translation on behalf of Minister of Law and Human Rights of the Republic of Indonesia DIRECTOR GENERAL OF LEGISLATION,

IDODO EKA JAHJANA

ELUCIDATION OF REGULATION OF REGENCY OF BANYUWANGI NUMBER 12 OF 2015 ON SUPERVISION, CONTROL, DISTRIBUTION AND SALES OF ALCOHOLIC BEVERAGES

I. GENERAL

That in order to create tranquility and public order as well as to respond the increasingly widespread distribution and use of alcoholic beverages in Regency of Banyuwangi, it is necessary to have a comprehensive and strict regulation related to the production of circulation and the use of alcoholic beverages.

That in addition to create tranquility and public order, controlling and supervising alcoholic beverages are efforts of Government of Regency of Banyuwangi in order to provide health protection to the public and suppress criminal acts that arise from the abuse of alcoholic beverages.

Thus, it is deemed necessary to regulate the supervision, control, distribution and sale of alcoholic beverages by establishing a Regional Regulation.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Sufficiently clear.

Article 3

Sufficiently clear.

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

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Article 10

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Article 11

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Article 12

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Article 13

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Article 14

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Article 15

Sufficiently clear.

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.