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 COMMITME	HORIZONTAL COMMITMENTS						
All sectors included in this schedule	<ul> <li>3) Commercial Presence of the foreign service provider(s) may be in the form of joint venture and/or representative office, unless mentioned otherwise.</li> <li>Joint venture should meet the following requirements:</li> <li>a) Should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT),</li> <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>	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 (Hak Guna Bangunan), and they may rent/lease land and property.  Any juridical and natural persons should meet professional qualification requirements.					

Modes of supply: 1) Gross border supply 2) Consumption abroad 6) Confineration presente			
Sector or Sub-sector Limitations on Market Access		Limitations on National Treatment	Additional Commitments
II. SECTOR SPECIFIC COM	IMITMENTS		
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	

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.	3) a). License fee requirement		
	License for representative office shall be valid for 3 years and can be extended.	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		

Miodes 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	
e. Engineering Services (CPC 8672 - except CPC 86721, 86725, 86726)	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 and the process of t		
Advisory and Consultative (CPC 86721)	<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		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
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)	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.  b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.	None     None	

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	
		having qualification A/Big		
g. Urban Planning Services (CPC 86741)	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		
B. Computer and Related Se	ervices			
Consultancy Services     Related to the	1) None	1) None		

Sector or Sub-sector	or or Sub-sector Limitations on Market Access Limitations on National Treatmen		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     Joint operation through a representative office in Indonesia	None     None     The Indonesian participant in joint operation must be member of Indonesian Consultant Association		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. Research and Developme	nt Services		
c. Interdisciplinary R&D (CPC 853, limited to industrial activities)	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	
F. Other Business Services			
d. Project Management Services other than Construction (CPC 86601)	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	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
e. Technical Testing and Analysis Services (CPC 8676).	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	
i. Services Incidental of Manufacturing (CPC 884 & 885).	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	
n. Maintenance and Repair of Equipment (not Including Maritime Vessels, Aircraft or other Transport Equipment) (CPC 633+8861+8866)	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	

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 2. COMMUNICATION SERVICES C. Telecommunication Services (i) Indonesia All Sub-sectors 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.

IVIOGES OF S	upply: 1) Cross-border supply 2) Consum	ption abroad 3) Commerciai presen	ve
Sector or Sub-sector	ector or Sub-sector Limitations on Market Access Limitations o		Additional Commitments
Local Services	1) None	1) None	The period of
o 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.
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
o Teleconferencing Services (CPC 75292)			whether to permit additional suppliers of such services upon the expiry of this period.
Long Distance	1) None	1) None	
o Public Switched	2) None	2) None	
telephone service (CPC 7521).	Through joint venture with local private sector, and foreign equity participation is	3) None	
o Circuit Switched Public Data Network Services (CPC-7523**)	limited to 35 per cent.		
<ul> <li>Teleconferencing</li> </ul>			

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Services (CPC-75292)			
International Services  Public Switched Telephone service (CPC 7521)  Circuit Switched Public Data Network Services (CPC 7523**)  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		Limitations on Market Access Limitations on National Treatment		Additional Commitments
Telex services	1) None	1)	None		
Telegraph services	2) None	2)	None		
	3) Through joint venture sector, and foreign ed limited to 35 per cent.	uity participation is	None		
Domestic Services:	1) None	1)	None		
Mobile Cellular Telephone Services (CPC 75213)	2) None	2)	None		
Internet Access Services	3) Through joint venture	•	None		
Regional and National Paging Services (CPC- 75291)	sector, and foreign ed 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		

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)	sector, and foreign equity participation is limited to 35 per cent.		
Entertainment Services (CPC-75299)			
Management Information services (CPC75299)			
3. CONSTRUCTION AND RI	ELATED ENGINEERING SERVICES		
A. Construction Work for Buildings (CPC 512)	1) Unbound	1) None	
B. Construction Work for Civil Engineering (CPC 513) C. Assembly and Erection of Prefabricated Constructions (CPC 514) C. Installation Work	<ul> <li>None</li> <li>a) Joint operation:     to form a joint operation by     establishing a representative office in     Indonesia</li> <li>b) Joint venture:     to establish a limited liability enterprise     (Perseroan Terbatas/PT)</li> </ul>	<ol> <li>None</li> <li>a) 1. License fee requirement</li> <li>Registered foreign company shall form a joint operation with local partner(s) which(are) registered by Construction Services</li> </ol>	

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 supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence Additional **Sector or Sub-sector Limitations on National Treatment Limitations on Market Access** Commitments 3. Foreign education institution must be listed in the Ministry of Education's List of Accredited Foreign Education and its local partner must be accredited. 4. Foreign education institution in cooperation with local partner may open education institution in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan. B. Secondary Education Services Technical and Vocational 1) None 1) None Secondary Education 2) None None Services (electronic, automotive) (CPC 92230) 3) See general conditions. 3) Unbound C. Higher Education Services Post Secondary Technical 1) None 1) None and Vocational Education 2) None 2) None Services (Poly-technique Machine and Electrical) 3) Unbound 3) See general conditions (CPC 92310) 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	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.

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments						
4) All joint venture com	4) 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>								
	As specified in the Horizontal Section and General Conditions								

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Reinsurance Services	<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>	
Life Insurance Services (CPC 81211)	<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 question are not Indonesian citizens or</li> </ol>	<ol> <li>Unbound</li> <li>Unbound</li> <li>As specified in the General Conditions</li> </ol>	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Indonesian legal entities.		
	<ol><li>As specified in the Horizontal Section and General Conditions.</li></ol>		
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	

IVIOGES OF S	upply: 1) Cross-border supply 2) Consum	ption aproad 3) Commercial presend	e
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	General Conditions.	Conditions	
<ul> <li>b Credit Card Business (Issuer and Agent of Credit Card) (CPC- 8113)</li> <li>- Consumers Finance Services (CPC 8113)</li> </ul>	<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 Business Trading for Own Account or for Account of Customers, on an Exchange or Over-the Counter Market  Listed shares  Bonds	<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 in Issues of Securities, including Underwriting and Placement as Agent (whether publicly or	<ol> <li>Unbound</li> <li>None</li> <li>Through establishment of a securities</li> </ol>	Unbound     None     As specified in the General Conditions	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
privately), and Provision of Services Related to such issues	broker/dealer.		
<ul> <li>i Portfolio Management, all forms of collective investment management</li> <li>- Asset Management Limited only to Investment Fund Management</li> </ul>	<ol> <li>Unbound</li> <li>None</li> <li>Through establishment of a securities company as an investment manager.</li> </ol>	<ol> <li>Unbound</li> <li>None</li> <li>As specified in the General Conditions</li> </ol>	
k. Investment Advisory Services limited only to Investment Advisory in Capital Market	<ol> <li>Unbound</li> <li>None</li> <li>Through establishment of an Investment advisory company. (Bapepam rule No. V.C.1).</li> </ol>	<ol> <li>Unbound</li> <li>None</li> <li>As specified in the General Conditions</li> </ol>	
BANKING SUB SECTOR :			
General Conditions on Bankir	ng Sub Sector		
1. With the exception of the	e existing branches of foreign banks, foreign se	rvices provider shall be in the form of joir	nt 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
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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** 

	Sector or Sub-sector		Limitations on Market Access	Li	imitations on National Treatment	Additional Commitments
(ii)	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 All Payment and Money Transmission Services including Credit, Charge and Debit Cards, Travelers Check and Bankers Drafts	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  (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 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					

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         and interest rate         instruments,         including products         such as swaps,         forward rate         agreements</li> </ul>			
<ul> <li>Transferable securities issued in the money market</li> </ul>			
Cash Management, Custodial and			

Modes of su	ipply: 1) Cross-border supply 2) Consum	ption abroad 3) Commercial present	е
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 h I 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>	<ol> <li>The health professionals shall be Indonesian.</li> </ol>	
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>		

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)	None     None     In Eastern Part of Indonesia, Kalimantan, Bengkulu, Jambi and Sulawesi, 100 % of capital share can be owned by foreign investor	None     None	

<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	Limitations on National Treatment	Additional Commitments
B. Travel Agent and Tour Operator (TA & TO) (CPC-74710)	<ol> <li>None</li> <li>None</li> <li>Maximum service providers 30 TA &amp; TO</li> </ol>	None     None     Tour operator must be Travel     Agent located in Jakarta and     Bali	
Tourist Resorts Included <sup>2</sup> o Hotel (3, 4 and 5 stars) o Marinas o Golf Courses and other Sport Facilities	<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>	<ol> <li>None</li> <li>None</li> <li>Higher paid up capital is required of foreign service suppliers. This measure will be eliminated in the year 2020.</li> </ol>	
International Hotel Operator (CPC-91135)	<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</li> </ol>	None     None     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 Access	Limitations on National Treatment Addition	
	investor		
Tourism Consultancy	1) None	1) None	
Services (CPC-91136)	2) None	2) None	
	Must be registered to Indonesian     Ministry of Justice as Indonesian     company.	3) Unbound	
	In the case of cooperation with a national company, it is required, to do: joint venture, joint operation and contract management.		
Meal Serving Services with	1) None	1) None	
full Restaurant Services (CPC-64210)	2) None	2) None	
(0. 0 07210)	3) In certain parts of Eastern Part of Indonesia (Sulawesi, Papua, Maluku and Nusa Tenggara). Foreign equity participation is permitted up to 49%.	3) Subject to prevailing local government's laws regarding to the moral or public order in accordance with Article XIV (a) of the GATS.	

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 SEI	RVICES			
	rtation excluding cabotage and auxiliary services	1	A 4 4	
(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>	Foreign Shipping Company is 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	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	
		As specified in the Horizontal Section	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b). International Freight Transport (CPC 7212)	None     None     Only through joint venture corporation: as specified in the Horizontal Section	1) a. Foreign Shipping Company is 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 claim (if any);	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 currently opened for international trade and may be added or reduce in the future.)

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	1	1	
a. Maritime Cargo Handling Services	Unbound¹ 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

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	quay) and/or on the use of on-board cargo handling	via the quay) and/or on the use of on-board cargo handling	
	2) None	2) None	
	a). Only through joint venture corporation: as specified in the Horizontal Section	As indicated in the 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	
	Foreign services suppliers are permitted to establish joint venture aircraft repair and maintenance enterprises in Indonesia, with maximum equity 49%	3) None	

ivioues of si	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	1) None	1) None			
system (CRS)	2) None	2) None			
	Foreign CRS services are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49%	3) None			
c. Selling and marketing	1) None	1) None			
	2) None	2) None			
	Foreign General Sales Agent are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49%	3) None			
12. ENERGY SERVICES	,				
General Condition					
Indonesia's Schedule of speci Services Classification	fic commitments on energy services sector is bas	ed on Second Revised Indonesian Propo	sal of Energy		
Core Analysis and Other Lab Test, only for Isotope	1) None	1) None			
	2) None	2) None			

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)  b. According to W 120 is under: Business Services on Technical Testing and Analysis Services (CPC 8676)	Joint operation through a representative office in Indonesia	3) As specified in the Horizontal Section	
Geological and Geophysical Services, only for Seismic Data Acquisition  a. According to Indonesia Proposal of Energy Services Classification is under: Seismic Data Acquisition (1A.1.4.1.1.)	None     None     Joint operation through a representative office in Indonesia	None     None     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     As specified in the Horizontal 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     None     Unbound except as specified in the Horizontal Section	
and Construction (EPC) Services  a. According to Indonesia	<ul><li>2) None</li><li>3) Joint operation through a representative</li></ul>	<ul><li>2) None</li><li>3) As specified in the Horizontal</li></ul>	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Proposal of Energy Services Classification 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 ar production (CPC-8672			
Electrical Logging and Perforation	1) None	1) None	
a. According to Indonesia Proposal of Energy Services Classification under: Electrical Loggin and Perforation (EPC) Services (1A.2.8.)		None     As specified in the Horizontal Section	
b. According to W 120 is under: Technical Testing and Analysis Services (CPC-8676)			

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
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)	None     None     Joint operation through a representative office in Indonesia	None     None     As specified in the Horizontal 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	None     None     Joint operation through a representative office in Indonesia	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	<ol> <li>None</li> <li>None</li> </ol>	1) None 2) None	
	Joint operation through a representative office in Indonesia	,	

# ATTACHMENT TO THE REPUBLIC OF INDONESIA SCHEDULE ON BASIC TELECOMMUNICATIONS

#### **REFERENCE PAPER**

#### <u>Scope</u>

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 <u>Prevention of anti-competitive practices in telecommunications</u>

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. Interconnection

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 <u>Public availability of the procedures for interconnection negotiations</u>

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

#### 2.4 Transparency of interconnection arrangements

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

#### 2.5 <u>Interconnection: dispute settlement</u>

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. Universal service

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. <u>Public availability of licensing criteria</u>

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.

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