



MINISTER OF TRADE OF THE REPUBLIC OF INDONESIA

4 March 2019

The Honourable Mr Simon Birmingham
Minister for Trade, Tourism and Investment
Australia

Dear Minister

I have the honour to acknowledge receipt of your letter on this date, which reads as follows:

In connection with the signing on this date of the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), I have the honour to confirm the following agreement reached between the Government of Australia (Australia) and the Government of the Republic of Indonesia (Indonesia) ("the Parties") during the course of negotiations on IA-CEPA:

1. To acknowledge the importance of Technical and Vocational Education and Training (TVET) to Australia as well as Indonesia. The area of cooperation related to TVET will relate to building a highly skilled and industry-ready workforce in Indonesia. Australia, being an equal partner in IA-CEPA with Indonesia, is committed to facilitating the supply of world standard TVET services through IA-CEPA.
2. Australia and Indonesia agree that economic cooperation under IA-CEPA for TVET related activities shall include activities that develop training packages specific to Indonesian industry in agreed sectors .
3. In conjunction with paragraph two above, Australia agrees to use, as agreed, specific frameworks such as Australia Awards Fellowships

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and short courses to train eligible Indonesian vocational teachers, instructors and polytechnic lecturers in sectors of agreed priority.

4. Australia agrees to provide economic cooperation under Chapter 15 (Economic Cooperation) of IA-CEPA to Indonesia to help develop an Indonesia TVET Committee responsible for national TVET standards and to incentivise Indonesian industry to participate in the vocational education and training system.
5. Indonesia agrees to allow Australians to own 67 per cent of investments in the Work Training sector in Indonesia.
6. The Parties recognise that Australian providers of Work Training seek to provide high quality training that is suited to Indonesian industry. Indonesia shall allow Australian providers to provide Work Training in Indonesia under the following conditions:
 - No geographic limitations; all subject matter under Work Training¹ Presidential Regulation Number 44 of 2016; Australian providers are able to provide non-award courses; Indonesian Qualification Framework qualifications levels 1-5; all Australian Qualification Framework qualifications registered by Australian Skills Quality Authority; that Australian requirements for trainers are accepted; ratios of trainers and administrative staff will be agreed between the parties to the investment.

I have the honour to propose that the Australian commitment related to TVET will solely be implemented under Chapter 15 (Economic Cooperation) of IA-CEPA.

I have the further honour to propose that this letter, and your letter of confirmation in reply, in the English and the Indonesian languages, both being equally authentic, shall constitute an agreement between Australia and Indonesia which shall enter into force on the date of entry into force of IA-CEPA.

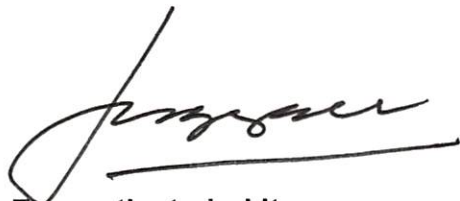
I have the further honour to confirm that the above reflects the agreement reached between Indonesia and Australia during the course of negotiations on IA-CEPA, and that your letter and this letter in reply, in the English and the Indonesian languages,

¹ Work Training has the same meaning as in Indonesia's Presidential Regulation Number 44 of 2016 or any amendment to that Regulation, to the extent the amendment reduces restrictions relating to Work Training.

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both being equally authentic, shall constitute an agreement between Indonesia and Australia, which shall enter into force on the date of entry into force of IA-CEPA.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Enggartiaso', with a long horizontal flourish underneath.

Enggartiaso Lukita
Minister of Trade

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