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THE PROCESS OF HANDLING PESTICIDE IMPORTS ON THE RED LINE BY FREIGHT FORWARDING

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ABSTRACT

This study aims to determine the process of handling imported pesticides in the red lane by freight forwarders. The study used a qualitative approach, with the subject of employees of the import operations and customer service of PT Link Pasipik Indonusa Surabaya Branch obtained by purposive sampling. Data were obtained using interviews, observation and documentation, which were then analyzed descriptively and qualitatively. The result of this research is that the import handling process is a series of systematic activities to assist the process of import activities carried out by the authorized parties. Handling imported goods, especially pesticides, there is a process of supervision by Customs.

Keywords: Pesticide imports, red line, freight forwarding

Introduction

Indonesia is an archipelagic country that is spread across a wide maritime area and also has very abundant natural resources (SDA). These natural resources are used to meet the needs of local, national, and international communities through export and import trade. Most of the Indonesian population work in agriculture and have extensive agricultural land, and diverse and abundant natural resources. However, the use of pesticides in Indonesia is quite high. Due to the high use of pesticides and the lack of materials available in Indonesia, companies import pesticides to meet demand. Import activities are regulated to protect domestic production and trade. Therefore, there are several stages in the implementation of imports, and one of them is the inspection of goods that have arrived at the port by the customs party. This is done with the aim of increasing the effectiveness of the supervision of goods entering the customs area as well as optimizing the prevention and prosecution of smuggling. There are three routes for imports into Indonesia, known as the yellow, green and red lines. The process of service and clearance of imported goods is carried out on the red line through physical inspection and checking of documents before the Letter of Customs Clearance Approval Certificate is issued. Several obstacles cause import activities to be less than optimal, such as delays in sending the original documents because the importer had not completed payment to the exporter. These constraints cause the import process to be slow, which in turn can cause losses for the parties concerned. On this basis, the researcher is interested in discussing the above problems in more detail in the final project entitled “The Process of Handling Pesticide Imports on the Red Line by Freight Forwarding”.

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Literature Review

Import is a cross-border trade by buying products from outside the customs area and bringing them in. Import activities can be carried out by specialised companies or by companies that are processing industries, namely companies that import goods to be reprocessed (Altius, 2009).

Meanwhile, according to Andri Febriyanto (2015), importers are entrepreneurs who can carry out trading activities by importing goods from abroad into the Indonesian customs territory in accordance with applicable regulations.

A Freight Forwarder is a company that transports goods as a whole. Freight Forwarding can also function as EMKL (Ocean Freight Forwarding), Shipping, Customs Services, and even door-to-door delivery. Transportation Management Services (freight forwarding) is a business activity aimed at managing the delivery and receipt of goods by land, sea, or air (Mandasari et al., 2021).

Freight Forwarding has the main activity as a transporter. However, Freight Forwarding has a different role, depending on the scope of work listed in the work contract that has been agreed upon between the two parties, namely between the freight forwarder and the work order provider.

The tracking mechanism is one of the methods used by the Directorate General of Customs and Excise (DJBC) in preventing the entry of dangerous goods, and as a tool to reduce smuggling rates to a minimum, however, the tracking mechanism also needs to be improved. In carrying out supervision, especially on the entry and exit of goods into the territory of Indonesia, the supervisory mechanism at major ports, where almost 60 percent of export-import goods enter, one the mechanisms now continue to be improved both procedures and commodities is the routing mechanism or what is known today as the Route. Red, Green Line, Yellow Line.

In the context of customs supervision, customs agencies must implement risk management to determine what entities and goods are involved, their means of transportation, and the scope or depth of control. The Directorate General of Customs and Special Taxes implements this risk management by dividing the import route into three routes: Green, yellow, and red. The division of the three routes depends on the level of risk of the importer and the goods being imported. The red line is the flow of clearance procedures after customs and excise officials receive and inspect import documents from importers. Customs regulations will determine whether a physical inspection of imported goods must be carried out.

Methodology

The method used in this research is descriptive qualitative research. Qualitative research produces findings that cannot be achieved using statistical procedures or other quantitative means. Qualitative descriptive research aims to describe, explain and answer in detail problems by studying as much as possible an individual, a group, or an event. In qualitative research, humans are research instruments and the research results are in the form of words or statements that are in accordance with the situation.

This research was conducted at PT Link Pasipik Indonusa Surabaya Branch from November 2021 to April 2022. The object of this research is the role of PT Link Pasipik Indonusa Surabaya Branch in the process of handling pesticide imports on the red line, obstacles and efforts to overcome obstacles. The informants in this study were employees of PT Link Pasipik Indonusa Surabaya Branch. A total of 240 drums of pesticides were processed in the specific case under analysis.
The data collection method in this study used interviews and observations, with data validated using triangulation techniques. The import operations and import customer service staff of PT Link Pasipik Indonusa Surabaya Branch were involved in the study as they could provide the information needed to their handling of pesticide imports on the red line.

Data about the process of handling pesticide imports in the red lane by freight forwarders are then subject to triangulation techniques to determine if they meet the requirements of authenticity.

Results and Discussion

The import handling process is a series of systematic and directed activities to assist import activities carried out by the authorized parties, which are described in the following process:

a. Importers send documents in the form of Bill of Lading, Invoice, Packing List, Certificate of Origin, and Sales Contract. Because pesticides are classified as dangerous goods, they must also attach a Material Safety Data Sheet (MSDS), and Certificate of Analysis to Customer Service Import PT. Indonesian Pacific Link.

b. The document is then given to Customer Service, import operations, and the Customs Services Management Entrepreneurs PT Link Pasipik Indonusa for the manufacture of Notification of Imported Goods.

c. After the Goods Import Notification has been made by the Customs Services Management Entrepreneurs, the Goods Import Notification will be sent to the consignee to be checked and confirmed.

d. Checking the arrival of the ship, then asking for BC 1.1 (Manifest Document containing a list of commercial goods transported by the ship when entering or leaving the Customs Area) and the cost of taking Delivery Order (DO).

e. After receiving confirmation from the importer and BC 1.1 (Manifest Document containing a list of commercial goods transported by transportation means when entering or leaving the Customs Area from the shipping party), then Customs Services Management Entrepreneurs is informed to update Goods Import Notification.

f. Then the Customs Services Management Entrepreneurs submit the data to the Goods Import Notification module that has been provided by Customs, after which Customs issues a Billing.

g. Then the importer pays the billing. Then the importer sends the Proof of State Revenue to the Customer Service section of PT Link Pasipik Indonusa to check the response from Customs.

h. Because the response that came out was the Red Line Notification Letter, the next steps were:

1) Doing document submission

3) Document submission is done by submitting the document through the website provided by Surabaya Customs, namely Sipinter (https://sipinter.bcperak.net/site/login), and during a pandemic, the original document is submitted 3 (three) months after Pendok is online.

4) Check the position of the container on the Teluk Lamong Terminal/International Container Terminal website, to find out whether the container is already at the inspection location or still at the stacking location.

5) Inspection by the authorities

6) Submit Customs Value Declaration

i. After receiving a response and a Goods Release Order from Customs, then confirm with the importer when the goods will be sent to the importer’s warehouse.

j. The import operation checks the location of the container and regulates the container release process, such as printing Equipment Interchange Receipt (EIR), payment for storage, and Lift Off.

k. After receiving confirmation from the importer about the cargo delivery plan, the import operation party prepares trucking.

l. When everything is ready, trucking will transport the imported goods to the importer’s warehouse.

The following is a flow chart of the custom clearance process for the arrival of imported goods in Indonesia:

![Customs process flow chart](chart.png)

*Figure 1: Customs clearance process for importation of goods (Central America Data, 2016)*
Overall, the import handling process which consists of a series of systematic activities to assist the process of import activities carried out by the authorized parties can be said to be effective, although in handling it there are several obstacles, such as: inspection of red lanes at Customs takes time. This is overcome by conducting follow-up with Customs and Excise; b) Delivery Order (DO) that has expired, can be resolved by requesting a longer free time to the Liner or shipping party to deal with the Red Line Notification response from Customs; c) Issuance of a Customs Value Added Order resulting in a shortage of payment of import duty or tax, the importer is obliged to pay off the underpaid import duty in accordance with the stipulation. Efforts that can be made to overcome this are shippers and consignees coordinate price adjustments with Customs; d) Because pesticides are classified as dangerous goods class 6.1, special treatment is required in handling them, including caution when moving the drum containing pesticides and ensuring that drums opened to retrieve samples are tightly closed again, storing the drums in a closed room to avoid the sun.

The yellow route to import goods into Indonesia involves submitting and tracking the clearance of imported goods not requiring physical inspection, but only by document verification before the Customs Clearance Approval Certificate is issued. In the green line, monitoring of shipments of imported goods is not carried out through physical inspection, but through document inspection after the issuance of the Customs Clearance Approval Certificate. The service process and clearance of imported goods is carried out on the red line through physical inspection and document checking before the Customs Clearance Approval Certificate is issued. Of these three routes, red has complicated and complex procedures in order to prevent smuggling.

Conclusion and Implication

The conclusion from the research on PT Link Pasipik Indonusa is that the import handling process is a series of systematic activities to assist import activities carried out by the authorized parties. The handling of imported goods, especially pesticides, is subject to a monitoring process by Customs and Excise. The handling of imported goods, especially pesticides, is subject to a monitoring process by Customs. The process includes controlling, monitoring, calculating, and witnessing the unloading of the Full Container Load (FCL) from start to finish. The activity involves several parties, namely the Customs Enforcement and Investigation Section (P2), Customs Examiners, Freight Forwarders as representatives of importers or owners of goods and loading and unloading workers at Teluk Lamong Terminal. The process ensures the goods are in accordance with the documents, the permits are met, the packaging is good and the total weight of the specifications of the goods is according to the document.
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