Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area

INDONESIA'S SCHEDULE OF SPECIFIC SERVICES COMMITMENTS

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments				
I. HORIZONTAL COMMITMENTS							
All sectors included in this schedule	3) Commercial Presence of the foreign service provider(s) may be in the form of joint venture and/or representative office, unless mentioned otherwise.  Joint venture should meet the following requirements:	3) Land Acquisition Undang-Undang Pokok Agraria (Land Law) No. 5 of 1960 stipulates that no foreigners (juridical and natural persons) are					
		allowed to own land. However, a joint venture enterprise could hold the right for land use (Hak Guna Usaha) and building rights					
	<ul> <li>a) Should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT),</li> </ul>	(Hak Guna Bangunan), and they may rent/lease land and property.  Any juridical and natural persons					
	<ul> <li>b) Not more than 49% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT), may be owned by foreign partner(s).</li> </ul>	should meet professional qualification requirements.					

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence						
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments			
II. SECTOR SPECIFIC COM	II. SECTOR SPECIFIC COMMITMENTS					
1. BUSINESS SERVICES						
A. Professional Services	1) None	1) None				
a. Legal Services	2) None	2) None				
(Advisory services in home country law, and international law). (CPC 861)	3) Unbound	3) Unbound				

ividues of supply . 1) Gross border supply 2) Consumption abroad 3) Commercial presented			<u> </u>
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d. Architectural Services	1) None	1) None	
(CPC 8671)	2) None	2) None	
	Joint operation by establishing a representative office in Indonesia.  License for representative office shall be valid for 3 years and can be extended.	a). License fee requirement     b) Registered foreign company shall form a joint operation with local partner(s)	
	b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.	c) Local partners in joint venture shall be registered by Construction Services Development Board and having qualification A/Big	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
e. Engineering Services (CPC 8672 - except CPC 86721, 86725, 86726)	<ol> <li>None</li> <li>None</li> <li>None</li> <li>a) Joint operation by establishing a representative office in Indonesia.         <ul> <li>License for representative office shall be valid for 3 years and can be extended.</li> <li>Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</li> </ul> </li> </ol>	None     None     None     Another area of the state	
Advisory and Consultative (CPC 86721)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	<ol> <li>None</li> <li>None</li> <li>The Indonesian participant in joint operation must be member of Indonesian Consultant Association</li> </ol>	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment Additional Commitme	
Engineering Design Services for Industrial Processes and Production (CPC 86725)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	
f. Integrated Engineering Services (CPC 8673)	<ol> <li>None</li> <li>None</li> <li>a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.</li> <li>b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</li> </ol>	None     None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		having qualification A/Big	
g. Urban Planning Services (CPC 86741)	None     None     Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended.     Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.	None     None     Another a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big     Construction Services Development Board and having qualification A/Big     Construction Services Development Board and having qualification Services Development Board and having qualification A/Big	
B. Computer and Related Se	rvices		
a. Consultancy Services     Related to the	1) None	1) None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Installation of computer hardware (CPC 841)	None     Joint operation through a representative office in Indonesia	None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	
b. Software Implementation Services (CPC-842)	None     None     Joint operation through a representative office in Indonesia	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	

3) Commercial presence

3) The Indonesian participant in

Association

joint operation must be member of Indonesian Consultant

Sector or Sub-sector

Limitations on Market Access

Limitations on National Treatment

Additional Commitments

Research and Development Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad

3) Joint operation through a representative

office in Indonesia

C. Research and Development Services						
c. Interdisciplinary R&D (CPC 853, limited to industrial activities)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association				
F. Other Business Services	F. Other Business Services					
d. Project Management Services other than Construction (CPC	1) None 2) None	1) None 2) None				

86601)

	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
e.	Technical Testing and Analysis Services (CPC 8676).	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	
i.	Services Incidental of Manufacturing (CPC 884 & 885).	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	
n.	Maintenance and Repair of Equipment (not Including Maritime Vessels, Aircraft or other Transport Equipment) (CPC 633+8861+8866)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence					
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments		
2. COMMUNICATION SERV	ICES				
C. Telecommunication Service	es				
All Sub-sectors			(i) Indonesia undertakes additional commitments as per reference paper attached (ii) Type approval mechanism is in place (iii) Tariff related to telecommunic ation network access is decided by the government.		

	Wodes of supply . 17 Gross border supply 27 Consumption abroad 37 Confinercial presence					
	Sector or Sub-sector		Limitations on Market Access	Li	mitations on National Treatment	Additional Commitments
Lo	cal Services	1)	None	1)	None	The period of
0	Public Switched	2)	None	2)	None	exclusivity for local services expires in
	Telephone Service (CPC 7521)	3)	Through joint venture with local private	3)	None	2011.
0	Circuit Switched Public Data Network Services (CPC 7523**)		sector, and foreign equity participation is limited to 35 per cent.			The Government will conduct a review of policy with respect to
0	Teleconferencing Services (CPC 75292)					whether to permit additional suppliers of such services upon the expiry of this period.
Lo	ng Distance	1)	None	1)	None	
0	Public Switched	2)	None	2)	None	
	telephone service (CPC 7521).	3)	Through joint venture with local private sector, and foreign equity participation is	3)	None	
0	Circuit Switched Public Data Network Services (CPC-7523**)		limited to 35 per cent.			
0	Teleconferencing					

Wides of supply: 1) Closs border supply 2) Consumption abroad 3) Confineration			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Services (CPC-75292)			
International Services  O Public Switched Telephone service (CPC 7521)  O Circuit Switched Public Data Network Services (CPC 7523**)  O Teleconferencing Services (CPC 75292)	<ol> <li>None, except international call-back is not permitted</li> <li>None, except international call-back is not permitted</li> <li>Through joint venture with local private sector, and foreign equity participation is limited to 35 per cent.</li> </ol>	1) None 2) None 3) None	The period of exclusivity for local services expires in 2011.  The Government will conduct a review of policy with respect to whether to permit additional suppliers of such services upon the expiry of this period
Packet-switched public data network services (CPC 7523**)	<ol> <li>None</li> <li>None</li> <li>Through joint venture with local private sector, and foreign equity participation is limited to 35 per cent.</li> </ol>	<ul><li>1) None</li><li>2) None</li><li>3) None</li></ul>	

Sector or Sub-sector		Limitations on Market Access	Li	mitations on National Treatment	Additional Commitments
Telex services	1)	None	1)	None	
Telegraph services	2)	None	2)	None	
	3)	Through joint venture with local private sector, and foreign equity participation is limited to 35 per cent.	3)	None	
Domestic Services:	1)	None	1)	None	
Mobile Cellular Telephone Services (CPC 75213)	2)	None	2)	None	
Internet Access Services	3)	Through joint venture with local private	3)	None	
Regional and National Paging Services (CPC- 75291)		sector, and foreign equity participation is limited to 35 per cent.			
Public Payphone Services					
Voice Mail Service (CPC-7523)					
Electronic Mail Services (CPC-75232)					
Computer Time Sharing	1)	None	1)	None	
Services (CPC-84330) Videotext Services (CPC-	2)	None	2)	None	
75229)	3)	Through joint venture with local private	3)	None	

Modes of su	upply: 1) Cross-border supply 2) Consum	ption abroad 3) Commercial presence	<u> </u>
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Electronic Mail Box (CPC-75232) File Transfer Services (CPC-75299) Home Telemeter Alarm (CPC-75299) Entertainment Services (CPC-75299) Management Information services (CPC75299)	sector, and foreign equity participation is limited to 35 per cent.		
3. CONSTRUCTION AND R	ELATED ENGINEERING SERVICES		
A. Construction Work for Buildings (CPC 512)  B. Construction Work for Civil Engineering (CPC 513)  C. Assembly and Erection of Prefabricated Constructions (CPC 514)  C. Installation Work (CPC516)	Unbound     None     a) Joint operation:         to form a joint operation by         establishing a representative office in         Indonesia     b) Joint venture:         to establish a limited liability enterprise         (Perseroan Terbatas/PT)	None     None     None     None     None     Registered foreign company shall form a joint operation with local partner(s) which(are) registered by Construction Services Development Board and	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. Building Completion and Finishing Work (CPC517)  E. Pre-erection Work at Construction Site (CPC 511)  F. Special Trade Construction(CPC 515)	Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)	having qualification A/Big b) Local partners in joint venture shall be registered by Construction Services Development Board and having qualification A/Big	
G. Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518)			

#### 5. EDUCATIONAL SERVICES

#### **General Conditions**

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:

- 1. Mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required.
- 2. Foreign education institution providing services must establish partnership with local partner. Foreign language instructors must be native and Indonesian speakers.

Modes of s	Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence						
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments				
<ol><li>Foreign education institution must be listed in the Ministry of Education's List of Accredited Foreign Education and its local partner must be accredited.</li></ol>							
	stitution in cooperation with local partner Yogyakarta, and Medan.	may open education institution in the citie	s of Jakarta,				
B. Secondary Education Serv	rices						
Technical and Vocational	1) None	1) None					
Secondary Education Services (electronic,	2) None	2) None					
automotive) (CPC 92230)	3) See general conditions.	3) Unbound					
C. Higher Education Service	S						
Post Secondary Technical	1) None	1) None					
and Vocational Education Services (Poly-technique	2) None	2) None					
Machine and Electrical) (CPC 92310)	3) See general conditions	3) Unbound					
D. Adult Education Services							

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Language Course and	1) None	1) None	
Training (CPC 924)	2) None	2) None	
	3) See general conditions	3) Unbound	
E. Other Education Services			
Football and Chess only	1) None	1) None	
(CPC 92900)	2) None	2) None	
	3) See general conditions	3) Unbound	

#### **FINANCIAL SERVICES**

General Condition on Non Banking Financial Services Sub Sector

- 1) All market access and national treatment limitations specified in the Non Banking Financial Services Sub-sectors will be eliminated by the year 2020 subject to similar commitment by other members.
- Notwithstanding limitations on joint ventures specified in the Horizontal Section, for insurance, the share ownership of foreign services suppliers is bound at 80 %, and for other non-banking financial services, the share ownership of foreign services suppliers is bound at the prevailing laws and regulations at the date of entry into force of this Agreement. The conditions of ownership and the percentage share of ownership as stipulated in the respective shareholder agreement establishing the existing individual joint venture in non banking financial services shall be respected. No transfer of ownership shall take place without the consent of all parties in the joint venture concerned.
- 3) Share of non-bank financial companies listed in the stock exchange may be 100% owned by foreign investors.

Modes of su	Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence						
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments				
4) All joint venture com	All joint venture companies shall provide training for their employees.						
Non-Life Insurance Services	1) Unbound	1) Unbound					
(CPC 8129) except CPC- 81293 (Marine, Aviation and	2) Unbound except if:	2) Unbound					
other Transportation)	<ul> <li>There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question.</li> </ul>	As specified in the General Conditions					
	<ul> <li>There is no insurance company in Indonesia which want to carry out an insurance coverage of the object in question.</li> </ul>						
	<ol> <li>As specified in the Horizontal Section and General Conditions</li> </ol>						

Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<ol> <li>Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</li> <li>Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</li> <li>As specified in the Horizontal Section and General Conditions</li> </ol>	<ol> <li>None</li> <li>Unbound</li> <li>As specified in the General Conditions</li> </ol>	
<ol> <li>Unbound</li> <li>Unbound except if:         <ul> <li>There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question.</li> </ul> </li> <li>There is no insurance company in Indonesia which wants to carry out an insurance coverage of the object in question.</li> <li>The owners of insurance objects in</li> </ol>	<ol> <li>Unbound</li> <li>Unbound</li> <li>As specified in the General Conditions</li> </ol>	
	<ol> <li>Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</li> <li>Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</li> <li>As specified in the Horizontal Section and General Conditions</li> <li>Unbound</li> <li>Unbound except if:         <ul> <li>There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question.</li> <li>There is no insurance company in Indonesia which wants to carry out an insurance coverage of the object in question.</li> </ul> </li> </ol>	1) Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.  2) Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.  3) As specified in the Horizontal Section and General Conditions  1) Unbound  2) Unbound  2) Unbound  3) As specified in the General Conditions  1) Unbound  2) Unbound  3) As specified in the General Conditions  1) Unbound  2) Unbound  3) As specified in the General Conditions  1) Unbound  2) Unbound  3) As specified in the General Conditions  1) Unbound  2) Unbound  3) As specified in the General Conditions

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Indonesian legal entities.		
	As specified in the Horizontal Section and General Conditions.		
Insurance Brokerage	1) Unbound	1) None	
Services (CPC 81401)	2) None	2) None	
	As Specified in Horizontal Section and General Conditions.	As specified in the General Conditions	
Reinsurance Brokerage	1) Unbound	1) None	
Services (CPC 8140)	2) None	2) None	
	As Specified in Horizontal Section and General Conditions.	As specified in the General Conditions	
Financial Lease Services	1) None	1) None	
(CPC 81120)	2) None	2) None	
	As specified in the Horizontal Section and General Conditions.	As specified in the General Conditions	
Factoring Services	1) None	1) None	
(CPC 8113)	2) None	2) None	
	3) As Specified in the Horizontal Section and	3) As specified in the General	

Modes of S		upply . 1) Closs-bolder supply 2) Collsuit	iption abroad 3) Commercial present	
Sector or Sub-sector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		General Conditions.	Conditions	
b Credit Card (Issuer and Credit Card) 8113) - Consumers Services (C	Agent of (CPC-	<ol> <li>None</li> <li>None</li> <li>As Specified in the Horizontal Section and General Conditions.</li> </ol>	<ol> <li>None</li> <li>None</li> <li>As specified in the General Conditions</li> </ol>	
f. Securities Buster Trading for Over for Account Customers, or Exchange or Counter Marks  Listed share  Bonds	vn Account of n an Over-the et	<ol> <li>Unbound</li> <li>None</li> <li>Through establishment of a securities broker/dealer.</li> </ol>	Unbound     None     As specified in the General Conditions	
g. Participation i Securities, inc Underwriting a Placement as (whether publi	luding and Agent	<ol> <li>Unbound</li> <li>None</li> <li>Through establishment of a securities</li> </ol>	<ol> <li>Unbound</li> <li>None</li> <li>As specified in the General Conditions</li> </ol>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence Additional **Sector or Sub-sector Limitations on Market Access Limitations on National Treatment** Commitments privately), and Provision broker/dealer. of Services Related to such issues i. - Portfolio Management, 1) Unbound 1) Unbound all forms of collective 2) None 2) None investment management 3) Through establishment of a securities 3) As specified in the General Asset Management Conditions company as an investment manager. Limited only to Investment Fund Management k. Investment Advisory 1) Unbound 1) Unbound Services limited only to 2) None 2) None Investment Advisory in Capital Market 3) As specified in the General 3) Through establishment of an Investment Conditions advisory company. (Bapepam rule No. V.C.1). **BANKING SUB SECTOR:** General Conditions on Banking Sub Sector 1. With the exception of the existing branches of foreign banks, foreign services provider shall be in the form of joint venture bank

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence

Sector or Sub-sector

Limitations on Market Access

Limitations on National Treatment

Additional Commitments

locally incorporated in Indonesia with the following requirements:

- (a) Unbound for new license
- (b) Only financial institutions are permitted to establish joint venture banks.
- 2. The conditions of ownership and the percentage share of ownership as stipulated in the respective shareholder agreement establishing the existing individual joint venture bank shall be respected as the basis of ownership of the foreign service provider(s) and their respective Indonesian partner(s). No transfer of ownership shall take place without the consent of all parties in the joint venture bank..
- 3. Acquisition of local existing banks is allowed through the purchase of shares in the stock exchange is allowed up to 51% of the shares of locally incorporated bank listed in the stock exchange.
- 4.. Foreign bank and joint ventures bank may open their offices in the cities of Jakarta, Surabaya, Semarang, Bandung, Medan, Makasar, Denpasar, Batam, Padang, Manado, Ambon, Balikpapan, Banda Aceh, and Jayapura.
- 5. A person shall be a "controlling shareholder" in only one bank.

#### Definition:

A controlling shareholder shall mean a person who beneficially own 10% or more of the equity of interest of a bank or who beneficially own less than 10% of the equity interest of a bank but have the power to control the bank. A person shall be deemed to have control of a bank if such person has the power to name director and/or commissioner of such bank and/or has the power to direct its action.

Commercial Banking Business

95	Sector or Sub-sector		Limitations on Market Access	Li	mitations on National Treatment	Additional Commitments
(i)	Acceptance of Deposits and other Repayable Funds from the Public  Lending of all types, including Consumer Credit, Mortgage, Credit, Factoring, and Financing of Commercial Transaction	1) 2) 3)	None  (a) Bound only 2 (two) sub-branches and 2 (two) auxiliary offices for foreign bank's branch office.  (b) Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank.	1) 2) 3)	None  None  (a) For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national.  (b) For the joint venture bank, only for the director can be	
(iii)	All Payment and Money Transmission Services including Credit, Charge and Debit Cards, Travelers Check and Bankers Drafts				assumed by the expatriates in proportion to the ownership sharing.	
(iv)	Guarantees and Commitments					
(v)	Trading for Own Account or for Account of Customers, whether					ı

Modes of su	upply: 1) Cross-border supply 2) Consu	ımption abroad 3) Commercial presenc	е
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
on an Exchange, in an over-the-Counter Market or otherwise, the following:			
<ul> <li>Money market instruments (including check, bills, certificates of deposits)</li> </ul>			
o Foreign Exchange			
<ul> <li>Exchange rate         <ul> <li>and interest rate</li> <li>instruments,</li> <li>including products</li> <li>such as swaps,</li> <li>forward rate</li> <li>agreements</li> </ul> </li> </ul>			
<ul> <li>Transferable securities issued in the money market</li> </ul>			
(vi) Cash Management, Custodial and			

Modes of su	pply: 1) Cross-border supply 2) Consum	ption abroad 3) Commercial presence	e
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Depository Services			
8. HEALTH RELATED AND	SOCIAL SERVICES		
General Conditions			
	preign service provider is permitted only through help partner. Establishment limited to the cities of Me		onesia and must
Hospital Services (only for	1) None	1) None	
specialist and super specialist medical care/more	2) None	2) None	
specific than specialist medical care, provided by	<ol> <li>As indicated in the Horizontal Section and General Conditions :</li> </ol>	The health professionals shall be Indonesian.	
hospital of more than 300 beds) (CPC 9311)	<ul> <li>The hospital shall be managed by Board of Directors chaired by Indonesian medical doctor</li> </ul>		
	<ul> <li>Approval subject to the social function of hospital services offered</li> </ul>		
	<ul> <li>The medical services shall be provided by persons with medical licenses issued by Ministry of Health and Health professional</li> </ul>		

Modes of St	ipply. 1) Closs-border supply 2) Consum	puon abroad 3) Commerciai presend	<u> </u>
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	organization/council		
9. TOURISM AND TRAV	/EL RELATED SERVICES		
Hotels <sup>1</sup> _(3, 4 and 5 star hotels)	<ol> <li>None</li> <li>None</li> <li>In Eastern Part of Indonesia, Kalimantan, Bengkulu, Jambi and Sulawesi, 100 % of capital share can be owned by foreign investor</li> </ol>	None     None     An Higher paid-up capital is required of foreign service suppliers than of domestic service suppliers. This measure will be eliminated in the year 2020     Donly 3,4 or 5 starred hotels are permitted.	

<sup>1</sup> Starred Hotel is a service business which provides accommodation and food and beverages facilities and other services, except casino and other activities prohibited by law; for reasons of public moral, religion, security and public order.

	Sector or Sub-sector		Limitations on Market Access	Lim	nitations on National Treatment	Additional Commitments
B.	Travel Agent and Tour Operator (TA & TO)	1)	None	1)	None	
	(CPC-74710)	2)	None	2)	None	
(3. 3 / 1. 10)	3)	Maximum service providers 30 TA & TO	3)	Tour operator must be Travel Agent located in Jakarta and Bali		
То	urist Resorts Included <sup>2</sup>	1)	None	1)	None	
0	Hotel (3, 4 and 5 stars)	2)	None	2)	None	
0	Marinas	3)	In Eastern Part of Indonesia, Kalimantan,	3)	Higher paid up capital is	
0	Golf Courses and other Sport Facilities		Bengkulu, Jambi and Sulawesi, 100 % of capital share can be owned by foreign investor		required of foreign service suppliers. This measure will be eliminated in the year 2020.	
	ernational Hotel Operator	1)	None	1)	None	
(CI	(CPC-91135)	2)	None	2)	None	
		3)	In Eastern Part of Indonesia, Kalimantan, Bengkulu, Jambi and Sulawesi, 100 % of capital share can be owned by foreign	3)	Unbound except as indicated in the Horizontal Section	

<sup>&</sup>lt;sup>2</sup> Tourist Resort is an area built to accommodate the facilities needed for the tourist such as hotels, marinas, golf course, cultural open stage and other facilities, except casino and other activities prohibited by law; for reasons of public moral, religion, security and public order

Sector or Sub-sector	Limitations on Market Acces	Limitations on National Treatment	Additional Commitments
	investor		
Tourism Consultancy	1) None	1) None	
Services (CPC-91136)	2) None	2) None	
	<ol> <li>Must be registered to Indonesian Ministry of Justice as Indonesian company.</li> </ol>		
	In the case of cooperation national company, it is required joint venture, joint operation and management.	d, to do:	
Meal Serving Services with	1) None	1) None	
full Restaurant Services (CPC-64210)	2) None	2) None	
	In certain parts of Eastern Part of Indonesia (Sulawesi, Papua, Ma Nusa Tenggara). Foreign equity participation is permitted up to 4	government's laws regarding to the moral or public order	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence								
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments					
11. TRANSPORTATION SE	11. TRANSPORTATION SERVICES							
	rtation excluding cabotage and auxiliary services	1						
(a) International Passenger Transport (CPC 7211)	<ol> <li>None</li> <li>None</li> <li>Only through joint venture corporation: as specified in the Horizontal Section</li> </ol>	<ol> <li>Foreign Shipping Company is obliged to appoint Indonesian Shipping Company or joint venture Shipping Company as its General Agent</li> <li>The task of General Agents in Indonesia inter alia are as follows:         <ol> <li>to make arrangement in order to get all necessary port services as required by the foreign vessel concerned during their stay in Indonesia ports;</li> <li>to appoint stevedoring company for cargo loading and unloading on behalf of its principal;</li> <li>to arrange cargo booking and</li> </ol> </li> </ol>	Access to and use of port facilities in the port which is opened for international shipping, including but not limited to:  Tanjung Priok, Tanjung Perak, Belawan, Makassar, Semarang, Dumai, Panjang, Batam, Balikpapan, Balikpapan, Banjarmasin, Bitung, Pontianak, Ambon, Sorong.  (These ports are					

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		canvassing; iv. to collect freight on behalf of the principal; v. to issue Bill of Lading on behalf of the principal; vi. to settle the disbursement and claim (if any); vii. to give information as required by its principal	currently opened for international trade and may b added or reduce the future.)
		2) None	
		<ol> <li>As specified in the Horizontal Section</li> </ol>	

Commitments   Commitments   Commitments	IVIOUES OF SU	ipply. 1) Closs-border supply 2) Collsum	plion abroad 3) Commercial present	JC
Transport (CPC 7212)  2) None 3) Only through joint venture corporation: as specified in the Horizontal Section  The task of General Agents in Indonesia neter alia are as follows:  i. to make arrangement in order to get all necessary port services as required by the foreign vessel concerned during their stay in Indonesia ports; ii. to appoint stevedoring company for cargo loading and unloading on behalf of its principal; iii. to arrange cargo booking and canvassing; iv. to collect freight on behalf of the principal; vi. to settle the disbursement and  obliged to appoint Indonesian Shipping Company or joint venture Shipping Company or joint vent	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	
	` '	<ul><li>2) None</li><li>3) Only through joint venture corporation:</li></ul>	obliged to appoint Indonesian Shipping Company or joint venture Shipping Company as its General Agent  The task of General Agents in Indonesia inter alia are as follows:  i. to make arrangement in order to get all necessary port services as required by the foreign vessel concerned during their stay in Indonesia ports;  ii. to appoint stevedoring company for cargo loading and unloading on behalf of its principal;  iii. to arrange cargo booking and canvassing;  iv. to collect freight on behalf of the principal;  v. to issue Bill of Lading on behalf of the principal;  vi. to settle the disbursement and	of port facilities in the port which is opened for international shipping, including but not limited to: Tanjung Priok, Tanjung Perak, Belawan, Makassar, Semarang, Dumai, Panjang, Batam, Balikpapan, Banjarmasin, Bitung, Pontianak, Ambon, Sorong. (These ports are currently opened for international trade and may be added or reduce in

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		vii. to give information as required by its principal.	
		b. Government Cargo . Government cargo is cargo originated from the other countries (import cargoes) purchased by the Government Agencies or based on loan/credit agreement with the other countries	
		None     As specified in the Horizontal Section	
Maritime Auxiliary Services			
a. Maritime Cargo Handling Services	Unbound <sup>1</sup> except for-no limitation on transshipment (board to board or via the)	Unbound <sup>1</sup> except for-no limitation on transshipment (board to board or	

<sup>&</sup>lt;sup>1</sup> A commitment on this mode of delivery is not feasible

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence Additional **Sector or Sub-sector Limitations on Market Access Limitations on National Treatment** Commitments via the quay) and/or on the use of quay) and/or on the use of on-board cargo handling on-board cargo handling 2) None 2) None 3) As indicated in the Horizontal 3) a). Only through joint venture corporation: as specified in the Section Horizontal Section b). Allowed to operate only in main ports, such as: Tanjung Priok, Tanjung Perak, Belawan, Semarang, and Makasar. Air Transport Services a. Aircraft repair and 1) None 1) None maintenance services 2) None 2) None 3) Foreign services suppliers are permitted 3) None to establish joint venture aircraft repair and maintenance enterprises in Indonesia, with maximum equity 49%

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b. Computer reservation system (CRS)	None     None     Foreign CRS services are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49%	1) None 2) None 3) None	
c. Selling and marketing	None     None     Foreign General Sales Agent are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49%	1) None 2) None 3) None	
12. ENERGY SERVICES			
Services Classification	fic commitments on energy services sector is base		sal of Energy
Core Analysis and Other Lab Test, only for Isotope	1) None 2) None	<ol> <li>None</li> <li>None</li> </ol>	

wiodes of supply 1) Cross-border supply 2) Consumption abroad 3) Confinercial presence			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Analysis  a. According to Indonesia Proposal of Energy Services Classification is under: Isotope Analysis (1A.2.7.3)	Joint operation through a representative office in Indonesia	As specified in the Horizontal Section	
b. According to W 120 is under: Business Services on Technical Testing and Analysis Services (CPC 8676)			
Geological and Geophysical Services, only for Seismic Data Acquisition	1) None 2) None	1) None 2) None	
a. According to Indonesia Proposal of Energy Services Classification is under: Seismic Data Acquisition (1A.1.4.1.1.)	Joint operation through a representative office in Indonesia	As specified in the Horizontal Section	
b. According to W 120 Seismic Data Acquisition is under: Business			

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment  Additional Commitments
Services on Subsurface Surveying Services (CPC 8672)		
Liquefaction and Gasification only for Coal  a. According to Indonesia Proposal of Energy Services Classification is under  o Coal liquefaction (2.4.4.4)  o Coal Gasification (2.4.4.5)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     Section
a. According to W 120 is under: Services Incidental to Manufacturing (CPC 884)	None     None     Joint operation through a representative office in Indonesia	None     None     Unbound except as specified in the Horizontal Section
Engineering, Procurement and Construction (EPC) Services  a. According to Indonesia	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative</li> </ol>	<ol> <li>None</li> <li>None</li> <li>As specified in the Horizontal</li> </ol>

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Proposal of Energy Services Classification is under: Engineering, Procurement and Construction (EPC) Services (1A.3.2.2.)	office in Indonesia	Section	
b. According to W 120 is under: engineering design services for industrial processes and production (CPC-86725)			
Electrical Logging and	1) None	1) None	
Perforation	2) None	2) None	
a. According to Indonesia Proposal of Energy Services Classification is under: Electrical Logging and Perforation (EPC) Services (1A.2.8.)	Joint operation through a representative office in Indonesia	As specified in the Horizontal Section	
b. According to W 120 is under: Technical Testing and Analysis Services (CPC-8676)			

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Competency Certification in Quality Control and Handling of Aviation Fuels and Lubricants  a. According to Indonesia Proposal of Energy Services Classification is under: Competency Certification in Quality Control and Handling of Aviation Fuels and Lubricants (4.2.2.9)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     Section	
b. According to W 120 is under: Other education services (CPC-92900)	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	<ol> <li>None</li> <li>None</li> <li>Unbound except as specified in the Horizontal Section</li> </ol>	
Competency Certification in Power Plant  a. According to Indonesia Proposal of Energy Services Classification is	<ol> <li>None</li> <li>None</li> <li>Joint operation through a representative office in Indonesia</li> </ol>	None     None     As specified in the Horizontal Section	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
under : Competency Certification in Power Plant (4.2.2.11)			
Land Clearing Services	1) None	1) None	
	2) None	2) None	
	Joint operation through a representative office in Indonesia	As specified in the Horizontal Section	

# ATTACHMENT TO THE REPUBLIC OF INDONESIA SCHEDULE ON BASIC TELECOMMUNICATIONS

#### REFERENCE PAPER

#### **Scope**

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

#### **Definitions**

<u>Users</u> mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

<u>A major supplier</u> is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

# 1. <u>Competitive safeguards</u>

#### 1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

#### 1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

# 2. <u>Interconnection</u>

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

#### 2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided.

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

#### 2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

# 2.4 <u>Transparency of interconnection arrangements</u>

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

#### 2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory authority as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

#### 3. <u>Universal service</u>

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

#### 4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

# 5. Regulatory Authority

The regulatory Authority is not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

#### 6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely and transparent manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.