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**INDONESIA – IMPORTATION OF HORTICULTURAL PRODUCTS,
ANIMALS AND ANIMAL PRODUCTS**

**STATUS REPORT REGARDING IMPLEMENTATION OF
THE DSB RECOMMENDATIONS AND RULINGS
BY INDONESIA**

Addendum

The following communication, dated 17 June 2022, from the delegation of Indonesia to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Indonesia submits this report pursuant to Article 21.6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU).

Indonesia continues to devote its best effort to implement the recommendations and rulings of the DSB in these disputes. Indonesia has also taken note of the interests raised by New Zealand and the United States in previous DSB meetings on these matters.

On measure 18, Indonesia has removed all Articles in the relevant Laws that were found inconsistent with WTO rules following the enactment of Law No.11/2020 on Job Creation.

With regard to the decision issued by Indonesia's Constitutional Court on 25 November 2021, the Court ruled that the Job Creation Law as conditionally unconstitutional. However, the Court also further specified that the scope of its decision is limited to the procedural aspects on the legislative process instead of the substance of the Law. In this regard, the Job Creation Law remains in effect during the two-year grace period provided for the necessary amendment of the Law.

With respect to measure 1–17, Indonesia would like to reassure that significant adjustments, in complying to the recommendations and rulings of the DSB, have been carried out through the amendments of the relevant MoA and MoT Regulations. Those adjustments also include the removal of disputed measures, inter alia, harvest period restriction, import realization requirements, six-months harvest requirement, and reference price.

While thanking New Zealand and the United States on their interests on the Commodity Balance mechanism, we would like to inform both Members that the objective of this mechanism is to ensure the ease and certainty of doing business. Commodity Balance will also be effective as a policy evaluation tool for the Government to assure the availability of products, including horticultural products, animal, and animal products. The operation of the mechanism will be supported by an integrated national database system and further streamline the licensing process.

Finally, Indonesia would like to again emphasize its commitment to engaging with New Zealand and the United States as well as to implementing the recommendations and rulings of the DSB in these disputes.
