

ANNEX II

SCHEDULE OF INDONESIA

INTRODUCTORY NOTES

SECTION A

Section A of Indonesia's Schedule to this Annex sets out, in accordance with Article 9.7 (Non-conforming Measures), the specific sectors, sub-sectors or activities for which Indonesia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Article 9.3 (National Treatment);
- (b) Article 9.4 (Most-Favoured-Nation Treatment);
- (c) Article 9.5 (Market Access); or
- (d) Article 9.6 (Local Presence).

SECTION B

1. Articles 14.4 (National Treatment), 14.5 (Most-Favoured-Nation Treatment), 14.6 (Prohibition of Performance Requirements), and 14.10 (Senior Management and Boards of Directors) apply only to the following sectors:

- (a) manufacturing;
- (b) agriculture;
- (c) fisheries;
- (d) forestry;
- (e) mining and quarrying;

(f) energy infrastructure, specifically power plants of more than 10 Megawatts and geothermal power plants of less than or equal to 10 Megawatts; and

(g) transport infrastructure, specifically highway, bridge and tunnel concessions.

2. Section B of Indonesia's Schedule to this Annex sets out, in accordance with Article 14.14 (Non-conforming Measures), the specific sectors, sub-sectors or activities, within the sectors listed in paragraph 1, for which Indonesia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

(a) Article 14.4 (National Treatment);

(b) Article 14.5 (Most-Favoured-Nation Treatment);

(c) Article 14.6 (Prohibition of Performance Requirements); or

(d) Article 14.10 (Senior Management and Boards of Directors).

3. For greater certainty, in accordance with Article 14.3.3 (Relation to Other Chapters), for the purposes of the application of Article 14.14 (Non-Conforming Measures) to measures affecting the supply of a service by a service supplier of Australia through commercial presence in the territory of Indonesia, an entry listed against Article 9.3 (National Treatment) and Article 9.4 (Most-Favoured-Nation Treatment) in Section A, shall also be considered an entry in respect of Article 14.4 (National Treatment) and Article 14.5 (Most-Favoured-Nation Treatment) respectively in Section B.

4. The recognition of Australian permanent residents shall be limited to Australian permanent residents who have the nationality of a country that already has an investment agreement or a free trade agreement (with an investment chapter) in force with Indonesia. Such recognition shall not apply to an Australian permanent resident who is also an Indonesian national. Furthermore, in accordance with Article XXVIII(k)(2) of GATS, Indonesia shall not be obliged to accord to such permanent residents treatment more favourable than would be accorded by Australia to such residents.

SECTION A

- 1. Sector:** : All Sectors
- Obligations Concerned:** : National Treatment (Article 9.3)
Market Access (Article 9.5)
Local Presence (Article 9.6)
- Description:** : Trade in Services

Indonesia reserves the right to adopt or maintain any measure that does not conform with the obligations imposed by Articles 9.3 (National Treatment), Article 9.5 (Market Access) and 9.6 (Local Presence), except in the sectors and sub-sectors where it has made commitments in accordance with Article 9.7.1 (Non-Conforming Measures) in Annex I of this Schedule, or with respect to the sectors and sub-sectors listed in Appendix A to this Annex:

- a) including any undertakings relating to additional commitments set out in that Appendix; and
- b) subject to the terms, limitations, conditions and qualifications set out in that Appendix.

To the extent that the terms, limitations, conditions and qualifications applied to a particular service supplier of Australia in the sectors or sub-sectors listed in Appendix A are more favourable on or after the date of entry into force of this Agreement than the terms, limitations, conditions and qualifications listed in Appendix A, the applied terms, limitations, conditions and qualifications shall not be changed or modified so as to become more restrictive to such a service supplier, provided that there is no amendment to its principal or operational licenses resulting from a request by the service supplier. For greater certainty, any amendments to the principal or operational license requested by a service supplier would be treated as a new entry to the market as at the date of the effect of the amendments.

2. Sector:	: All Sectors
Obligations Concerned:	: Most-Favoured-Nation Treatment (Article 9.4)
Level of Government:	: Central
Description:	: <u>Trade in Services</u>

Indonesia reserves the right to adopt or maintain any measure that accords more favourable treatment to any services or service suppliers under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement.

Indonesia reserves the right to adopt or maintain any measure that accords more favourable treatment to any services or service suppliers under any bilateral or multilateral international agreement signed after the date of entry into force of this Agreement, except with respect to the sectors and sub-sectors listed in Appendix B to this Annex.

For sectors not listed in Appendix B, if, after the date of entry into force of this Agreement, Indonesia subsequently enters into any agreement with a non-Party in which it accords treatment to services or service suppliers of that non-Party more favourable than it accords to like services or service suppliers of Australia, Australia may request consultations to discuss the possibility of extending such treatment. On request from Australia, Indonesia will give consideration to negotiate for the incorporation of treatment no less favourable than that provided under the agreement in question. Such incorporation shall take into account the overall balance of benefits.

Notwithstanding the above, Indonesia reserves the right to adopt or maintain any measure that accords more favourable treatment:

- (a) to ASEAN member states under any ASEAN agreement open to participation by any ASEAN

member state, in force or signed after the date of entry into force of this Agreement;

(b) with respect of advantages accorded to adjacent countries to the extent covered by paragraph 3 of Article II of the GATS; and

(c) to any services or service suppliers under any international agreement in force or signed after the date of entry into force of this Agreement involving:

- i) aviation;
- ii) fisheries; or
- iii) maritime matters, including salvage.

APPENDIX A

1. Appendix A of Indonesia's Schedule to this Annex sets out:
 - a) The specific sectors, sub-sectors or activities for which Indonesia makes commitments subject to terms, limitations, conditions, and qualifications on:
 - (i) National Treatment (Article 9.3);
 - (ii) Market Access (Article 9.5); or
 - (iii) Local Presence (Article 9.6).
 - b) The specific sectors, sub-sectors or activities for which Indonesia undertakes additional commitments.
2. The '**Limitations on Market Access**' and '**Limitations on National Treatment**' columns refer to the supply of a service:
 - 1) from the territory of a Party into the territory of the other Party (Mode 1);
 - 2) in the territory of a Party to a person of the other Party (Mode 2);
 - 3) by a service supplier of a Party, through commercial presence in the territory of the other Party (Mode 3); and
 - 4) by a natural person of a Party in the territory of the other Party (Mode 4).
3. The inscription of sectoral commitments and its limitations, follows the Guidelines for Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001).
4. Any terms, limitations, conditions and qualifications applicable to Article 9.6 (Local Presence) shall be inscribed in the column relating to National Treatment.
5. Double asterisk after a CPC number indicates that the service specified constitutes only a part of the total range of activities covered by the CPC concordance.

6. In the absence of a specific reference to CPC numbers, the scope of sub-sectors/activities covered by an entry will be subject to relevant and applicable references, including:

a) in the case of Financial Services, reference would be made to the *GATS Annex on Financial Services*;

b) in the case of Air Transport, the scope of activities would be in accordance with Chapter 9 (Trade in Services), unless qualified by reference to the Indonesian Standard Industrial Classification (Klasifikasi Baku Lapangan Usaha Indonesia/KBLI) 2015; or

c) in the case of other sectors, reference would be made to Indonesia Standard Industrial Classification (Klasifikasi Baku Lapangan Usaha Indonesia/KBLI) 2015.

7. **"Joint Operation "**: A joint operation is an undertaking between one or more foreign and Indonesian enterprises of a temporary nature, to handle one or more projects/businesses without establishing a new statutory body in accordance with Indonesian laws.

8. **"Joint venture"**: A joint venture enterprise is a legal entity organised under Indonesian law and having its domicile in Indonesia, in the form of cooperation between foreign capital and Indonesian (national) capital.

9. **"Representative office"**: A representative office is an office headed by one or more foreign or Indonesian citizens appointed by a foreign enterprise or joint venture enterprise located outside of Indonesia as its representative, which aims to:

a) be in charge of the enterprise's business or its affiliated enterprises, or;

b) prepare the establishment and expansion of foreign capital investment enterprises, either located in Indonesia or in other countries.

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
HORIZONTAL COMMITMENTS			
<p>All sectors included in this Appendix and the below sub-sectors as follows:</p> <ul style="list-style-type: none"> • Legal services (CPC 861), only for advisory services on foreign and international law; • Postal Services (CPC 7511) and Courier Services (CPC 7512) (KBLI 53102-Commercial Postal) excluding Intercity delivery and Universal Post Services; and • International Passenger Transport (CPC 7211) and International Freight Transport (CPC 7212) excluding Cabotage. 	<p>3) Commercial Presence through the constitution, acquisition or maintenance of an enterprise shall be in the form of a limited liability company denoted as PT ('Perseroan Terbatas'), unless otherwise specified.</p> <p>4) Unbound, except for categories as indicated in Chapter 12 (Movement of Natural Persons).</p>	<p>3) Non-resident taxpayers will be subject to withholding tax of 20 per cent if they derive the following income from an Indonesian source:</p> <ul style="list-style-type: none"> (a) interest; (b) royalties; (c) dividend; (d) fee from service performed in Indonesia. <p>3) The right of ownership of land (<i>hak milik</i>) is restricted to Indonesian nationals only.</p> <p>Notwithstanding the above, foreign nationals and foreign companies incorporated and domiciled in Indonesia may acquire land and property on the basis of the following rights:</p> <ul style="list-style-type: none"> (a) Leasehold (<i>hak guna usaha</i>), granted to a foreign company for a maximum period of 35 years and may be extended for a further period of 25 years. (b) Building rights (<i>hak guna bangunan</i>), granted to a foreign company for a maximum period of 	

		<p>30 years and may be extended for a further period of 20 years.</p> <p>(c) Right of use (<i>hak pakai</i>) granted to: (1) a foreign national for a maximum period of 30 years and may be extended for a further period of 20 years; (2) a foreign company for a maximum period of 25 years and may be extended for a further period of 20 years.</p> <p>(d) Right of lease (<i>hak sewa</i>), accorded to a foreign national and a foreign company for a definite period as may be agreed by the parties.</p> <p>Such acquisitions of land and property must be approved by the relevant authority, subject to such conditions and restrictions as may be imposed by that authority.</p> <p>3) Indonesia reserves the right to adopt or maintain any measure relating to the privatisation, corporatisation, commercialisation or divestment of Government assets, entities or agencies including: (a) limitations on ownership of assets; (b) transfer or disposal of equity interests</p>	
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		<p>or their assets;</p> <p>(c) the right of foreign investors or their investments to control their assets; and nationality of the senior management or members of the board of directors.</p> <p>For greater certainty:</p> <p>a) where Indonesia transfers an interest in an existing state enterprise to another state enterprise, such transfer shall not be considered to be an initial transfer or disposal of the interest for purposes of this entry; and</p> <p>b) where Indonesia transfers or disposes of an interest in an existing state enterprise in multiple phases, subparagraph (a) shall apply separately to each such phase.</p> <p>3) A joint venture supplying services through commercial presence in Indonesia must have a total investment value of greater than IDR 10 billion (excluding land and buildings), except in sectors and subsectors where Indonesia has made commitments under GATS or the <i>ASEAN-Australia-New Zealand Free Trade Agreement</i> (AANZFTA).</p>	
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		<p>1), 2), 3), 4) Indonesia reserves the right to adopt or maintain any measure for the protection of Indonesian essential security interests.</p> <p>4) Unbound, except for categories as indicated in Chapter 12 (Movement of Natural Persons).</p>	
SECTOR SPECIFIC COMMITMENTS			
BUSINESS SERVICES			
A. Professional Services¹			
Architectural Services (CPC 8671)	<p>1) None</p> <p>2) None</p> <p>3) None, except commercial presence only permitted in the form of:</p> <p>a) Joint operation by establishing a representative office with qualification big; or</p> <p>b) Joint venture.</p>	<p>1) None</p> <p>2) None</p> <p>3) None except:</p> <p>a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners;</p> <p>b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers;</p>	

¹ "Qualification big" refers to high risk, high technology or high capital, as stipulated in Law No. 2 of 2017 on construction services.

		<ul style="list-style-type: none"> c) Indonesian local partners shall have qualification big; d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and e) Highest management in a representative office shall be Indonesian. 	
Engineering Services (CPC 8672 except CPC 86721, 86726)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except commercial presence only permitted in the form of: <ul style="list-style-type: none"> a) Joint operation by establishing a representative office with qualification big; or b) Joint venture. 	<ul style="list-style-type: none"> 1) None 2) None 3) None except: <ul style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers; c) Indonesian local partners shall have qualification big; d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and e) Highest management in a representative office shall be Indonesian. 	

Advisory and Consultative Engineering Services (CPC 86721)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint operation by establishing a representative office. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except Indonesian local partner in the joint operation must be a member of the Indonesian Consultant Association. 	
Integrated Engineering Services (CPC 8673)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except commercial presence only permitted in the form of: <ul style="list-style-type: none"> a) Joint operation by establishing a representative office with qualification big; or b) Joint venture. 	<ul style="list-style-type: none"> 1) None 2) None 3) None except: <ul style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers; c) Indonesian local partners shall have qualification big; d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and e) Highest management in a representative office shall be Indonesian. 	
Urban Planning Services (CPC 86741)	<ul style="list-style-type: none"> 1) None 2) None 	<ul style="list-style-type: none"> 1) None 2) None 3) None except: 	

	<p>3) None, except commercial presence only permitted in the form of:</p> <p>a) Joint operation by establishing a representative office with qualification big; or</p> <p>b) Joint venture.</p>	<p>a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners;</p> <p>b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers;</p> <p>c) Indonesian local partners shall have qualification big;</p> <p>d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and</p> <p>e) Highest management in a representative office shall be Indonesian.</p>	
Landscape Architectural Services (CPC 86742)	<p>1) None</p> <p>2) None</p> <p>3) None, except commercial presence shall be in the form of:</p> <p>a) Joint operation by establishing a representative office with qualification big; or</p> <p>b) Joint venture.</p>	<p>1) None, except local presence requirements</p> <p>2) None</p> <p>3) None except:</p> <p>a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners;</p> <p>b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers;</p> <p>c) Indonesian local partners shall have qualification big;</p>	

		<p>d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and</p> <p>e) Highest management in a representative office shall be Indonesian.</p>	
<p>Clinic of specialised medical services (CPC 93122)</p> <p>Clinic of specialised dental services (93123)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners;</p> <p>b) May only employ foreign health professionals to the extent that there are not sufficiently qualified Indonesians;</p> <p>c) Must be established in a class A or B hospital-owned premises, as defined by Minister of Health Regulation No. 56 of 2014 on the classification and licencing of hospitals as at the date of signature of this Agreement; and</p> <p>d) The management shall be integrated with the hospital.</p>	

Nursing services only for specialistic care (CPC 93191)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; b) The health professionals shall be Indonesian; and c) Establishment limited to the capital of provinces in East Indonesia region except Manado and Makassar. 	
B. Computer and Related Services			
Consultancy Services Related to the Installation of computer hardware (CPC 841)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except joint operation requirement through a representative office. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except the Indonesian local partner must be a member of the Indonesian Consultant Association. 	
Software Implementation Services (CPC-842)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) The Indonesian local partner must be a member of the Indonesian Consultant Association. 	

Maintenance and repair Services of Office Machinery and Equipment Including Computers (CPC 845)	1) Unbound 2) None 3) Unbound.	1) Unbound 2) None 3) Unbound.	
C. Research and Development Services			
Interdisciplinary R&D (CPC 853, only for industrial activities)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except: a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners; b) The Indonesian counterpart must have the involvement of researchers from Indonesian research institutions (higher education, government, business, private-non-profit) in Indonesia; c) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and d) Granting license for foreign services suppliers will be subject to assessment on the object, area and period of research in	

		accordance with applicable laws and regulations at the time of application.	
Research and experimental development services on linguistic and languages (CPC 85204), only for foreign language only	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None except, joint operation requirement through a representative office. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except: <ul style="list-style-type: none"> a) Required to establish partnership with higher education institution in Indonesia particularly PTN-BH ('Perguruan Tinggi Negeri Berbadan Hukum'); b) License requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and c) Granting license for foreign services suppliers will be subject to assessment on the object, area and period of research in accordance with applicable laws and regulations at the time of application. 	
E. Rental and leasing services without operator			
Rental of vessel without crew (CPC 83103)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except no more than 60 per cent of the capital share in a joint venture shall be owned by foreigners. 	
F. Other Business Services			

<p>Management Consulting Services (CPC 865) only for:</p> <ul style="list-style-type: none"> • General management consulting services (CPC 86501) • Marketing management consulting services (CPC 86503) • Human resources management consulting services (CPC 86504) 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except no more than 30 per cent of the capital share in a joint venture shall be owned by foreigners.</p>	
<p>Project Management Services other than Construction (CPC 86601)</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None except: a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners; and b) The Indonesian local partner must be a member of the Indonesian Consultant Association.</p>	
<p>Technical Testing and analysis services (8676) other than:</p> <ul style="list-style-type: none"> • Oil and gas support services: technical inspection services; • Testing and analysis of electrical installation, 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None except: a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and</p>	

<p>Power construction and installation: Low / medium voltage electrical installation;</p> <ul style="list-style-type: none"> • Survey on destructive/ nondestructive testing; • Technical Inspection Services (CPC 86764); • Horticultural research and quality test laboratories; • Testing and analysis of electrical installation: Electrical utility construction and high/extra-high voltage electrical installation (CPC 86763**); • Performance of periodic testing of motor vehicles (CPC86763**). 		<p>b) The Indonesian local partner must be a member of the Indonesian Consultant Association.</p>	
<p>Technical Testing and Analysis Services (CPC 8676**):</p> <ul style="list-style-type: none"> • Horticultural research and quality test laboratories 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 30 per cent of the capital share in a joint venture shall be owned by foreigners; and 	

		b) The Indonesian local partner must be a member of the Indonesian Consultant Association.	
<p>Technical Testing and Analysis Services (CPC 8676**) only for:</p> <ul style="list-style-type: none"> • Testing and analysis of electrical installation: Electrical utility construction and high/extra-high voltage electrical installation (CPC 86763**) • Performance of periodic testing of motor vehicles (CPC86763**) • Technical Inspection Services (CPC 86764). 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None except: a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) The Indonesian local partner must be a member of the Indonesian Consultant Association.</p>	
<p>Convention Services (Meetings, Incentives, Conventions and Exhibitions) CPC 87909**</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except: no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.</p>	
<p>Services Incidental of Manufacturing (CPC 884 not including CPC 88411, 88412, 88421, 88422, 88423, 88430, 88442, 88460, 88491, 88492).</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except: a. No more than 33 per cent of the capital share in a joint venture shall</p>	

		be owned by foreign services suppliers; and b. The Indonesian local partner must be a member of the Indonesian Consultant Association.	
Services Incidental to Manufacturing (CPC 884**) – Liquefaction and Gasification only for Coal	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.	
Services incidental to manufacture of metal products, machinery, and equipment (CPC 885)	1) None 2) None 3) None, except commercial presence shall be in the form of joint operation through a representative office in Indonesia.	1) None 2) None 3) None, except the Indonesian participant in the joint operation must be a member of the Indonesian Consultant Association.	
Services Incidental to energy distribution (CPC 887) exclusively covers only consultancy services related to operation of power plant and network	1) Unbound 2) None 3) None, except joint venture requirement.	1) Unbound 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreign services suppliers.	
Electrical Power Installation Consultation (KBLI 71102)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 55 per cent of the capital share in a joint venture shall be owned by foreigners.	

Electrical Power Construction and Installation on Electrical Provision Installations (KBLI 42213)	1) None 2) None 3) None, except joint venture requirement and, where applicable, compliance with Electricity Supply Business Plan (RUPTL).	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Operation and Maintenance of Electrical Power Installation (KBLI 43211)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Power plant >10 MW (KBLI 35101)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except: a) No more than 95 per cent of the capital share in a joint venture shall be owned by foreign services suppliers; and b) Foreign services suppliers are required to sell the produced energy to PLN (state owned company).	
Geothermal Power Plant: <= 10MW (KBLI 35101)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
Activities incidental to mining and other excavation (KBLI 09900),	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None	

only for Geothermal Operating and Maintenance Services		3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
Drilling services for geothermal project (KBLI 06202)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
Services Incidental to Mining (CPC 883**): • Oil and Gas Construction Service: Platform	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 75 per cent of the capital share in a joint venture shall be owned by foreigners.	
Drilling services for offshore oil and gas project	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
Site Preparation work for Mining (CPC 5115)	1) None 2) None 3) None, except: a) joint venture requirement; and b) subject to an economic needs test that gives priority to Indonesian enterprises, as set out in Law No. 4 of	1) None 2) None 3) None, except: a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Priority must be given to hiring Indonesian sub-contractors and	

	2009 as in force at the date of signature of this Agreement.	workers, as set out in Law No. 4 of 2009 as in force at the date of signature of this Agreement.	
Contract mining, meaning mining and related services rendered on a fee or contract basis at metallic, non-metallic and coal mining sites	<ol style="list-style-type: none"> 1) None 2) None 3) None, except: <ol style="list-style-type: none"> a) joint venture requirement; and b) subject to an economic needs test that gives priority to Indonesian enterprises, as set out in Law No. 4 of 2009 as in force at the date of signature of this Agreement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except: <ol style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Priority must be given to hiring Indonesian sub-contractors and workers, as set out in Law No. 4 of 2009 as in force at the date of signature of this Agreement. 	
Geological, geophysical and other scientific prospecting services (CPC 86751**): Only for Oil and Gas, Geology and Geophysics Survey Services	<ol style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners. 	
Geological, geophysical and other scientific prospecting services (CPC 86751**): Only for geothermal survey services	<ol style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners. 	

<p>Engineering related scientific and technical consulting services (CPC 8675), only for:</p> <ul style="list-style-type: none"> - Subsurface surveying services (CPC 86752) - Surface surveying services (CPC 86753) - Map-making services (CPC 86754) 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None, except:</p> <ul style="list-style-type: none"> a) Geospatial Data and Information shall be processed in Indonesia's territory; and b) If the necessary human resources, or equipment/utilities are not available in Indonesia, processing of Geospatial Data and Information can be conducted overseas. <p>2) None</p> <p>3) None, except:</p> <ul style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreign services suppliers; b) Geospatial Data and Information shall be processed in Indonesia's territory; and c) If the necessary human resources, or equipment/utilities are not available in Indonesia, processing of Geospatial Data and Information can be conducted overseas. 	
<p>Maintenance and Repair of Equipment (not Including Maritime Vessels, Aircraft or other Transport Equipment) (CPC 8861+8866)</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None except:</p> <ul style="list-style-type: none"> a) No more than 33 per cent of the capital share in a joint venture shall be owned by foreigners; and 	

		b) The Indonesian participant must be a member of the Indonesian Consultant Association.	
Packaging Services (CPC 876)	<ol style="list-style-type: none"> 1) Unbound 2) None 3) None, except joint venture requirement limited to eastern Indonesia. 	<ol style="list-style-type: none"> 1) Unbound 2) None 3) None, except no more than 70 per cent of the capital share in a joint venture shall be owned by foreigners. 	
Market Research Services (CPC 86401)	<ol style="list-style-type: none"> 1) None 2) None 3) None, except joint operation requirement through a representative office. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except the Indonesian participant in a joint operation must be a member of the Indonesian Consultant Association. 	
COMMUNICATIONS SERVICES			
<ul style="list-style-type: none"> - Wired telecommunication services (KBLI 61100) - Wireless/satellite telecommunications services (KBLI 61200, 61300) - Wired/wireless/satellite telecommunications services integrating with telecommunications 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners. 	

<p>services (KBLI 61921, 61922, 61923, 61929)</p> <ul style="list-style-type: none"> - Content telecommunications services (ringtone, premium short message services, etc) (KBLI 61911) - Call centers and other added-value telephony services (KBLI 61919) - Internet service providers (KBLI 61921) - Data communications services (KBLI 61922) - Public internet telephony services (KBLI 61923) - Internet interconnection services (Network Access Point), other multimedia services (KBLI 61929) 			
Local Services:	1) None 2) None	1) None 2) None	

<ul style="list-style-type: none"> - Public Switched Telephone Service (CPC 7521) - Teleconferencing Services (CPC 75292) 	<ul style="list-style-type: none"> 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners. 	
<ul style="list-style-type: none"> Long Distance - Public Switched Telephone Service (CPC 7521) - Teleconferencing Services (CPC 75292) 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners. 	
<ul style="list-style-type: none"> International Services : - Public Switched Telephone Service (CPC 7521) - Teleconferencing Services (CPC 75292) 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners. 	
<ul style="list-style-type: none"> Circuit Switched Public Data Network Services (CPC 7523**) - Local - International 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners. 	
<ul style="list-style-type: none"> Circuit Switched Public Data Network Services (CPC 7523**): Long Distance 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 	

		3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Packet-switched public data network services (CPC 7523**) <ul style="list-style-type: none"> - X. 25 - Frame relay - Local - Local distance - International 	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Private Leased Circuit Services (CPC 7522**+7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Telex services (CPC 7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Telegraph services (CPC 7522)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Facsimile (CPC 7521** + 7529**)	1) None 2) None	1) None 2) None	

	3) None, except joint venture requirement.	3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Electronic data interchange (EDI) (CPC 7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Enhance/Value-Added Facsimile Services, Including Store and Forward, Store and Retrieve (CPC 7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
On-line Information and database Retrieval (CPC 7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
On-line Information and or Data Processing (Including transaction processing) (CPC 843)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Dedicated Network Services (CPC 7523**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None	

		3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Domestic Services: - Mobile Cellular Telephone Services (CPC 75213) - Internet Access Services Regional and National Paging Services (CPC 75291) - Public Payphone Services Voice Mail Service (CPC 7523)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
Voice Mail Services (CPC 7523**) Electronic Mail Services (CPC 75232)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	
- Computer Time Sharing Services (CPC-84330) - Video text Services (CPC 75229) - Electronic Mail Box (CPC 75232)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture shall be owned by foreigners.	

<ul style="list-style-type: none"> - File Transfer Services (CPC 75299) - Home Telemeter Alarm (CPC-75299) - Entertainment Services (CPC-75299) - Management Information Services (CPC75299) 			
Audiovisual Services			
<p>Motion Picture and VideoTape production (CPC 9611)</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except: a. No more than 51 per cent of the capital share in a joint venture shall be owned by foreign service suppliers; and b. License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
<p>Motion Picture and Video Tape Distribution Services (CPC 9611)</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except: a) No more than 51 per cent of the capital share in a joint venture</p>	

		<p>shall be owned by foreign service suppliers; and</p> <p>b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
Motion Picture Projection Services (CPC 9612)	<p>1) None</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) None</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreign service suppliers; and</p> <p>b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
Sound Recording (KBLI 59201)	<p>1) None</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) None</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreign service suppliers; and</p> <p>b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	

CONSTRUCTION AND RELATED ENGINEERING SERVICES²			
<ul style="list-style-type: none"> • Construction Work for Buildings (CPC 512) except for one- and two-dwelling buildings (CPC 51210) • Construction Work for Civil Engineering (CPC 513) • Assembly and Erection of Prefabricated Constructions (CPC 514) • Installation Work (CPC 516) • Building Completion and Finishing Work (CPC 517) • Pre-erection Work at Construction Site (CPC 511) except Site Investigation Work (CPC 51110) and Site Formation and Clearance Work (CPC 51113) 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except commercial presence only permitted in the form of: <ol style="list-style-type: none"> a) Joint operation by establishing a representative office with qualification big; or b) Joint venture. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except: <ol style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; b) License fee requirement for foreign service suppliers that may vary from that applicable to Indonesian service suppliers; c) Indonesian local partners shall have qualification big; d) Foreign service suppliers shall only provide services with high risk, high technology, or high capital; and e) Highest management in a representative office shall be Indonesian. 	

² "Qualification big" refers to high risk, high technology or high capital, as stipulated in Law No. 2 of 2017 on construction services.

<ul style="list-style-type: none"> • Special Trade Construction(CPC 515) • Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518) 			
DISTRIBUTION SERVICES			
<p>Wholesale Trade Services of food, beverages, and tobacco with minimum space above 5,000 square meters (CPC 6222)</p> <p>Wholesale Trade Services of textile, clothing and footwear with minimum space above 5,000 square meter (CPC 6223)</p>	<ol style="list-style-type: none"> 1) Unbound 2) None 3) None, except joint venture requirement. 	<ol style="list-style-type: none"> 1) None 2) None 3) None, except: <ol style="list-style-type: none"> a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners; b) Subject to qualification and licensing requirements and procedures including registration; c) Required to appoint Indonesian trade enterprises as agent, single agent, distributor or single distributor; d) Obligation to cooperate with at least 100 Indonesian Small and Medium Enterprises yearly as a supplier and retailer, along with training and 	

		<p>development with due regard to the principles of mutual need, mutually reinforcing and mutually beneficial; and</p> <p>e) Only permitted to be located in the suburbs of the provincial capitals in the islands of Kalimantan, Sulawesi, Nusa Tenggara, Maluku and Papua.</p>	
Direct Selling (Multi Level Marketing)	<p>1) Unbound</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) None</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners;</p> <p>b) Subject to qualification and licensing requirements and procedures including registration;</p> <p>c) Have the obligation to include Indonesian products in their list of products; and</p> <p>d) Must join the Indonesian Direct Selling Association.</p>	
Franchising - Wholesale Trade Services of food, beverages, and tobacco with minimum space	<p>1) Unbound</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) None</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners;</p>	

<p>above 5,000 meter square</p>		<ul style="list-style-type: none"> b) Subject to qualification and licensing requirements and procedures including registration; c) Required to appoint Indonesian trade enterprises as agent, single agent, distributor or single distributor; d) Obligation to cooperate with at least 100 Indonesian Small and Medium Enterprises yearly as a supplier and retailer, along with training and development with due regard to the principles of mutual need, mutually reinforcing and mutually beneficial; and e) Only permitted to be located in the suburbs of the provincial capitals in the islands of Kalimantan, Sulawesi, Nusa Tenggara, Maluku and Papua. 	
<p>EDUCATIONAL SERVICES</p>			
<p>General Conditions</p> <p>Unless otherwise provided, commercial presence of the foreign service provider is permitted only through an education institution which is registered in Indonesia and must meet the following conditions:</p>			

- 1) Mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required;
- 2) Foreign education institutions providing services must establish a partnership with a local partner. Foreign language instructors must be native and Indonesian speakers;
- 3) Foreign education institutions must be listed in the Ministry of Education and Culture's List of Accredited Foreign Education and its local partner must be accredited;
- 4) Notwithstanding the horizontal section, commercial presence shall be established in the form of *yayasan* (foundation);
- 5) Foreign education institutions in cooperation with local partners may open education institutions in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan;
- 6) Number of educators shall include at least thirty per cent Indonesian educators; and
- 7) Number of employees, other than educators and the head, shall be at least eighty per cent Indonesian employees.

B. Secondary Education Services

Technical and Vocational Secondary Education Services (electronic, automotive) (CPC 92230)	<ol style="list-style-type: none"> 1) None 2) None 3) None, except as indicated in the General Conditions. 	<ol style="list-style-type: none"> 1) None 2) None 3) Unbound, except as indicated in the General Conditions. 	
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C. Higher Education Services

<p>Work Training³ (Technical and Vocational Education Services)</p> <p>The General Conditions above do not apply to this sub-sector.</p>	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except: a. No more than 67 per cent of the capital share in the joint venture shall be owned by foreigners; and b. The ratio of Australian to Indonesian trainers and administrative staff will be agreed between the parties to the joint venture.</p>	<p>No geographic or subject matter limitations apply.</p> <p>Australian providers are able to provide Australian Qualifications Framework qualifications, Indonesian Qualification Framework qualifications levels 1-5 and non-award courses.</p> <p>Australian requirements for trainers shall be accepted.</p>
<p>Other higher education services (CPC 9239)⁴:</p>	<p>1) None 2) None</p>	<p>1) None 2) None 3) None, except:</p>	

³ Responsibility of Ministry of Manpower.

⁴ Any measure adopted after the date of entry into force of this Agreement in relation to Other higher education services (CPC 9239) shall be deemed an existing non-conforming measure subject to paragraph 1 of Article 9.7 (Trade in Services – Non-Conforming Measures), at which point the more liberalising commitment would prevail.

<p>priorities for Science, Technology, Engineering, Math and Modern Business programs</p>	<p>3) None, except joint venture requirement.</p>	<p>a. In the form of non-profit Juridical Person; b. 100 per cent of the capital share can be owned by foreigners; c. Mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required; d. Foreign language instructors must be English Speakers; e. Foreign education institutions must be accredited in Australia and listed in the Ministry of Research, Technology and Higher Education; f. Anywhere in Indonesia subject to economic needs test; g. License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and h. Four mandatory subjects (Religion, Pancasila, Citizenship Education/Kewarganegaraan and Bahasa Indonesia) shall be integrated into the curriculum and delivered by Indonesian educators.</p>	
<p>D. Adult Education Services</p>			
<p>Language Course and Training (CPC 924)</p>	<p>1) None 2) None</p>	<p>1) None 2) None</p>	

	3) None, except as indicated in the General Conditions.	3) Unbound, except as indicated in the General Conditions.	
E. Other Education Services			
Other education services only for Football and Chess (CPC 929)	1) None 2) None 3) None, except as indicated in the General Conditions.	1) None 2) None 3) Unbound, except as indicated in the General Conditions.	
ENVIRONMENTAL SERVICES			
A. Sewage Services (CPC 9401) Only for Wastewater management	1) None 2) None for training, technical consultation, sample testing 3) None, except joint venture requirement.	1) None 2) None 3) None, except: a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	
B. Refuse Disposal Services (CPC 9402) Solid Waste Disposal Services, only for : - Integrated hazardous waste treatment facility services for oil sludge and waste mercury treatment in a particular area. The services provider must be	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except: a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners; and b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	

<p>equipped with modern and sophisticated technology and environmental safety. The product will be used as a new material or energy power</p> <p>- In site hazardous waste treatment facility services for the treatment of waste of mining product and waste of fly ash and bottom ash of coal product</p>			
<p>Refuse disposal Services (CPC 94020), only for non-hazardous garbage, trash, waste and rubbish</p>	<p>1) Unbound* 2) None 3) None, except joint venture requirement.</p>	<p>1) Unbound* 2) None 3) None, except: a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
<p>C. Cleaning Services of Exhaust Gases (CPC</p>	<p>1) None 2) None</p>	<p>1) None 2) None 3) None, except:</p>	

<p>9404) for Air pollution Control</p> <p>D. Other Environmental Protection Services (CPC 9409) only for Laboratory Services for Environment (laboratory which has the ability and authority to test and examine the environmental quality parameter according to the current laws and regulations on environment)</p>	<p>3) None, except joint venture requirement.</p>	<p>a) No more than 51 per cent of the capital share in a joint venture shall be owned by foreigners; and</p> <p>b) License requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
<p>Water Management⁵ only for drinkable water (CPC 36001)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None, except:</p> <p>a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and</p> <p>b) License requirements for foreign service suppliers may vary from</p>	

⁵ Water management includes series of supplying services activities related to surface water purification from the water source, water distribution directly from the water terminal, water tank transportation, with the purpose to selling those to consumers.

		that applicable to Indonesian service suppliers.	
FINANCIAL SERVICES			
1), 2), 3) Indonesia's commitments including its relevant terms, limitations, conditions, and qualifications for the financial services sectors and sub-sectors in its Schedule of Specific Services Commitments under AANZFTA ⁶ are incorporated into this Schedule.			
For greater certainty, the elimination of Market Access and National Treatment limitations for Modes 1, 2 and 3 of Financial Services under this Agreement by the year 2020 shall take place only if Indonesia also eliminates them under AANZFTA.			
HEALTH RELATED AND SOCIAL SERVICES			
Hospital Services (CPC 93110) ⁷	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except: a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; b) Foreign hospital may only establish class A or class B hospital, as defined by Minister of Health Regulation No. 56 of 2014 on the classification and licencing of hospitals as at the date of signature of this Agreement; and c) May only employ foreign health professionals to the extent that there are not sufficiently qualified Indonesians.	Foreign class B hospital may phase up from 100 to 250 beds within two years as provided in its business plan submitted at the time of application for establishment.

⁶ For greater certainty, Indonesia's commitments on Financial Services in relation to local presence do not go beyond its commitments under AANZFTA.

⁷ For greater certainty, this commitment includes pathology services and paramedic services provided in hospitals.

<p>Other Human Health Services (CPC 9319) only for :</p> <ul style="list-style-type: none"> Ambulance (CPC 93192) 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except:</p> <ul style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; b) May only employ foreign health professionals to the extent that there are not sufficiently qualified Indonesians; c) Must be established in a class A or B hospital-owned premises, as defined by Minister of Health Regulation No. 56 of 2014 on the classification and licencing of hospitals as at the date of signature of this Agreement; and d) The management shall be integrated with the hospital. 	
<ul style="list-style-type: none"> Welfare Services Delivered Through Residential Institutions to Old Persons and the Handicapped (CPC 93311) Welfare services not delivered through 	<p>1) None 2) None 3) None, except joint venture requirement.</p>	<p>1) None 2) None 3) None, except:</p> <ul style="list-style-type: none"> a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and b) May only employ foreign health professionals to the extent that there are not sufficiently qualified Indonesians. 	

residential institutions (CPC 93323)			
TOURISM AND TRAVEL RELATED SERVICES			
Hotels ⁸ (3, 4 and 5 star hotels)	1) None 2) None 3) None	1) None 2) None 3) None, except higher paid up capital is required of foreign service suppliers. This measure will be eliminated in the year 2020.	
Hotels (1 or 2 star hotel) (KBLI 55115, 55114)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
Motel (KBLI 55199)	1) None 2) None 3) None except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
Letting services of furnished accommodations (CPC 64193), excluding homestay	1) None 2) None 3) None except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	

⁸ Starred Hotel is a service business which provides accommodation and food and beverages facilities and other services typically provided by hotels, except casinos and other activities prohibited by law for reasons of public morals, religion, security and public order.

Meal Serving Services with Full Restaurant Services (CPC 64210)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
<ul style="list-style-type: none"> Beverage Serving Services without Entertainment (CPC 64310) Beverage Serving Services With Entertainment (CPC 64320) 	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
B. Travel Agencies and Tour Operators			
Tour Operator (CPC 74710**)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
C. Tourist Guide Services			
Tourist Guide Services (CPC 74720)	1) None 2) None 3) Unbound.	1) None 2) None 3) Unbound.	
D. Other			
Tourist Resorts including ⁹ hotel (3, 4 and 5 stars),	1) None 2) None	1) None 2) None	

⁹ Tourist Resort is an area built to accommodate the facilities needed for tourists such as hotels, marinas, golf courses, cultural open stages and other facilities, except casinos and other activities prohibited by law; for reasons of public morals, religion, security and public order.

not including marina facilities and hotel management)	3) None	3) None, except higher paid up capital is required of foreign service suppliers. This measure will be eliminated in the year 2020.	
Tourism Consultancy Services (KBLI 70201)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 67 per cent of the capital share in a joint venture may be owned by foreigners.	
RECREATIONAL, CULTURAL AND SPORTING SERVICES (OTHER THAN AUDIO VISUAL SERVICES)			
A. Entertainment Services (including theatre, live bands and circus services)			
Theatre and opera house (CPC 96193)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
D. Sporting and Other Recreational Services			
Golf Courses and other facilities Only within the tourist resorts (CPC 96413)	1) None 2) None 3) None.	1) None 2) None 3) None, except higher paid up capital is required of foreign service suppliers. This measure will be eliminated in the year 2020.	

E. Other			
Marina facilities	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
TRANSPORTATION SERVICES			
A. Maritime Transport Services			
Passenger and freight transportation excluding cabotage and auxiliary services			
Maintenance and repair of Vessels (CPC 8868**)	1) Unbound 2) None 3) None, except joint venture only for vessel classification above 50000 DWT.	1) Unbound 2) None 3) None, except: a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	
Pushing and Towing Services for Maritime Transport (CPC 7214) (Excluding Cabotage)	1) Unbound 2) None 3) None, except joint venture requirement.	1) Unbound 2) None 3) None, except: a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from	

		that applicable to Indonesian service suppliers.	
Vessel Salvage and Refloating Services (CPC 7454)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers. 	
Supporting services for maritime transport, only for port operation services (CPC 7451**)	<ul style="list-style-type: none"> 1) None 2) None 3) None, except joint venture requirement. 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers. 	
Internal Waterways Transport			
Maintenance and repair of vessels (internal waterways) (CPC 8868**)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except joint venture only in the eastern part of Indonesia. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None, except: <ul style="list-style-type: none"> a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and 	

		b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	
Maritime Auxiliary Services			
Maritime Cargo Handling Services	<p>1) Unbound¹⁰ except for no limitation on transshipment (board to board or via the quay) or on the use of on-board cargo handling</p> <p>2) None</p> <p>3) None, except</p> <p>a) joint venture requirement;</p> <p>b) only allowed to operate in main ports.</p>	<p>1) Unbound¹¹ except for no limitation on transshipment (board to board or via the quay) or on the use of on-board cargo handling</p> <p>2) None</p> <p>3) None, except:</p> <p>a) no more than 51 per cent of capital share shall be owned by foreigners with 49 per cent through Foreign Direct Investment and the remaining percentage through other mechanisms subject to domestic regulation; and</p> <p>b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	Access to and use of port facilities in the ports which are opened for international shipping are permitted.

¹⁰ A commitment on this mode of delivery is not feasible.

¹¹ A commitment on this mode of delivery is not feasible.

Air Transport Services			
a. Aircraft repair and maintenance services	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.	
b. Computer reservation system (CRS)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.	Airlines are permitted to operate their own Computer reservation system.
c. Selling and marketing	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.	Airlines are permitted to operate their own selling and marketing.
Airport operation services, and airport activity services (KBLI 52230)	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None 3) None, except no more than 49 per cent of the capital share in a joint venture shall be owned by foreigners.	
Rail Transport Services			
Operation of railways	1) None 2) None 3) None, except joint venture requirement.	1) None 2) None	

		3) None, except no more than 51 per cent of the capital share in a joint venture shall be owned by foreigners.	
Road Transport Services			
Maintenance and repair of road transport equipment (CPC 8867, excluding motorcycle)	1) Unbound 2) None 3) None, except joint venture requirement with foreign partner shall have manufacturing activities in Indonesia, including its local group companies, relating to the maintenance and repair of Automobiles.	1) Unbound 2) None 3) None, except: a) No more than 35 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	
Supporting services for road transport, only for: • Highway, bridge and tunnel operation services (CPC 7442) • Parking services (CPC 7443)	1) Unbound 2) None 3) None, except joint venture requirement.	1) Unbound 2) None 3) None, except: a) No more than 67 per cent of the capital share in a joint venture shall be owned by foreigners; and b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.	
SUPPORTING AND AUXILIARY TRANSPORT SERVICES			
Maritime Freight Forwarding Services	1) Unbound 2) None 3) None, except joint venture requirement.	1) Unbound 2) None 3) None, except:	

		<p>a) No more than 49 per cent of the capital share in a joint venture shall be owned by foreigners; and</p> <p>b) Licensing requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>	
<p>Storage and warehousing services Outside Port Area and 1st Area only for:</p> <ul style="list-style-type: none"> - Storage services of frozen or refrigerated goods (CPC 7421) -Other storage or warehousing services (CPC 7429) 	<p>1) Unbound</p> <p>2) None</p> <p>3) None, except joint venture requirement.</p>	<p>1) None</p> <p>2) None</p> <p>3) None, except no more than 30 per cent of the capital share in a joint venture shall be owned by foreigners.</p>	

APPENDIX B

Sector
<ul style="list-style-type: none"> - Architectural Services (CPC 8671) - Advisory and Consultative Engineering Services (CPC 86721) - Engineering design services for the construction of foundations and building structures (CPC 86722) - Engineering design services for mechanical and electrical installations for buildings (CPC 86723) - Engineering design services for the construction of civil engineering works (CPC 86724) - Engineering design services for industrial processes and production (CPC 86725) - Other engineering services during the construction and installation phase (CPC 86727) - Other engineering services (CPC 86729) - Integrated Engineering Services (CPC 8673) - Urban Planning Services (CPC 86741) - Technical Testing and analysis services (8676) other than Oil and gas support services: technical inspection services; Testing and analysis of electrical installation, Power construction and installation: Low / medium voltage electrical installation; Survey on destructive/ non-destructive testing - Testing and analysis of electrical installation: Electrical utility construction and high/extra-high voltage electrical installation (CPC 86763**) - Performance of periodic testing of motor vehicles (CPC86763**) - Technical Inspection Services (CPC 86764)
<ul style="list-style-type: none"> - Maintenance and repair of equipment (not including Maritime Vessels, Aircraft or other Transport Equipment) (CPC 8861+8866)]
<ul style="list-style-type: none"> - Construction Work for Buildings (CPC 512) except for one- and two-dwelling buildings (CPC 51210) - Construction Work for Civil Engineering (CPC 513) - Assembly and Erection of Prefabricated Constructions (CPC 514) - Installation Work (CPC 516) - Building Completion and Finishing Work (CPC 517) - Pre-erection Work at Construction Site (CPC 511) except Site Investigation Work (CPC 51110) and Site Formation and Clearance Work (CPC 51113) - Special Trade Construction (CPC 515) - Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518)
<ul style="list-style-type: none"> - Secondary Education Services : Technical and Vocational Secondary Education Services (electronic, automotive) (CPC 92230) - Higher Education Services:

<ul style="list-style-type: none">• Work Training: TVET• Other higher education services (CPC 9239)- Adult Education Services: Language Course and Training (CPC 924)- Other Education Services: Football and Chess only (CPC 929)
Hospital Services (CPC 9311)

SECTION B

1. Sector:	: Manufacturing
Sub-Sector:	: -
Industry Classification:	: ISIC (see below)
Obligations Concerned:	: National Treatment (Article 14.4)
Level of Government:	: Central
Description:	: <u>Investment</u>

Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors :

- a. Limitation on Foreign Equity Participation:
 - Cars maintenance and repair (ISIC 5020)
 - Patent medicine industry (ISIC 2423)

- b. Partnership requirement:
 - Manufacturer of copra (10421)
 - Sweetening and saline fruits and vegetable industry (ISIC 1513)
 - Manufacturer of soy sauce (10771)
 - Milk powder and condensed milk processing and industry (ISIC 1520)
 - Stamped Batik Industry (ISIC 1712)
 - Rattan processing industry (ISIC 2010)
 - Preserving industry of rattan, bamboo, and the likes (ISIC 2010)
 - Manufacturer of wooden goods (moulding and construction material components industry) (16221)
 - Essential Oil Industry (ISIC 2429)
 - Tobacco drying and preliminary processing industry (ISIC 1600)

- Bricks and clay/ceramic industry (ISIC 2691, 2692, 2693)
- Goods made from clay/ceramic industry (ISIC 2691, ISIC 2693)
- Lime industry (ISIC 2694)
- Goods made from cement industry (ISIC 2695)
- Good made from lime industry (ISIC 2695)
- Other goods made from cement and lime industry (ISIC 2695)
- Nails, nuts and bolts industry, component and spare parts to start up motor industry, pumps and compressor industry, component and two and three wheels vehicles accessories industry, bike and *pedicab/becak* accessories industry (ISIC 2899, 2911, 2912, 3591, 3592)
- Agricultural machinery industry using medium technology such as rice peeler, corn peeler and handy-tractor (ISIC 2921)
- Manufacturer of wooden ships for marine tourism and fishing (ISIC 3511, 3512)
- Manufacturer of devices and fittings of wooden ships for marine tourism and fishing (ISIC 3511)
- Manufacturer of jewelry products from precious metal for personal use (ISIC 3330, 3691)
- Manufacturer of jewelry products from precious metal for non-personal use (ISIC 3330, 3691)
- Manufacturer of jewelry products from non-precious metal for non-personal use (ISIC 3330, 3699)
- Manufacture of precious stones (ISIC 3691)
- Manufacture of handicraft not elsewhere classified (ISIC 3699)
- Non-metal waste recycle (ISIC 3720)
- Sugar industry from sugar cane (White Crystal Sugar, Refined Crystal Sugar and Raw Crystal Sugar) (ISIC 1542)
- Fishery Processing Industry: Salting and drying of fish and biota from other waters (ISIC 1512); Smoking of fish and biota from other waters (ISIC 1512); Fish yeasting/fermentation, and other cooked products for extraction and fish

jelly (ISIC 1512, 1549); Processing of minced fish and surimi (ISIC 1512)

c. Recommendation or specific requirements by relevant authorities:

- Cigarette Industries:
 - Clove cigarette industry (ISIC 1600)
 - Regular non-clove cigarette industry (ISIC 1600)
 - Other cigarette industries (ISIC 1600)
- Manufacturer of securities (inter alia, bank notes paper, cheque paper, watermark paper) (ISIC 2101)
- Money printing and special printing industry/Security documents such as stamp, stamp duty, valuable paper such as Bank Note Paper, Cheque Paper, Watermark paper, passport, demography document and hologram, Money Printing Industry. Special permit is required from the Minister of Industry and from the National Intelligence Agency (ISIC 2221)
- Cyclamate and Saccharin Industry (ISIC 2411)
- Special Ink Industry (ISIC 2429)
- Lead smelting industry (ISIC 2720)
- Saw Mill or Lumbering industry with production/output capacity above 2.000 M³/year (ISIC 2010)
- Veneer Industry, Plywood industry, Laminated Veneer Lumber (LVL) Industry (ISIC 2021)
- Wood chip industry and Wood Pellet Industry (ISIC 2029)
- Narcotics for Pharmaceutical Industry (Pharmaceutical Industry) (ISIC 2423)
- Medical Equipment Industry:
 - Class B (surgical masks, syringe, patient monitor, condom, surgical gloves, hemodialysis fluids, PACS, surgical knives) (ISIC 2423)
 - Class C (IV Catheter, X Ray, ECG, Patient Monitor, Orthopedic Implants, Contact Lens,

Oximeters, Densitometers) (ISIC 2423)

- Class D (CT Scan, MRI, Cardiac Catheter, Cardiac Stent, HIV Test, Pacemaker, Dermal Fillers, Ablation Catheters) (ISIC 2423)

d. Requirement on source of raw material:

- Pulp industry (from wood) (ISIC 2101)

e. Combination of the above requirements:

- Crumb rubber industry (ISIC 2519)
- Industry of raw materials for explosives (ISIC 2411)
- Industry of explosive materials and its components for industry (ISIC 2429)
- Medical equipment industry:
 - Class A (Cotton, bandage, stick, IV pole, sanitary napkins, adult diapers, patient's bed, wheelchair) (ISIC 2423)
- Crops plantation seeding business industry for the following crops in an area of 25 hectares or more, until a certain area as stipulated in the Regulation of the Minister of Agriculture No. 98 of 2013 and No. 29 of 2016:
 - *Jatropha curcas*, other sweetener crops, sugar cane, tobacco, textile raw materials and cotton, cashews, coconut palms, oil palms, beverage crops (tea, coffee and cocoa), peppercorns, cloves, essential oil crops, medicinal pharmaceutical crops, other spice crops, rubber and other trees for extraction of sap, and other crops not elsewhere classified (ISIC 0111, 0112, 0113, 0200)
- Plantation business for the following crops which are integrated with processing industry in an area of 25 hectares or over with a capacity equivalent to or exceeding a certain limit as stipulated in the Regulation of the Minister of Agriculture No. 98 of 2013 and No. 29 of 2016:
 - Cashews plantation and manufacture of

- dried cashew nuts and cashew nut shell liquid (CNSL) (ISIC 0113, 1513, 1549);
- Peppercorns plantation and manufacture of dried white peppercorns and dried black peppercorns (ISIC 0112, 1513, 1549);
- Jatropha plantation and manufacture of jatropha oil (ISIC 0111, 0112, 2429);
- Sugar cane and manufacture of cane sugar, sugar cane top and sugar cane bagasse (ISIC 0111, 1542);
- Tobacco and manufacture of dried tobacco leaves (ISIC 0111, 1600);
- Cotton plantation and manufacture of cotton fiber (ISIC 0111);
- Coconut palms plantation and manufacture of coconut oil (ISIC 0113, 1514);
- Coconut palms plantation and manufacture of copra, fiber, coconut shell charcoal, dust, and nata de coco (ISIC 0113, 1514, 1549);
- Oil palms plantation and manufacture of palm oil (CPO) (ISIC 0113, 1514, 1549);
- Coffee plantation and manufacture of coffee bean peeling, cleaning and sorting (ISIC 0113, 1513);
- Cocoa plantation and manufacture of cocoa bean peeling, cleaning and drying (ISIC 0113, 1513, 1549);
- Tea and manufacture of black tea/green tea (ISIC 0113, 1513, 1549);
- Cloves plantation and manufacture of dried clove buds (ISIC 0113, 0140, 1549);
- Essential oil crops plantation and manufacture of essential oil (ISIC 0111, 01112, 0113, 2429);
- Rubber plantation and manufacture of sheets, concentrated latex (ISIC 0111, 2519);
- Plantation of grains other than coffee and cocoa beans and manufacture of grain peeling and cleaning other than coffee beans and cocoa beans (ISIC 1513, 1549)

- Manufacturer of the following agricultural products with an equal or exceeding a certain limit as stipulated in the Regulation of the Minister of Agriculture No. 98 of 2013 and No. 29 of 2016:
 - Crude vegetable and animal oils (edible oils); copra, fiber, coconut shell charcoal, dust, nata de coco; coconut oil; palm oil; peeling, cleaning, drying and sorting of cocoa beans and coffee beans products; cane sugar, sugar cane top and sugar cane bagasse; black tea/green tea; dried tobacco leaves; rude jatropha oil; cotton fiber and cotton seeds; rubber for sheets, concentrated latex; cashews for dried cashew nut and cashew nut shell liquid (CNSL); peppercorns for dried white peppercorns and dried black peppercorns; dried clove buds (ISIC 0111, 0140, 1513, 1514, 1531, 1542, 1549, 1600, 2429, 2519)

- Existing Measures:**
- : - Law No. 25 of 2007 Concerning Investment
 - Law No. 39 of 2014 Concerning Plantations
 - Presidential Regulation of The Republic of Indonesia No. 44 of 2016 Concerning Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open For Investment
 - Presidential Decree No. 21 of 2001 Concerning Lubricant Supply and Services
 - Regulation of the Minister of Agriculture No. 98 of 2013 on Guidance of Plantation Business License j.o Regulation of the Minister of Agriculture No. 29 of 2016 on the Amendment of Regulation No. 98 of 2013
 - Regulation of the Minister of Health No. 62 of 2017 Concerning Medical Devices and Household Health Products Distribution Authorization
 - Government Policy.

2. Sector:	: Agriculture
Sub-Sector:	: -
Industry Classification:	: ISIC (see below)
Obligations Concerned:	: National Treatment (Article 14.4)
Level of Government:	: Central
Description:	: <u>Investment</u>

Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors:

- a. Limitation on Foreign Equity Participation
 - For each individual crop seeding or seedling business in an area of more than 25 hectares:
 - Staple food crops (rice, corn, soybeans, groundnuts, green beans, including cassava and sweet potatoes) and other food crops not classified elsewhere (ISIC 0111, 0112, 0113, 0200)
 - Seasonal fruits crops, grapes, tropical fruits crops, citrus fruits, apples, pome and stone fruits, berries, annual vegetables, perennial vegetables, drug crops, mushrooms, floriculture crops (ISIC 0111, 0112, 0113, 0200)
 - For each individual crops cultivation business in an area of more than 25 hectares:
 - Staple food crops (rice, corn, soybeans, groundnuts, green beans and other food crops including cassava and sweet potatoes) (ISIC 0111, 0112, 0113, 0200)
 - Seasonal fruits crops, grapes, tropical fruits crops, citrus fruits, apples, pome and stone fruits, berries, leafy vegetables (cabbages, mustard, scallion, celery), root vegetables (shallot, garlic, potatoes, carrots), fruit-bearing vegetables (tomatoes, cucumber), chili peppers, paprika, mushrooms, ornamental plants, non-flower ornamental plants (ISIC 0111, 0112, 0113, 0200, 1513)

- Each of the following agriculture related activities:
 - Horticultural research and quality test laboratories, horticultural agro tourism activities, horticultural post-harvest services, retail sale of flower, horticultural development consultants, horticultural landscaping, and horticultural courses services (ISIC 0140, 2022, 7310, 9219, 9241, 9249, 5239, 7414, 7421, 8090, 9241)
 - Research and development on agricultural genetic resources and engineering, and research and development on genetically modified organisms (GMO) product sciences and engineering (genetic engineering) (ISIC 7310)

b. Locational requirement:

- Swine breeding and farming with quantity of more than 125 heads (ISIC 0122)

c. Combination of the above requirements:

- Plantation business for the following crops without any processing unit in an area of 25 hectares or more, until a certain area as stipulated in the Regulation of the Minister of Agriculture No. 98 of 2013 and No. 29 of 2016:
 - Jatropha curcas, other sweetener crops, sugar cane, tobacco, textile raw materials and cotton, cashews, coconut palms, oil palms, beverage crops (tea, coffee and cocoa), peppercorns, cloves, essential oil crops, medicinal pharmaceutical crops, other spice crops, rubber and other trees for extraction of sap, and other crops not elsewhere classified (ISIC 0111, 0112, 0113, 0200).

Existing Measures:

- :
- Law No. 39 of 2014 Concerning Plantations
 - Law No. 18 of 2009 Concerning Livestock and Animal Health and Law No. 41 of 2014 Concerning the Amendment to Law No. 18 of 2009
 - Law No. 41 of 1999 Concerning Forestry
 - Law No. 5 of 1990 Concerning Conservation of Natural Resources and Its Ecosystems
 - Government Regulation No. 6 of 2007 as amended by Government Regulation No. 3 of 2008 Concerning

Forest Administration and Compilation of Forest Management Planning and Utilisation of Forest

- Government Regulation No. 8 of 1999 Concerning Utilization of Plant and Wild Animal Species
- Government Regulation number 18 of 2010 Concerning Plant Cultivating Business
- Government Regulation No. 44 of 1995 Concerning Seeding of Plantations
- Presidential Regulation of The Republic of Indonesia No. 44 of 2016 Concerning Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open For Investment
- Agriculture Minister Regulation No. 98 of 2013 Concerning Guidance of Plantation Business License
- Agriculture Minister Regulation No. 29 of 2016 Concerning the Amendment of Regulation No. 98 of 2013
- Agriculture Minister Decree No. 404 of 2002 Concerning Guidelines for License and Registration on Livestock Sector
- Agriculture Minister Decree No. 348 of 2003 Concerning Guidelines for License on Horticulture Sector
- Agriculture Minister Regulation No 2 of 2009 Concerning Guidelines of Veterinary Medical Services
- Agriculture Minister Regulation No. 39 of 2010 Concerning the Guidelines on Business Licensing for Staple Crops Cultivation
- Government Policy.

- 3. Sector:** : Forestry
- Sub-Sector:** : -
- Industry Classification:** : ISIC (see below)
- Obligations Concerned:** : National Treatment (Article 14.4)
- Level of Government:** : Central
- Description:** : Investment

Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors:

- a. Limitation on Foreign Equity Participation:
- Hunting business in Hunting Parks and Hunting Blocks (ISIC 0150, 9219, 9241, 9249)
 - Captive breeding of animals and plants, and conservation institutions (ISIC 0150)
- b. Partnership requirement:
- Exploitation of forests plants: Rattan (ISIC 2010), Pine Sap (Oleo Pine Resin) (ISIC 0200), Bamboo (ISIC 0200), Wood Rosin/Shorea Javanica (Damar) (ISIC 0200), Eaglewood/Aquilaria Malaccensis (Gaharu) (ISIC 0200)
 - Exploitation of shellac, alternative food crops (sago), gums, and honeybee farming (ISIC 0200)
 - Production of silkworm cocoon (natural silk farming) (ISIC 0122)
- c. Recommendation or specific requirements by relevant authorities:
- Development of Technology used on plant and wildlife genetics (ISIC 0200).

- Existing Measures:** :
- Law No. 41 of 1999 Concerning Forestry
 - Law No. 5 of 1990 Concerning Conservation of Natural Resources and Its Ecosystems
 - Government Regulation No. 6 of 2007 as amended by

Government Regulation No. 3 of 2008 Concerning Forest Administration and Compilation of Forest Management Planning and Utilisation of Forest

- Government Regulation No. 36 of 2010 Concerning Natural Tourism Concession in the National Park Utilisation Zone, Grand Forest Park, Nature Tourism Park
- Government Regulation No. 8 of 1999 Concerning Utilization of Plant and Wild Animal Species
- Presidential Regulation of The Republic of Indonesia No. 44 of 2016 Concerning Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open For Investment
- Government Policy.

4. Sector:	: All Sectors
Sub-Sector:	: -
Industry Classification:	: -
Obligations Concerned:	: National Treatment (Article 14.4) Senior Management and Board of Directors (Article 14.10)
Level of Government:	: Central and Regional
Description:	: <u>Investment</u> Indonesia reserves the right to adopt or maintain any measure relating to the privatisation, corporatisation, commercialisation or divestment of Government assets, entities or agencies including: (a) limitations on ownership of assets; (b) transfer or disposal of equity interests or their assets; (c) the right of foreign investors or their investments to control their assets; and (d) nationality of the senior management or members of the board of directors. For greater certainty: (a) where Indonesia transfers an interest in an existing state enterprise to another state enterprise, such transfer shall not be considered to be an initial transfer or disposal of the interest for purposes of this entry; and (b) where Indonesia transfers or disposes of an interest in an existing state enterprise in multiple phases, subparagraph (a) shall apply separately to each such phase.
Existing Measures:	: - Law No. 19 of 2003 Concerning State Owned Enterprises - Law No. 40 of 2007 concerning Limited Liability Company - Government Policy.

- 5. Sector:** : All Sectors
- Sub-Sector:** : -
- Industry Classification:** : -
- Obligations Concerned:** : National Treatment (Article 14.4)
Senior Management and Board of Directors (Article 14.10)
- Level of Government:** : Central and Regional
- Description:** : Investment

Indonesia reserves the right to adopt or maintain any measures with respect to special preferences given to Micro, Small and Medium Sized Enterprises and Cooperatives (*'Usaha Mikro, Kecil, Menengah dan Kooperasi'* or *UMKMK*) in Indonesia¹².

- Existing Measures:** : - Law No. 13 of 2003 Concerning Manpower
- Law No. 20 of 2008 Concerning Micro, Small and Medium Enterprises
- Law No. 25 of 1992 Concerning Cooperatives.

¹² For the purpose of this reservation, the terms "Micro", "Small", and "Medium Sized Enterprises" (UMKM) have the meanings set out in Law No. 20 of 2008. The term "Cooperatives" has the meaning set out in Law No. 25 of 1992.

For illustrative purposes, the criteria for Micro, Small, and Medium Sized Enterprises, as stipulated in Law No. 20 of 2008, are as follows :

- (1) Criteria for Micro Enterprise are as follows:
 - a. has a net asset, excluding land and building, up to IDR 50 million; or
 - b. has an annual sales up to IDR 300 million.
- (2) Criteria for Small Enterprise are as follows:
 - a. has a net asset, excluding land and building, more than IDR 50 million up to IDR 500 million; or
 - b. has an annual sales more than IDR 300 million up to IDR 2.5 billion.
- (3) Criteria for Medium Enterprise are as follows:
 - a. has a net asset, excluding land and building, more than IDR 500 million up to IDR 10 billion; or
 - b. has an annual sales more than IDR 2.5 billion up to IDR 50 billion.

The nominal amount as determined in paragraph 1, 2, and 3 above may be changed due to the economic condition by the Presidential Regulation.

6. Sector:	: Fishery
Sub-Sector:	: -
Industry Classification:	: ISIC (see below)
Obligations Concerned:	: National Treatment (Article 14.4)
	: Central
Level of Government:	: <u>Investment</u>
Description:	: Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors: <ul style="list-style-type: none"> a. Partnership requirement: <ul style="list-style-type: none"> • Fish hatcheries and fish rearings: Sea Fish, Brackishwater Fish, Freshwater Fish (ISIC 0502) b. Recommendation or specific requirements by relevant authorities: <ul style="list-style-type: none"> • Cultivation of coral/ornamental coral reef (ISIC 0150).
Existing Measures:	: - Law No. 31 of 2004 as amended by Law No. 45 of 2009 Concerning Fishery - Law No. 5 of 1983 Concerning Indonesia's Exclusive Economic Zone - Presidential Regulation of The Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open For Investment - Regulation of the Minister of Marine Affairs and Fisheries of the Republic of Indonesia No. PER.05/MEN/2008 as amended by No. PER.12/MEN/2009 regarding Capture Fishery Business.

- Regulation of the Minister of Marine Affairs and Fisheries of the Republic of Indonesia No. PER.12/MEN/2007 regarding Aquaculture Business Licensing
- Regulation of the Minister of Marine Affairs and Fisheries of the Republic of Indonesia No. PER.05/MEN/2009 regarding Aquaculture Business Scale
- Decree of the Minister of Forestry of the Republic of Indonesia No. 447/Kpts-II/2003 regarding Procedures on Exploitation or Capturing and Distribution of Wild Plants and Animals
- Government Policy.

7. Sector:	: Agriculture, Manufacturing
Sub-Sector:	: Horticulture
Industry Classification:	: ISIC 0111, 0112, 0113, 0140, 1513, 1514, 1531, 1549, 2423
Obligations Concerned:	: National Treatment (Article 14.4) Senior Management and Board of Directors (Article 14.10)
Level of Government:	: Central
Description:	: <u>Investment</u>
	Indonesia reserves the right to adopt or maintain any measure affecting the establishment and operation of any horticulture business activities in Indonesia.
	Transition period of four years is provided for existing investors ¹³ in the Horticulture sub-sectors to make adjustment to comply with measures stated in the Law No. 13 of 2010 and its implementing regulation.
	The definition of Horticulture sub-sectors can be found in the Law No. 13 of 2010.
Existing Measures:	: - Law No. 13 of 2010 Concerning Horticulture - Government Policy.

¹³ "Existing investors" refer to the existing investors before the enactment of Law No. 13 of 2010.

8. Sector:	: All Sectors
Sub-Sector:	: -
Industry Classification:	: -
Obligations Concerned:	: National Treatment (Article 14.4) Senior Management and Board of Directors (Article 14.10)
Level of Government:	: Central
Description:	: <u>Investment</u> : Obligation of National Treatment and Senior Management and Board of Directors shall not apply to: (a) new and emerging sectors, sub-sectors, industries, products, or activities; or (b) existing sectors, sub-sectors, industries, products, or activities; which are unregulated at the date of entry into force of this Agreement. Any sector, sub-sector, industry, product or activity that is described in International Standard Industrial Classification of all economic activities (ISIC) or the Services Sectoral Classification List (W/120) at the date of entry into force of this Agreement, is not 'unregulated' for the purposes of this Agreement. Indonesia shall notify Australia before adopting measures in relation to a sector, sub-sector, industry, product, or activity which it considers 'unregulated'.
Existing Measures:	: Government Policy.

9. Sector:	: All Sectors
Sub-Sector:	: -
Industry Classification:	: -
Obligations Concerned:	: National Treatment (Article 14.4) Senior Management and Board of Directors (Article 14.10)
Level of Government:	: Central
Description:	: <u>Investment</u>

Indonesia reserves the right to maintain any existing measures with respect to foreign investors or investments that have been overlooked, provided that the measures involved are already in force at the date of entry into force of this Agreement. When an overlooked measure is identified, it will be promptly inserted into Annex 1 of Indonesia's Schedule.

If an overlooked measure referred to in paragraph 1 is identified, Indonesia will provide Australia with details of the measure and the opportunity for consultations at least 90 days before including it in its schedule.

Indonesia will not withdraw a right or benefit from an investor that has made an investment in accordance with its laws and regulations, through the addition of an overlooked measure to this schedule.

Existing Measures: : Government Policy.

10. Sector: : All Sectors

Sub-Sector: : -

Industry Classification: : -

Obligations Concerned: : National Treatment (Article 14.4)

Level of Government: : Regional

Description: : Investment

National Treatment may not apply to any measures relating to the issuance of investment implementation licenses/permits¹⁴ at the provincial level¹⁵, which shall be considered on a case by case basis.

Existing Measures: : - Law No. 23 of 2014 Concerning Local Government
- Provincial Regulations
- Government Policy.

¹⁴ For illustrative purposes, this may include a location permit or a building permit.

¹⁵ For the purpose of this reservation, "provincial level" means the regional level of government.

11. Sector: : Manufacturing, Agriculture, Fishery, Forestry

Sub-Sector: : -

Industry Classification: : -

Obligations Concerned: : National Treatment (Article 14.4)

Level of Government: : Central

Description: : Investment

Indonesia reserves the right to adopt or maintain any measure to address a food security emergency as declared under relevant legislation and only for the duration of the declared food security emergency.

Existing Measures: : - Article 33 of 1945 National Constitution
- Law No. 18 of 2012 Concerning Foods
- Government Regulation No. 17 of 2015 Concerning Food Security and Nutrition
- Government Policy.

12. Sector: : All Sectors

Sub-Sector: : -

Industry Classification: : -

Obligations Concerned: : Most-Favoured-Nation Treatment (Article 14.5)

Level of Government: : Central and Regional

Description: : Investment

Indonesia reserves the right to adopt or maintain any measure related to more favourable treatment accorded to investors of a non-Party and their investments resulting from:

- a. any existing or future preferential agreement or arrangement between or among ASEAN Member States;
- b. any existing agreement in force or signed prior to the date of the entry into force of this Agreement; and
- c. any international agreement in force or signed after the date of the entry into force of this Agreement, involving:
 - i. aviation;
 - ii. fisheries; or
 - iii. maritime matters, including salvage.

13. Sector: : All Sectors including new services

Sub-Sector: : -

Industry Classification: : -

Obligations Concerned: : National Treatment (Article 14.4)
Senior Management and Board of Directors (Article 14.10)
Prohibition of Performance Requirements (Article 14.6)

Level of Government: : Central

Description: : Investment

Indonesia reserves the right to adopt or maintain any measure for the protection of Indonesian essential security interests.

Existing Measures: : Law No. 3 of 2002 of National Defense.