

F O O D S E C U R I T Y
(Government Regulation No. 68/2002 dated December 30, 2002)

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that food security is a very important factor in the framework of national development to form a qualified, independent, and prosperous Indonesian people through the manifestation of adequate, safe, qualified, nutritional, and various food evenly across Indonesia, which price is reasonable to the people;
- b. that based on the foregoing matter and to enforce Article 50 of Law No. 7/1996 on Food, it is necessary to stipulate a government regulation on food security.

In view of:

1. Article 5 paragraph (2) of 1945 Constitution, which has been amended by Fourth Amendment to the 1945 Constitution;
2. Law No. 6/1967 on Animal Husbandry and Veterinary Basic Provisions (Statute Book of 1967 No. 10, Supplement to Statute Book No. 2824);
3. Law No. 6/1974 on Social Welfare Basic Provisions (Statute Book of 1974 No. 53, Supplement to Statute Book No. 3039);
4. Law No. 5/1984 on Industrial Affairs (Statute Book of 1984 No. 22, Supplement to Statute Book No. 3274);
5. Law No. 9/1985 on Fishery (Statute Book of 1985 No. 46, Supplement to Statute Book No. 3299);
6. Law No. 5/1990 on Conservation of Biological Resources and The Ecosystem (Statute Book of 1990 No. 51, Supplement to Statute Book No. 3420);
7. Law No. 12/1992 on Cultivation of Plants (Statute Book of 1992 No. 46, Supplement to Statute Book No. 3478);
8. Law No. 16/1992 on Animal, Fish, and Plant Quarantine (Statute Book of 1992 No. 56, Supplement to Statute Book No. 3482);
9. Law No. 23/1992 on Health (Statute Book of 1992 No. 100, Supplement to Statute Book No. 3495);
10. Law No. 7/1996 on Food (Statute Book of 1996 No. 99, Supplement to Statute Book No. 3656);
11. Law No. 23/1997 on Environmental Management (Statute Book of 1997 No. 68, Supplement to Statute Book No. 3699);
12. Law No. 22/1999 on Regional Administration (Statute Book of 1999 No. 60, Supplement to Statute Book No. 3839);
13. Law No. 41/1999 on Forestry (Statute Book of 1999 No. 167, Supplement to Statute Book No. 3888);
14. Law No. 18/2002 on National System of Research, Development, and Application of Science and Technology (Statute Book of 2002 No. 84, Supplement to Statute Book No. 4219);
15. Government Regulation No. 17/1986 on the Authority to regulate, foster and develop industries (Statute Book of 1986 No. 23, Supplement to Statute Book No. 3330);
16. Government Regulation No. 25/2000 on Governmental Authority and Provincial Authority as Autonomous Region (Statute Book of 2000 No. 54, Supplement to Statute Book No. 3952);

17. Government Regulation No. 20/2001 on Development and Supervision Over Regional Government (Statute Book of 2001 No. 41, Supplement to Statute Book No. 4090);
18. Government Regulation No. 39/2001 on Organization of De-concentration (Statute Book of 2001 No. 62, Supplement to Statute Book No. 4095);
19. Government Regulation No. 52/2001 on Arrangement of Secretarial Duty (Statute Book of 2001 No. 77, Supplement to Statute Book No. 4106);

DECIDES :

To stipulate:

GOVERNMENT REGULATION ON FOOD SECURITY.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Government Regulation, the meaning of:

1. Food Security is a condition where food has been fulfilled by households, which reflects in adequate supply of food, either in quantity or quality, safely, evenly, and at a reasonable price.
2. Food means anything originated from biological sources and water, either the one processed or unprocessed and intended as food or drinks for human consumption, including food supplement, raw materials for food, and other materials used in the processes of preparation, processing and/or production of food and drinks.
3. Food Supply is the supply of food produced locally and/or from other sources.
4. National Food Reserve is the supply of food in the whole territory for human consumption, raw materials for industry, and for facing emergency situations.
5. Food Production is the activity or process of producing, preparing, processing, making, preserving, packaging, re-packaging and/or changing of forms of food.
6. Food Trading is an activity or activities in the framework of sale and/or purchase of food, including the offer to sell food, and other activities with regard to transfer of food by receiving a fee.

7. Food Distribution is an activity or activities in the framework of distribution of food to the society, either or not for trading purposes.
8. Food Transportation is an activity or activities in the framework of relocating food from one place to another by a manner or by any transportation facility in the framework of production, distribution and/or food trading.
9. Food Diversification is the efforts made to improve the consumption of various food based on balanced nutrition.
10. Food Problem is a condition of food surplus, food shortage and/or inability of households to fulfill food necessity.
11. Emergency Situation is an uncertain critical condition threatening the social life of the society that requires immediate and accurate actions, which are beyond the common procedure.
12. Reasonable is a condition where the households are continuously able to have access to food as they need for a healthy and productive life.
13. Central Government is the apparatus of the Republic of Indonesia consisting of the President and the Ministers.
14. Regional Government is Head of the Region and other apparatus of autonomous region as the Regional Executive Body.
15. Everybody is an individual or a corporation, either in the form of a corporate body or a non-corporate body.

CHAPTER II FOOD SUPPLY Article 2

1. Food supply is arranged to fulfill continuous consumption of food by households from time to time.
2. To actualize food supply as set forth in paragraph (1), the following actions have to be taken:
 - a. To develop system of production of food based on the local resources, institutions, and culture;
 - b. To develop efficiency of food business system;
 - c. To develop food productions technology;

- d. To develop food productions facility and infrastructure;
- e. To maintain and to develop productive land.

3. Further provisions with regard to the supply of food as mentioned in paragraph (2) will be stipulated by the Ministers responsible in the fields of agriculture, marine & fishery, forestry, trade & industry, health, cooperatives, housing affairs and regional infrastructure, administration of home affairs, finance; and research & technology in accordance with their respective duties and authorities.

Article 3

1. The sources of food supply are local production of food, food reserve and importation.
2. The prioritized supply of food is the local production of food.
3. Food reserve shall be implemented to anticipate food shortage, food surplus, fluctuation of prices and/or emergency situations.
4. Importation of food is conducted if local production of food is inadequate and food reserve cannot fulfill the required food consumption in accordance with local production.
5. Importation of food must be implemented in compliance with the applicable laws.

Article 4

1. In the framework of even distribution of food supply, distribution of food to all areas up to household level shall be conducted.
2. To actualize the distribution of food as mentioned in paragraph (1), the following actions shall be taken:
 - a. Development of an efficient food distributions system that reach all areas;
 - b. Management of system of distribution of food, which may maintain food security, quality, and nutrition;
 - c. Maintenance of security in the distribution of food.
3. Further provisions regarding food distribution as mentioned in paragraph (2) shall be stipulated by the ministers responsible in the fields of agriculture, marine & fishery, forestry, communications, trade & industry, and cooperatives in accordance with their respective duties and authorities.

CHAPTER III NATIONAL FOOD RESERVE

Article 5

1. The national food reserves consist of government food reserves and public food reserves.
2. The government food reserves as mentioned in paragraph (1) consist of:
 - a. Village government food reserves;
 - b. Regency/Mayorality government food reserves;
 - c. Provincial government food reserves;
 - d. Central government food reserves.
3. The government food reserves as mentioned in paragraph (2) includes certain basic food.
4. To actualize the government food reserves as mentioned in paragraph (2), the following actions have to be taken:
 - a. Taking of inventory of food reserve;
 - b. Making of estimation on food shortage and/or emergency situations;
 - c. Supply, management, and distribution of food reserve.
5. The government food reserves as mentioned in paragraph (2) shall be determined periodically and coordinately starting from designation of village government food reserves, regency/mayorality government food reserves, provincial government food reserves up to central government food reserves.

Article 6

1. The distribution of food reserves shall be conducted to prevent food problem.
2. Distribution of government food reserve as mentioned in Article 5 paragraph (2) shall be done by:
 - a. A mechanism adjusted to the area and household conditions;
 - b. Not inflicting loss to consumers and producers.

Article 7

The central government, provincial government, regency/mayorality government and/or village government can assign government agencies or corporations having line of food business to supply and to manage certain basic food reserve in accordance with the applicable laws.

Article 8

1. The society shall have the right and opportunity to actualize food reserves for the public.

2. The food reserve as mentioned in paragraph (1) shall be done independently and in accordance with their capability.

CHAPTER IV
FOOD DIVERSIFICATION

Article 9

1. Food diversification is organized to improve food security in accordance with local resources, institutions, and culture.
2. Diversification of food as mentioned in paragraph (1) is done by:
 - a. Improvement of food diversity;
 - b. Development of technology on food processing and food products;
 - c. Improvement of social awareness to consume various food based on a balanced nutrition principle.
3. Further provisions with regard to food diversification as set forth in paragraph (2) will be stipulated by the Minister or by Heads of Non-Departmental Government Institutions responsible in the fields of agriculture, food, marine & fishery, forestry, trade & industry, cooperatives, and research & technology according to their respective duties and authorities.

CHAPTER V

PREVENTION AND ERADICATION OF FOOD PROBLEM

Part One

Prevention of Food Problem

Article 10

1. The prevention of food problem shall be conducted to prevent food problem.
2. The prevention as set forth in paragraph (1) is done by:
 - a. Monitoring, analyzing, and evaluating of food supply;
 - b. Monitoring, analyzing, and evaluating of the factors affecting food supply;
 - c. Planning and implementing program on prevention of food problem.
3. Further provisions with regard to the prevention of food problem as set forth in paragraph (2) will be stipulated by the Minister or by Heads of Non-Departmental Government Institutions responsible in the fields of agriculture, marine & fishery, forestry, trade & industry, cooperatives, and information, in accordance with their capability.

Part Two

Prevention of Food Problem

Article 11

1. The prevention of food problem shall be conducted to prevent food surplus, food shortage and/or inability of households to fulfill food necessities.
2. The prevention of food problem as set forth in paragraph (1) is done by:
 - a. Taking out of food in case of food surplus;
 - b. Improvement of production and/or importation of food in case of food shortage;
 - c. Special distribution of food in case of inability of households to fulfill the need for food.
 - d. Supplying of food aid to the poor.
3. Further provisions with regard to the prevention of food problem as set forth in paragraph (2) will be stipulated by the Ministers responsible in the fields of agriculture, marine & fishery, forestry, trade & industry, cooperatives, and information, in accordance with their capability.

Part Three

Price Control

Article 12

1. Control of the prices of certain basic food in society level shall be done to prevent fluctuation of prices of food that results in social unrest, emergency situations due to disasters and/or a long food scarcity.
2. Control of prices of food as mentioned in paragraph (1) is done by:
 - a. Management and maintenance of government food reserve;
 - b. Regulation and management of food supply;
 - c. Stipulation of tax and/or tariff policy;
 - d. Regulation on the expedition of food distribution.
3. Further provisions with regard to price control as mentioned in paragraph (2) will be stipulated by the Ministers responsible in the fields of trade & industry, agriculture, cooperatives, marine & fishery, communications, forestry, and finance in accordance with their respective duties and authorities.

CHAPTER VI

THE REGIONAL GOVERNMENT AND
THE ROLE OF THE SOCIETY

Article 13

Article 13

1. The provincial government, the regency/mayorality government and/or the village government shall implement policy and shall be responsible for the organization of food security in their respective territories in compliance with guides, norms, standards, and criteria stipulated by the central government.
2. The provincial government, the regency/mayorality government and/or the village government shall encourage the involvement of the society in the organization of food security.
3. The encouraging of involvement of the society in the organization of food security as mentioned in paragraph (2), can be done through:
 - a. Providing of information and educations related to the organization of food security;
 - b. Helping to expedite the organization of food security;
 - c. Improvement of motivation of the society with regard to the organization of food security;
 - d. Improvement of independence of the households in actualizing food security.

Article 14

1. The society has an opportunity to participate in manifesting food security.
2. The participation of the society as mentioned in paragraph (1) may be in the form of:
 - a. Production, trading, and distribution of food;
 - b. Arrangement of food reserve for the public;
 - c. Prevention and eradication of food problems.

CHAPTER VII

HUMAN RESOURCE DEVELOPMENT AND
INTERNATIONAL COOPERATION

Article 15

1. In the framework of actualizing food security, human resource development and international cooperation shall be organized.
2. Human resource development as mentioned in paragraph (1) is done by:
 - a. Food education and training;
 - b. Wide-spreading of science and technology on food;
 - c. Elucidation.

3. Further provisions regarding human resource development as mentioned in paragraph (2) will be stipulated by the Ministers responsible in the fields of education, science & technology, and agriculture, in accordance with their respective duties and authorities.

Article 16

1. International cooperation as mentioned in Article 15 paragraph (1) includes the following fields:
 - a. Production, trading, and distribution of food;
 - b. Food reserve;
 - c. Prevention and eradication of food problems;
 - d. Food research and technology.
2. International cooperation as mentioned in paragraph (1) shall be performed in accordance with the applicable laws.

CHAPTER VIII

OTHER PROVISIONS

Article 17

1. To actualize food security, formulation of policy, evaluation, and control of food security shall be organized.
2. The formulation of policy, evaluation, and control of food security as mentioned in paragraph (1) shall be done in cooperation with the Food Security Council.

CHAPTER X

TRANSITORY PROVISION

Article 18

With the enforceability of this Government Regulation, all enforcement regulations ruling about food security that exist are declared applicable as long as they are not in violation with this Government regulation.

CHAPTER X

CLOSING PROVISION

Article 19

This Government Regulation comes into full force and effect from the date of enactment.

For public cognizance, this Government Regulation shall be announced by placing it in the Statute Book of the Republic of Indonesia.

Stipulated in Jakarta

On 30 December 2002

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

sgd

MEGAWATI SOEKARNOPUTRI

Enacted in Jakarta
on 30 December 2002
SECRETARY OF STATE OF THE REPUBLIC OF INDONESIA
signed
BAMBANG KESOWO

STATUTE BOOK OF
THE REPUBLIC OF INDONESIA OF 2002 NO. 142.

ELUCIDATION
ON
GOVERNMENT REGULATION NO. 68/2002
ON
FOOD SECURITY

GENERAL

Food security is a condition where food for households has been fulfilled. It is reflected in the adequate supply of food either in quantity or quality safely, evenly, and at a reasonable price. Food security is an important and strategic matter, because, based on the experiences in many countries it shows that not even a country may perform development with assurance before it is able to actualize food security. Law No. 7/1996 on Food mandates that the government and the society shall actualize food security for all the Indonesian people.

Since Indonesia is a highly populated country with high growth rate, the efforts made to actualize food security must be prioritized for the interest of national welfare. Indonesia, as an agrarian and maritime country with various natural and socio-cultural resources, must be viewed as God's blessings to manifest food security.

The efforts made to actualize national food security must be based on local food resources with inter-regional variety and dependence on importation of food must be prevented.

In the framework of actualizing food security, all sectors must play an active role and must coordinate with the central, provincial, regency/mayorality, village government and the society to improve strategy to actualize national food security.

Because food security is reflected in the actual supply of food, food supply must be clearly known by the society. Food supply has the purpose to fulfill the need for

household consumption, which develops continuously from time to time. To actualize food supply, development of productions system, efficiency of food business system, food productions technology, and food productions facility & infrastructure, development & maintenance of productive land have to be improved.

The actualized sources of food supply are derived from local productions of food, food reserve and food importation. Importation of food is done if local production of food and food reserve inadequately fulfills the need for local consumption. Even distribution of food supply requires distribution of food to all areas up to households.

Therefore, the manifestation of distribution of food requires the development of land, sea, and air transportation, which system is done through the improvement of security of food distribution.

The national food reserves are manifested in public food reserves and government food reserves. Government food reserves are limited to certain main food, because it is impossible for the government to set reserves of all food needed by the society. The government food reserves include village government food reserves, regency/mayorality government food reserves, provincial government food reserves, and central government food reserves, the manifestation of which requires inventory-taking of food reserve, estimation of food shortage, and emergency situations so that the supply of food with regard to organization of food reserve will be successful. Government food reserve shall be done to prevent food problem and is distributed in a form of a mechanism adjusted to the area and household conditions. But, the distribution of which is done not by inflicting loss to the consumers and producers. The role and responsibility of the society with regard to food reserve is implemented by non-governmental organizations, social organizations, private sector, cooperatives and/or individuals.

Food diversification is a matter that must be improved. This is in line with processing technology and has the purpose to create social awareness to consume various foods based on a balanced nutritional principle.

With (To be continued)

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F O O D S E C U R I T Y

(Government Regulation No. 68/2002 dated December 30, 2002)

[*Continued from Business News No. 6896 pages 27A - 32A*]

With regard to the prevention and eradication of food problem, program planning & implementation, analysis, and evaluation into the factors affecting food supply, prevention of food problem is intended as anticipation to prevent the occurrence of food problem. With regard to eradication of food problem, early knowledge about food surplus, food shortage, and inability of households to fulfill food necessities has to be known. Therefore, prevention of food problem includes, amongst others, taking out of food due to food surplus, improvement of production or importation of food due to food shortage. Other than that, food distribution is specifically prioritized for the inability of households in fulfilling the need for food and food supply for the poor.

Control of prices, especially for certain basic food has the purpose to prevent fluctuation of prices, which results in social unrest, such as emergency situations that include natural disasters, social conflicts and long food scarcity. Therefore, control of food prices must be in accordance with market mechanism or market intervention by the management and maintenance of government food reserve, regulating and management of food supply, regulating of the expedition of food distribution, and stipulating of tax and/or tariff policy.

The provincial government, regency/mayorality government and/or the village government shall implement food security policy in their respective areas in compliance with guides, norms, standards, and criteria stipulated by the central government. Other than that, the provincial government, regency/mayorality government, and/or the village government must encourage the involvement of the society in food security by giving information and education, helping the expedition, improving of motivation of the society, and improving of independence of the households in food security improvement.

In actualizing food security, the society has a wide role, for example, to organize production, trading, and distribution of food, to organize food reserve, and to prevent & eradicate food problem. Food security may also be manifested through human resource development and international cooperation. Thereafter, to actualize food security, formulation of policy, evaluation and control of food security must be performed in coordination with Food Security Council.

Based on the foregoing opinion and to enforce Article 50 of Law No. 7/1996 on Food, Government Regulation on Food Security has been stipulated.

ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Paragraph (1)

Self-explanatory.

Paragraph (2)

Clause a

"System of production of food" means method/procedure of activity or process of producing, preparing, processing, making, preserving, packaging, re-packaging, and/or changing of forms of food.

"Resources" means productive agricultural land, climate, land fertility, size of land and/or water.

"Institutions" includes farmers, corporations or water control system/subak (Bali).

"Local culture" means traditions handed down from generations in a region.

Clause b and c

Self-explanatory.

Clause d

"Food productions facility and infrastructure" means, among other things, devices and installations, waste disposal facility, and other facility, which is directly or indirectly used in activity or process of production, storage, transportation and/or distribution of food.

Clause e

"Productive land" means land, which acquires water sources, especially from technical irrigation water.

Paragraph (3)

"Further provisions stipulated by the Minister" in this paragraph may be in the form of guides, norms, standards, and criteria. This provision is also applicable for Article 4 paragraph (3), Article 9 paragraph (3), Article 10

paragraph (3), Article 11 paragraph (3), Article 12 paragraph (3), and Article 15 paragraph (3) of this Government Regulation.

Article 3

Paragraph (1)

"Importation of food" means an activity of introduction of non-processed and/or processed food into the Indonesian territory to be traded, distributed and/or stored in accordance with the applicable laws.

Paragraph (2)

Self-explanatory.

Paragraph (3)

"Food shortage" means a condition where an area or a territory, major part of which population is lack of food according to their daily needs.

"Fluctuation of prices" means the price of certain basic food at market level, which reaches more than twenty five percent (25%) of the normal price.

"Emergency situations" means natural disasters, severe food scarcity occurring beyond human control, even if they can previously be estimated.

Paragraph (4) and (5)

Self-explanatory.

Article 4

Paragraph (1)

"Food distribution" is an activity/effort in the framework of fulfillment of accessibility of the society to food, either inter-regionally or inter-timely.

Paragraph (2)

Clause a

Self-explanatory.

Clause b

"Food security" means the condition and efforts required to prevent food from the possibility of biological, chemical pollution, and from other materials that may disturb, damage, and endanger human health.

"Food quality" means a value determined based on criteria of food security, nutritional content, and standards of trading of food and drinks.

"Nutrition" means the substance or compounds contained in food consisting of carbohydrate, protein, fat, vitamin, mineral and its compounds beneficial for human growth and health.

Clause c

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 5

Paragraph (1)

"National food security" means food supply across the Indonesian territory for human consumption, raw materials for industry, and for facing emergency situations.

"Government food security" means the supply of food managed or controlled by the government.

"Public food reserve" means the supply of food managed or controlled by the society, which includes farmers, cooperatives, traders, and household industries.

Paragraph (2)

Clause a

"Village government food reserve" means the supply of food managed or controlled by the village government.

Clause b

"Regency/mayoralty government food reserve" means the supply of food managed or controlled by the regency/mayoralty government.

Clause c

"Provincial government food reserve" means the supply of food managed or controlled by the provincial government.

Clause d

"Central government food reserve" means the supply of food managed or controlled by the central government.

Paragraph (3)

"Reserve of certain basic food" is the supply of certain basic food, such as rice, and, in the regional level, it is in the form of basic food of the local community.

Paragraph (4)

Self-explanatory.

Paragraph (5)

"Determined periodically" means that it can be done every quarter, every six months and/or every year.

Article 6

Self-explanatory.

Article 7

In the event that the central government, provincial government and/or regency/mayorality government assigns a corporation to supply and to manage certain basic food, the assignment shall be contained in a written agreement.

Article 8

Self-explanatory.

Article 9

Paragraph (1)

Self-explanatory.

Paragraph (2)

Clause a and b

Self-explanatory.

Clause c

"Balanced nutrition" is food, which contains energy substance, constructing substance, and regulating substance consumed by a person in a day needed by his or her body.

Paragraph (3)

Self-explanatory.

Article 10 and 11

Self-explanatory.

Article 12

Paragraph (1)

"Disaster" includes flood, landslide, and volcano eruption.

"Long food scarcity" means a long season of food shortage so that it is construed as a difficult period for the supply of food to a certain area, including the time of huge imbalance between need and supply.

Paragraph (2)

Clause a

Self-explanatory.

Clause b

Self-explanatory.

Clause c

"Stipulation of tax and/or tariff policy" is, among other things, stipulation of export tax and/or import rate on certain food.

Clause d

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 13-16

Self-explanatory.

Article 17

Paragraph (1)

Since food security is cross sectoral, cross regional and it involves participation of the society, formulation of policy, evaluation, and control of food security integrally are required, and the implementation of which is done in coordination with the Food Security Council.

Paragraph (2)

"Food security Council" means the Food Security Council established by Presidential Decree No. 132/2001.

Article 18 and 19

Self-explanatory.

SUPPLEMENT TO STATUTE BOOK OF
THE REPUBLIC OF INDONESIA NO. 4254.

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