

ANNEX III

**SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES
FOR SERVICES**

INDONESIA

LIST A

EXPLANATORY NOTES

1. This List sets out, pursuant to Article 8.8 (Schedules of Non-Conforming Measures), Indonesia's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 8.4 (National Treatment);
 - (b) Article 8.5 (Market Access);
 - (c) Article 8.6 (Most-Favoured-Nation Treatment); or
 - (d) Article 8.11 (Local Presence).
2. Each List entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Subsector**, refers to the specific subsector for which the entry is made;
 - (c) **Industry Classification**, where referenced in sector or subsector row, refers to the activity covered by the non-conforming measure, according to:
 - (i) the provisional CPC codes as used in the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991); or
 - (ii) Indonesian Standard of Industrial Classification (Klasifikasi Baku Lapangan Usaha Indonesia/KBLI) 2015.
 - (d) **Level of Government** indicates the level of government maintaining the listed measures;
 - (e) **Type of Obligation** specifies the obligations referred to in paragraph 1 that, pursuant to Article 8.8 (Schedules of Non-Conforming Measures), do not apply to the listed measures;
 - (f) **Description of Measure** sets out the non-conforming measure for which the entry is made;
 - (g) **Source of Measure** identifies the laws, regulations or other measures for which the entry is made. A measure cited in the "Source of Measure" element:
 - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure.
3. An entry that reserves against Article 8.11 (Local Presence) need not be reserved against Article 8.4 (National Treatment), however it shall also be considered as a reservation against Article 8.4 (National Treatment).
4. In accordance with Article 8.8 (Schedules of Non-Conforming Measures), the Articles of this Agreement specified in the Type of Obligations element of an entry do not apply to the non-conforming measures identified in the Description of Measure element of that entry.
5. Entries that apply to all Sectors specified in entries four through nine of List B applies to supply of services on subsectors specified in this list, unless otherwise provided.

1.	Sector	:	Professional Services
	Subsector	:	<p>Legal Services (CPC 861):</p> <p>(a) Only for advisory services on foreign and international law</p> <p>(b) For greater certainty, advisory service shall not include:</p> <p>(i) legal representation in Indonesian court of justice or undertake legal proceedings under any circumstances</p> <p>(ii) notarial activities</p>
	Level of Government	:	Central
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description of Measure	:	<p><u>Trade in Services</u></p> <p>Commercial presences of foreign law firm services supplier are prohibited.</p>
	Source of Measure	:	<i>Law No. 18 of 2003 concerning Advocate</i>

2.	Sector	:	Communication Services
	Subsector	:	<p>(a) Postal Services (CPC 75111 and CPC 75112) (Indonesia Standard Industrial Classification 2015, Code 53102-Commercial Postal) excluding Intercity Delivery and Universal Post Services</p> <p>(b) Courier Services (CPC 75121) (Indonesia Standard Industrial Classification 2015, Code 53102-Commercial Postal) excluding Intercity Delivery and Universal Post Services</p>
	Level of Government	:	Central
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description of Measure	:	<p><u>Trade in Services</u></p> <p>Foreign service suppliers are not permitted to establish a commercial presence in Indonesia to supply postal or courier services, except through a joint venture with only one Indonesian postal service supplier with foreign equity participation not exceeding 49 per cent. The Indonesian joint venture partner must be wholly owned by Indonesian nationals.</p> <p>The joint venture may only operate within a provincial capital that has an international airport or seaport and is prohibited from providing postal and courier services between cities in Indonesia.</p>
	Source of Measure	:	<i>Law No. 38 of 2009 concerning Postal</i>

3.	Sector	:	Maritime Transport Services
	Subsector	:	(a) International Passenger Transport (CPC 7211) (b) International Freight Transport (CPC 7212)
	Level of Government	:	Central
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description of Measure	:	<p><u>Trade in Services</u></p> <p>Foreign service suppliers are not permitted to establish a commercial presence in Indonesia for international passenger or freight maritime transport, except through a joint venture with foreign equity participation not exceeding 49 per cent.</p> <p>The joint venture must operate at least one Indonesian-flagged vessel with a minimum 5,000 gross tonnage and crewed by Indonesian nationals.</p> <p>Foreign shipping enterprises can only provide international passenger transportation services to and from seaports and special ports that are open for foreign trade¹ and are required to appoint an Indonesian shipping enterprise or shipping agent enterprise as its General Agent.</p>
	Source of Measure	:	<ul style="list-style-type: none"> - <i>Law No. 17 of 2008 concerning Maritime Law</i> - <i>Government Regulation No. 20 of 2010 concerning Sea Transport as amended by Government Regulation No. 22 of 2011</i> - <i>Presidential Regulation No. 44 of 2016 concerning the List of Business Fields that are Closed and Business Fields that are Open with Conditions in the Field of Capital Investment</i> - <i>Minister of Trade Regulation No. 82 of 2017 concerning Provisions for The Use of Sea Transportation and National Insurance for The Export And Import of Certain Goods as amended by Minister of Trade Regulation No. 80 of 2018 concerning the Second Amendment Minister of Trade Regulation No. 82 of 2017</i>

¹ Seaports and special ports that are open to international trade subject to prevailing laws and regulations at the time of supplying services.

4.	Sector	:	Construction Services
	Subsector	:	<ul style="list-style-type: none"> (a) Construction Work for Buildings (CPC 512) excluding one- and two-dwelling buildings (CPC 51210) (b) Construction Work for Civil Engineering (CPC 513) (c) Assembly and Erection of Prefabricated Constructions (CPC 514) (d) Installation Work (CPC 516) (e) Building Completion and Finishing Work (CPC 517) (f) Pre-Erection Work at Construction Site (CPC 511) excluding Site Investigation Work (CPC 51110) and Site Formation and Clearance Work (CPC 51113) (g) Special Trade Construction (CPC 515) (h) Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518)
	Level of Government	:	Central
	Type of Obligation	:	National Treatment (Article 8.4)
	Description of Measure	:	<u>Trade in Services</u> All existing non-conforming measures at the central level of government.
	Source of Measure	:	All existing non-conforming measures at the central level of government.

LIST B

EXPLANATORY NOTES

1. This List sets out, pursuant to Article 8.8 (Non-Conforming Measures), the specific sectors, subsectors or activities for which that Indonesia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 8.4 (National Treatment);
 - (b) Article 8.5 (Market Access);
 - (c) Article 8.6 (Most-Favoured-Nation Treatment); or
 - (d) Article 8.11 (Local Presence).
2. Each List entry sets out the following elements, where applicable:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Subsector**, where referenced, refers to the specific subsector for which the entry is made;
 - (c) **Industry Classification**, where referenced in sector or subsector row, refers to the activity covered by the entry, according to:
 - (i) the provisional CPC codes as used in the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991). The appearance of ** against individual CPC listings indicates that the service specified constitutes only a part of the total range of activities covered by the CPC concordance;
 - (ii) Indonesian Standard of Industrial Classification (Klasifikasi Baku Lapangan Usaha Indonesia/KBLI) 2015; or
 - (iii) W 120 refers to Services Sectoral Classification List (MTN.GNS/W/120 of 10 July 1991);
 - (d) **Type of Obligation** specifies the obligations referred to in paragraph 1 that, pursuant to Article 8.8 (Schedules of Non-Conforming Measures), do not apply to the sectors, subsectors or activities listed in the entry; and
 - (e) **Description** sets out the scope or nature of the sectors, subsectors, or activities covered by the entry to which the reservation applies.
3. An entry that reserves against Article 8.11 (Local Presence) need not be reserved against Article 8.4 (National Treatment), however it shall also be considered as a reservation against Article 8.4 (National Treatment).
4. In accordance with Article 8.8 (Schedules of Non-Conforming Measures), the Articles of this Agreement specified in the Type of Obligation element of an entry do not apply to the sectors, subsectors, and activities identified in the Description element of that entry.
5. In the interpretation of an entry, all elements of the entry shall be considered in their totality.
6. For greater certainty, in the case an entry prescribed for all sectors, and that “All sectors” is used in that entry, such entry applies to all sectors including those scheduled in List A and the Appendix to this List (Specific Commitments for Financial Services).

7. Commitments with respect to or relating to trade in financial services are undertaken in accordance with Chapter 8 (Trade in Services), Annex 8A (Financial Services) and subject to the limitations, conditions and qualification set out in the Appendix to this List (Specific Commitments for Financial Services).
8. For greater certainty, in accordance with paragraph 3(d) of Article 8.2 (Scope), cabotage in maritime transport services shall not be subject to commitments made in this Schedule.

1.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measures that does not conform with the obligations imposed by Article 8.4 (National Treatment), Article 8.5 (Market Access), except commitments with respect to:</p> <ul style="list-style-type: none"> (a) sectors and subsectors specified in List A; (b) subsectors specified in entry 10 through entry 94 of this List; (c) subsectors specified in the Appendix to this List (Specific Commitments for Financial Services); (d) the supply of services through consumption abroad as defined in paragraph (r)(ii) of Article 8.1 (Definitions) on sectors and subsectors specified in List A of this Schedule, entry 10 through entry 94 of this List, and the Appendix to this List (Specific Commitments for Financial Services) unless otherwise indicated as “unbound” in the Appendix to this List (Specific Commitments for Financial Services); and (e) the supply of services through presence of natural persons of a Party in the territory of Indonesia as defined in paragraph (r)(iv) of Article 8.1 (Definitions) as specified in Indonesia’s Schedule in Annex IV (Schedules of Specific Commitments on Temporary Movement of Natural Persons), <p>subject to the terms, limitations, conditions, and qualifications set out therein.</p>

2.	Sector	:	All sectors
	Type of Obligation	:	Most-Favoured-Nation Treatment (Article 8.6)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure that accords more favourable treatment to any service supplier under any international agreement in force or signed prior to the date of entry into force of this Agreement.</p> <p>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 subsectors listed in List A of this Schedule² subject to other relevant entry on Article 8.6 (Most-Favoured-Nation Treatment) in this List.</p> <p>For subsectors not listed in List A, if, after the entry into force of this Agreement, Indonesia enters into any agreement that gives more preferential treatment, with other country, other than those among Member States of ASEAN, Indonesia will give consideration, upon request from another Party, to negotiate for the incorporation herein of treatment no less favourable than that provided under the aforesaid agreement.</p> <p>Notwithstanding the above, Indonesia reserves the right to adopt or maintain any measure that accords differential treatment:</p> <ul style="list-style-type: none"> (a) to Member States of ASEAN under any ASEAN agreement open to participation by any Member State of ASEAN, 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 GATS; and (c) to any service supplier under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement involving: <ul style="list-style-type: none"> (i) aviation; (ii) fisheries; or (iii) maritime matters, including salvage.

² For greater certainty, Article 8.6 (Most-Favoured-Nation Treatment) does not apply to measures reserved in this List with respect to sectors listed in List A.

3.	Sector	:	All sectors, excluding financial services ³
	Type of Obligation	:	Local Presence (Article 8.11)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any existing measure that requires a service supplier of another Party to establish or maintain a representative office or any form of enterprise, or to be resident, in its territory as a condition for the cross-border supply of a service⁴.</p> <p>Any non-conforming measure adopted after the entry into force of this Agreement that would be a breach to Article 8.11 (Local Presence) with respect to sectors or subsectors in this Schedule shall be deemed to be an existing non-conforming measure and subject to paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures).</p> <p>Notwithstanding the above paragraph, Indonesia reserves the right to adopt or maintain any measure that requires a supplier of telecommunication services of another Party to establish or maintain a representative office or any form of enterprise, or to be resident, in its territory as a condition for the cross-border supply of a service.</p>

³ For greater certainty, consistent with paragraph 4 of Article 2 (Scope) in Annex 8A (Financial Services), this entry does not apply to financial services.

⁴ For greater certainty, cross-border supply of a service means the supply of a services, except where it is by a service supplier of a Party through commercial presence in the territory of the other Party.

4.	Sector	:	All sectors
	Type of Obligation	:	Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require:</p> <p>(a) commercial presence of the foreign services supplier to be in the form of joint venture or representative office, unless mentioned otherwise in List A and this List; and joint venture to be in the form of Limited Liability Enterprise (<i>Perseroan Terbatas</i>); and</p> <p>(b) not more than 49 per cent of the equity participation of the Limited Liability Enterprise (<i>Perseroan Terbatas</i>) may be owned by foreign partners.</p>

5.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require:</p> <p>(a) Non-resident taxpayers to be subject to withholding tax of 20 per cent if they derive the following income from an Indonesian source, <i>inter alia</i>:</p> <ul style="list-style-type: none"> (i) Interest; (ii) Royalties; (iii) Dividend; or (iv) Fee from service performed in Indonesia. <p>(b) Relating to Land Acquisition that no foreign persons are allowed to own land. However, a joint venture enterprise could hold the right for land use (<i>Hak Guna Usaha</i>), and building rights (<i>Hak Guna Bangunan</i>), and they may rent or lease land and property.</p>

6.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires a joint venture supplying services through commercial presence in Indonesia to have a total investment value of more than IDR 10 billion⁵ (excluding land and buildings), except in sectors and subsectors where Indonesia has made commitments under GATS.</p>

⁵ This inscription of the said value shall be without prejudice to the time value of money.

7.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4)
	Description	:	<u>Trade in Services</u> Article 8.4 (National Treatment) may not apply to measures relating to the procedural aspect of investment implementation permits ⁶ at the provincial level ⁷ .

⁶ For illustrative purposes, this may include a location permit or a building permit.

⁷ For the purposes of this entry, "provincial level" means the regional level of government.

8.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure: (a) for the protection of Indonesian essential security interests; and (b) governing permanent residents to the extent consistent with Indonesia's commitments under GATS.

9.	Sector	:	All sectors
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measures that require to manage, use, or locate computing facilities in its territory as a condition for the conduct of business in Indonesia, and to require certain information to be stored and processed in Indonesia, when such business are performed for and on behalf of government authorities within the context of public electronic system operators.</p> <p>Indonesia reserves the right to adopt or maintain any measures that require private electronic system operators to provide access to electronic system and data for the purpose of law enforcement to ensure compliance with domestic laws and regulations, where that measure is in accordance with due process of law.*</p> <p>Indonesia reserves the right to adopt or maintain any measures that requires retaining and providing access to copies of Strategic Electronic Data⁸ in the territory of Indonesia.</p> <p>*Notwithstanding paragraph 4 of Article 12.3 (Scope), this paragraph above does not have the effect of exempting Indonesia from its obligations under Article 12.14 (Location of Computing Facilities) and Article 12.15 (Cross-border Transfer of Information by Electronic Means).</p>

⁸ For the purposes of this entry, "Strategic Electronic Data" is as provided in the *Government Regulation No.71 of 2019 concerning Electronic System and Transaction Operation*.

10.	Sector	:	Part of Community, Social and Personal Services
	Subsector	:	(a) Technical and Vocational Secondary Education Services (electronic, automotive) (CPC 92230); (b) Language Course and Training (CPC 924); (c) Football and Chess only (CPC 92900); (d) Tourism Consultancy Services (CPC 91136).
	Type of Obligation	:	National Treatment (Article 8.4)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) relating to the supply of services of the above subsectors.

11.	Sector	:	Professional Services
	Subsector	:	<ul style="list-style-type: none"> (a) Architectural Services (CPC 8671) (b) Engineering Services (CPC 8672 excluding CPC 86721, 86725, 86726) (c) Integrated Engineering Services (CPC 8673) (d) Urban Planning Services (CPC 86741) (e) Landscape Architectural Services (CPC 86742)
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require:</p> <ul style="list-style-type: none"> (a) commercial presence only in the form of: <ul style="list-style-type: none"> (i) a joint operation by establishing a representative office in Indonesia. Permit for representative office shall be valid for three years and can be extended; or (ii) a joint venture company established in accordance with applicable laws and regulations concerning foreign commercial presence. (b) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (c) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and (d) foreign service suppliers shall only provide services in relation to projects that use advanced technology or are high risk or high capital. The qualifier of advance technology, high risk, and high cost will be in accordance with prevailing laws and regulations at the time of supplying the services. <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) and (r)(ii) of Article 8.1 (Definitions) of Landscape Architectural Services (CPC 86742).</p>

12.	Sector	:	Professional Services
	Subsector	:	Advisory and Consultative Engineering Services (CPC 86721)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require commercial presence in the form of joint operation through a representative office in Indonesia, provided that the domestic partner is a member of an Indonesian consultant association.</p>

13.	Sector	:	Professional Services
	Subsector	:	<p>Engineering Design Services for Industrial Processes and Production (CPC 86725**) only for steel mill, oil & gas, gas turbine industries</p> <p>(a) Mould and dies (die-casting, forging, stamping, etc.)</p> <p>(b) Powder metallurgy</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require the supply through commercial presence in the form of joint venture subject to a condition that the domestic partner in the joint venture is a member of an Indonesian consultant association.</p>

14.	Sector	:	Professional Services
	Subsector	:	Engineering Design Services for Industrial Processes and Production (CPC 86725**) only for materials flows, equipment layout, material handling systems, processes and process control (which may integrate computer technology) for manufacturing plants
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require the supply through commercial presence in the form of joint venture subject to a condition that the domestic partner in the joint venture is a member of an Indonesian consultant association.</p>

15.	Sector	:	Professional Services
	Subsector	:	<p>(a) Clinic of Specialised Medical Services for registered health institution, which established and integrated in Class A and B hospital (CPC 93122)</p> <p>(b) Clinic of Specialised Dental Services for registered health institution, which established and integrated in Class A and B hospital (CPC 93123)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners;</p> <p>(b) foreigners may only employ foreign health professionals subject to availability of Indonesian health professionals;</p> <p>(c) must be established in a class A or B hospital-owned premise, for specialistic Medical Services or class B hospital-owned premise for subspecialist Medical Services; and</p> <p>(d) the management shall be integrated with the hospital.</p>

16.	Sector	:	Professional Services
	Subsector	:	Specialist Nursing Services for registered institutions, which established and integrated in Class A and B hospital (CPC 93191)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) the health professionals shall be Indonesian nationals; and (c) establishment limited to the capital of provinces in eastern Indonesia region except Manado and Makassar.

17.	Sector	:	Computer and Related Services
	Subsector	:	Consultancy Services Related to the Installation of Computer Hardware (CPC 841)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require supply through commercial presence to be in the form of joint operation requirement through a representative office in Indonesia and the domestic partner must be a member of an Indonesian consultant association.</p>

18.	Sector	:	Computer Related Services
	Subsector	:	Software Implementation Services (CPC 842) only for CPC 84210
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to following conditions:</p> <p>(a) only through a locally incorporated joint venture corporation in the form of Limited Liability Enterprise (<i>Perseeroan Terbatas</i>) with Indonesian individuals or Indonesian-controlled corporations or both;</p> <p>(b) shall apply to foreign services supplier with capital value above IDR 100 billion, and investment value above IDR 15 billion; and</p> <p>(c) the domestic partner must be member of Indonesian consultant association.</p>

19.	Sector	:	Computer and Related Services
	Subsector	:	Database Services (CPC 844) only for advance database services
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to following conditions:</p> <ul style="list-style-type: none"> (a) only through a locally incorporated joint venture corporation in the form of Limited Liability Enterprise (<i>Perseroan Terbatas</i>) with Indonesian individuals or Indonesian-controlled corporations or both and joint venture with domestic ownership of the data; (b) shall apply to foreign services supplier with capital value above IDR 100 billion, and investment value above IDR 15 billion; and (c) the domestic partner must be member of Indonesian consultant association.

20.	Sector	:	Computer and Related Services
	Subsector	:	Maintenance and Repair Services of Office Machinery and Equipment Including Computers (CPC 845)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraphs (r)(i) and (r)(iii) of Article 8.1 (Definitions).</p> <p>Any non-conforming measure adopted or maintained after the entry into force of this Agreement in relation to the paragraph above shall be deemed to be an existing non-conforming measure and subject to paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures).</p>

21.	Sector	:	Research and Development Services
	Subsector	:	Interdisciplinary R&D (CPC 853) only for industrial activities
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1(Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) the domestic partner in joint venture must be member of Indonesian consultant association; (b) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (c) the Indonesia counterpart must have the involvement of researchers from Indonesian research institutions (higher education, government, business, private-non-profit) in Indonesia; and (d) granting permit for foreign services suppliers will be subject to assessment on the object, area and period of research pursuant to applicable laws and regulations at the time of application.

22.	Sector	:	Research and Development Services
	Subsector	:	Research and Experimental Development Services on Linguistic and Languages (CPC 85204) only for foreign language
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint operation requirement through a representative office in Indonesia subject to following conditions:</p> <ul style="list-style-type: none"> (a) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (b) required to establish partnership with higher education services suppliers in Indonesia particularly PTN-BH (<i>Perguruan Tinggi Negeri Berbadan Hukum</i>); and (c) granting permit for foreign services suppliers will be subject to assessment on the object, area and period of research pursuant to applicable laws and regulations at the time of application.

23.	Sector	:	Rental or Leasing Services without Operator
	Subsector	:	Rental of Vessel Without Crew (CPC 83103)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 60 per cent of the equity participation in a joint venture owned by foreigners.

24.	Sector	:	Rental or Leasing Services without Operator (Business Services)
	Subsector	:	Rental Services Concerning Video Tapes (CPC 83202)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions), that requires the supply through commercial presence to be in the form of joint venture with no more than 51 per cent of the equity participation in a joint venture to be owned by foreigners and permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

25.	Sector	:	Management Consulting Services
	Subsector	:	(a) General Management Consulting Services (CPC 86501) (b) Marketing Management Consulting Services (CPC 86503) (c) Human Resources Management Consulting Services (CPC 86504)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners.

26.	Sector	:	Management Consulting Services
	Subsector	:	Project Management Services excluding on Construction (CPC 86601)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 51 per cent of the equity participation in a joint venture to be owned by foreigners and the domestic partner must be a member of an Indonesian consultant association.</p>

27.	Sector	:	Other Business Services
	Subsector	:	Technical Testing and Analysis Services (CPC 8676) only for Technical Inspection Services (CPC 86764)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and the domestic partner must be a member of an Indonesian consultant association.</p>

28.	Sector	:	Other Business Services
	Subsector	:	Convention Services CPC 87909 only for Meetings, Incentives, Conventions and Exhibitions (MICE)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture.

29.	Sector	:	Other Business Services
	Subsector	:	Investigation and Security Services (CPC 873) only for shoplifting investigation services (CPC 87301)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

30.	Sector	:	Other Business Services
	Subsector	:	Photographic Services (CPC 875) only for Restoration, Copying and Retouching Services of Photography (CPC 87507)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture (only in Papua and Moluccas).</p>

31.	Sector	:	Other Business Services
	Subsector	:	Services Incidental of Manufacturing (CPC 884 excluding CPC 88411, 88412, 88421, 88422, 88423, 88430, 88442, 88460, 88491, 88492)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 33 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) the domestic partner must be a member of an Indonesian consultant association.</p>

32.	Sector	:	Other Business Services
	Subsector	:	Services Incidental to Manufacture of Metal Products, machinery, and equipment (CPC 885)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint operation through a representative office in Indonesia subject to following conditions:</p> <p>(a) shall only apply to foreign services suppliers with capital in value above IDR 10 billion; and</p> <p>(b) the domestic partner must be a member of an Indonesian consultation association.</p>

33.	Sector	:	Other Business Services
	Subsector	:	Services Incidental to Energy Distribution (CPC 887) exclusively covers only consultancy services related to operation of power plant and network
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 51 per cent of the equity participation to be owned by foreigners.</p>

34.	Sector	:	Other Business Services
	Subsector	:	<p>Geological and Geophysical Services, only for Seismic Data Acquisition</p> <p>(a) According to Indonesia Proposal of Energy Services Classification is under: Seismic Data Acquisition (1A.1.4.1.1.); and</p> <p>(b) According to W 120 Seismic Data Acquisition is under Business Services on Subsurface Surveying Services (CPC 86752)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint operation through a representative office in Indonesia.</p>

35.	Sector	:	Other Business Services
	Subsector	:	Maintenance and Repair of Equipment (excluding Maritime Vessels, Aircraft or other Transport Equipment) (CPC 8861+8866)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 33 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) the domestic partner must be a member of an Indonesian consultant association.</p>

36.	Sector	:	Other Business Services
	Subsector	:	Packaging Services (CPC 876)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 70 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) limited to eastern part of Indonesia.</p>

37.	Sector	:	Other Business Services
	Subsector	:	Telephone Answering Services (CPC 87903)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

38.	Sector	:	Other Business Services
	Subsector	:	Market Research Services (CPC 86401)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint operation requirement through a representative office in Indonesia, and the domestic partner must be a member of an Indonesian consultant association.</p>

39.	Sector	:	Telecommunication Services ⁹
	Subsector	:	<ul style="list-style-type: none"> (a) Public Switched Telephone Service (CPC 7521) (b) Teleconferencing Services (CPC 75292) (c) Mobile Cellular Telephone Services (CPC 75213) (d) Internet Access Services Regional and National Paging Services (CPC 75291) (e) Public Payphone Services Voice Mail Service (CPC 7523) (f) Electronic Mail Services (CPC 75232)
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 35 per cent of the equity participation in a joint venture to be owned by foreigners.</p>

⁹ For greater certainty, the coverage of this sector does not include telecommunications tower construction services.

40.	Sector	:	Telecommunication Services ¹⁰
	Subsector	:	(a) Videotext Services (CPC 75229) (b) File Transfer Services, Home Telemeter Alarm, Entertainment Services, Management Information Services (CPC 75299) (c) Computer Time Sharing Services (CPC84330)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that require supply through commercial presence to be in the form of joint venture subject to the following conditions: (a) no more than 35 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) supply of services in certain provinces or areas are subject to an economic needs test; (c) services shall be provided only for closed user group; and (d) the network service supplier is prohibited to connect to other networks for greater certainty, cross-border supply of service is permitted.

¹⁰ For greater certainty, the coverage of this sector does not include telecommunications tower construction services.

41.	Sector	:	Telecommunication Services ¹¹
	Subsector	:	Electronic Data Interchange (EDI) (CPC 7523**)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to aggregate foreign equity participation requirement permitted up to 70 per cent provided that: up to 49 per cent through foreign direct investment and the remaining percentage through other mechanisms.

¹¹ For greater certainty, the coverage of this sector does not include telecommunications tower construction services

42.	Sector	:	Telecommunication Services ¹²
	Subsector	:	<ul style="list-style-type: none"> (a) Circuit Switched Public Data Network Services (CPC 7523**) (b) Packet-Switched Public Data Network services (CPC 7523**) (c) Private Leased Circuit Services (CPC 7522**+7523**) (d) Telex Services (CPC 7523**) (e) Telegraph Services (CPC 7522) (f) Facsimile (CPC 7521** + 7529**) (g) Mobile Cellular Telephone Services (CPC 75213) (h) Dedicated Network Services (CPC 75222) (i) Enhance or Value-Added Facsimile Services, Including Store and Forward, Store and Retrieve (CPC 7523**) (j) On-line Information and Database Retrieval (CPC 7523**) (k) Internet Access Services Regional and National Paging Services (CPC 75291) (l) Public Payphone Services Voice Mail Service (CPC 7523) (m) Electronic Mail Services and Electronic Mail Box (CPC 75232) (n) Video Text Services (CPC 75229) (o) File Transfer Services, Home Telemeter Alarm, Entertainment Services, Management Information Services (CPC 75299) (p) On-line Information and or Data Processing (including transaction processing) (CPC 843**)
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture with no more than 51 per cent of the equity participation in a joint venture to be owned by foreigners.</p>

¹² For greater certainty, the coverage of this sector does not include telecommunications tower construction services

43.	Sector	:	Communication Services
	Subsector	:	<p>(a) Motion Picture and Video Tape production (CPC 9611)</p> <p>(b) Motion Picture and Video Tape Distribution Services (CPC 9611)</p> <p>(c) Motion Picture Projection Services (CPC 9612)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners;</p> <p>(b) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and</p> <p>(c) the distribution of the motion pictures should be aimed to the regions outside of Java island.</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions) of services of Motion Picture Projection Services (CPC 9612).</p>

44.	Sector	:	Audiovisual Services
	Subsector	:	Sound Recording Services (KBLI 592)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

45.	Sector	:	Construction and Related Engineering Services
	Subsector	:	<ul style="list-style-type: none"> (a) Construction Work for Buildings (CPC 512) excluding one- and two-dwelling buildings (CPC 51210) (b) Construction Work for Civil Engineering (CPC 513) (c) Assembly and Erection of Prefabricated Constructions (CPC 514) (d) Installation Work (CPC 516) (e) Building Completion and Finishing Work (CPC 517) (f) Pre-erection Work at Construction Site (CPC 511) excluding Site Investigation Work (CPC 51110) and Site Formation and Clearance Work (CPC 51113) (g) Special Trade Construction (CPC 515) (h) Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518)
	Type of Obligation	:	<p>Market Access (Article 8.5)</p> <p>Most-Favoured-Nation Treatment (Article 8.6)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to following conditions:</p> <ul style="list-style-type: none"> (a) commercial presence only in the form of: <ul style="list-style-type: none"> (i) joint operation by establishing a representative office in Indonesia. Permit for representative office shall be valid for three years and can be extended; or (ii) joint venture company established in accordance with applicable laws and regulations concerning foreign commercial presence; and (b) no more than 55 per cent of the equity participation in a joint venture of the commercial presence shall be owned by foreigners.

46.	Sector	:	Distribution Services
	Subsector	:	<p>(a) Wholesale Trade Services of Food, Beverages and Tobacco (CPC 6222)</p> <p>(b) Wholesale Trade Services of Textile, Clothing and Footwear (CPC 6223)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of equity participation in a joint venture shall be owned by foreigners;</p> <p>(b) have the 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 principle of mutual need, mutually reinforcing and mutually beneficial;</p> <p>(c) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers;</p> <p>(d) foreign service suppliers are only permitted to supply the services with minimum of business space above 5,000 square metres;</p> <p>(e) foreign service suppliers are only permitted to operate in the suburbs of the Provincial Capitals in the Island of Kalimantan, Sulawesi, Nusa Tenggara, Maluku, and Papua; and</p> <p>(f) foreign service suppliers are required to appoint national trade enterprises as agent, single agent, distributor, or single distributor.</p>

47.	Sector	:	Distribution Services
	Subsector	:	Direct Selling only for Multi-Level Marketing (KBLI 47999)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (c) foreign service suppliers are required to include Indonesian product in the list of products; and (d) must join in Indonesian direct selling association.

48.	Sector	:	Distribution Services
	Subsector	:	Franchising (CPC 8929) Wholesale Trade Services of Food, Beverages and Tobacco with minimum space above 5,000 square metres
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) foreign service suppliers are only permitted to supply the services with minimum of business space above 5,000 square metres; (c) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (d) foreign service suppliers are only permitted to operate in the suburbs of the provincial capitals in the Island of Kalimantan, Sulawesi, Nusa Tenggara, Maluku, and Papua and have to be located in the suburbs of provincial capitals; (e) foreign service suppliers are required to appoint national trade enterprises as agent, single agent, distributor, or single distributor; and (f) foreign service suppliers are required 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 principle of mutual need, mutually reinforcing, and mutually beneficial.

49.	Sector	:	Education Services
	Subsector	:	Technical and Vocational Secondary Education Services (electronic, automotive) (CPC 92230)
	Type of Obligation	:	Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required; (b) foreign education services supplier must establish partnership with domestic partner; (c) foreign language instructors must be native and Indonesian speakers; (d) foreign education services supplier must be listed in the Ministry of Education and Culture's List of Accredited Foreign Education and its domestic partner must be accredited; (e) foreign education services supplier in cooperation with domestic partner may open education institution in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan; (f) commercial presence shall be established in the form of <i>yayasan</i> (foundation); (g) numbers of educators shall include at least 30 per cent of Indonesian educators; and (h) numbers of employees other than educators and the head shall include at least 80 per cent of Indonesian nationals.

50.	Sector	:	Education Services
	Subsector	:	Post-Secondary Technical and Vocational Education Services (Polytechnique Machine and Electrical) (CPC 92310)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required; (c) foreign education services supplier must establish partnership with domestic partner; (d) foreign language instructors must be native and Indonesian speakers; (e) foreign education services supplier must be listed in the Ministry of Education and Culture's List of Accredited Foreign Education and its domestic partner must be accredited; (f) foreign education services supplier in cooperation with domestic partner may open education institution in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan; (g) commercial presence shall be established in the form of <i>yayasan</i> (foundation); (h) numbers of educators shall include at least 30 per cent of Indonesian educators; (i) numbers of employees other than educators and the head shall include at least 80 per cent of Indonesian nationals; and (j) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.

51.	Sector	:	Education Services
	Subsector	:	<p>(a) Adult Education Services (CPC 924) only for language course and training</p> <p>(b) Other Education Services (CPC 92900) only for football and chess</p>
	Type of Obligation	:	Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required;</p> <p>(b) foreign education services supplier must establish partnership with domestic partner;</p> <p>(c) foreign language instructors must be native and Indonesian speakers;</p> <p>(d) foreign education services supplier must be listed in the Ministry of Education and Culture's List of Accredited Foreign Education and its domestic partner must be accredited;</p> <p>(e) foreign education services supplier in cooperation with domestic partner may open education institution in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan;</p> <p>(f) commercial presence shall be established in the form of <i>yayasan</i> (foundation);</p> <p>(g) numbers of educators shall include at least 30 per cent of Indonesian educators; and</p> <p>(h) numbers of employees other than educators and the head shall include at least 80 per cent of Indonesian nationals.</p>

52.	Sector	:	Environmental Services
	Subsector	:	Sewage Services (CPC 9401) only for wastewater management
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

53.	Sector	:	Environmental Services
	Subsector	:	<p>(a) 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 product will be used as a new material or energy power</p> <p>(b) Refuse Disposal Services (CPC 9402) Solid Waste Disposal Services only for 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>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners;</p> <p>(b) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and</p> <p>(c) the services supplier must be equipped with modern and sophisticated technology and environmental safety.</p>

54.	Sector	:	Environmental Services
	Subsector	:	Refuse Disposal Services (CPC 94020) only for non-hazardous garbage, trash, waste, and rubbish
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

55.	Sector	:	Environmental Services
	Subsector	:	Sanitation and similar services (CPC 9403) only for public sanitation facilities
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) new permit subject to an economic needs test; and (c) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.

56.	Sector	:	Environmental Services
	Subsector	:	<p>(a) Cleaning Services of Exhaust Gases (CPC 9404) only for air pollution control</p> <p>(b) 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>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; and</p> <p>(b) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers.</p>

57.	Sector	:	Environmental Services
	Subsector	:	Water Management ¹³ only for drinkable water (KBLI 36001)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

¹³ Water management includes a 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 of selling drinkable water to consumers.

58.	Sector	:	Health Related and Social Services
	Subsector	:	Hospital Services for specialist and subspecialist medical services in Class A and B hospitals and provide more than 250 beds (CPC 9311)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to following conditions:</p> <ul style="list-style-type: none"> (a) in the form of joint venture with no more than 51 per cent of the equity participation shall be owned by foreigners and approval subject to the social function of hospital services offered; (b) may only employ foreign health professionals if there are not sufficient qualified Indonesian nationals; (c) the hospital shall be managed by Board of Directors chaired by Indonesian medical doctor; and (d) foreign hospital may only establish for specialistic services and sub-specialist services of a class A or class B hospital.

59.	Sector	:	Other Human Health Services
	Subsector	:	Acupuncture Services (CPC 93191)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1. (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of the equity participation in a joint venture shall be owned by foreigners; (b) the health management in structural level¹⁴ shall be Indonesian nationals; and (c) may only employ foreign health professionals to the extent that there are not sufficient qualified Indonesian nationals.

¹⁴ "Health management in structural level" is as regulated in the *Law No. 44 of 2009 concerning Hospital*.

60.	Sector	:	Other Health Services
	Subsector	:	Veterinary Services exclusively cover only for Poultry Farms Consultant Services (CPC 93209)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of equity participation in a joint venture shall be owned by foreigners; (b) operated in an Animal Hospital (<i>Rumah Sakit Hewan</i>); and (c) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.

61.	Sector	:	Social Services
	Subsector	:	Social Services (CPC 933) (a) Social welfare services for the elderly (b) Social welfare services for persons with disabilities (c) Social welfare training and education social workers and care workers
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and may only employ foreign health professionals if there are not sufficient qualified Indonesian nationals.

62.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Hotel ¹⁵ (only for 5 star hotels) (CPC 64110)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to the following conditions:</p> <ul style="list-style-type: none"> (a) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (b) supply of services in certain provinces or areas are subject to an economic needs test; and (c) 100 per cent of equity participation can be owned by foreign service suppliers. <p>Any non-conforming measure adopted or maintained after the entry into force of this Agreement in relation to the paragraph above shall be deemed to be an existing non-conforming measure and subject to paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures).</p>

¹⁵ Starred Hotel is a service business which provides accommodation; 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.

63.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Hotel ¹⁶ (only for 3 and 4 star hotels) (CPC 64110)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to the following conditions:</p> <ul style="list-style-type: none"> (a) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (b) supply of services in certain provinces or areas are subject to an economic needs test; and (c) 100 per cent of equity participation can be owned by foreign service suppliers.

¹⁶ Starred Hotel is a service business which provides accommodation; 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.

64.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Hotel ¹⁷ (only for 1 or 2 star hotels) (CPC 64110)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and the supply of services in certain provinces or areas to be subject to an economic needs test.

¹⁷ Starred Hotel is a service business which provides accommodation; 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.

65.	Sector	:	Tourism and Travel Related Services
	Subsector	:	(a) Motel Lodging Services (CPC 64120) (b) Letting Services of Furnished Accommodations (CPC 64193)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> (a) the domestic partner is an Indonesian Small and Medium Enterprise; and (b) the supply of services in certain provinces or areas to be subject to an economic needs test.

66.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Meal Serving Services with Full Restaurant Services (CPC 64210)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and the supply of services in certain provinces or areas to be subject to an economic needs test.</p> <p>Any non-conforming measure adopted or maintained after the entry into force of this Agreement in relation to the paragraph above shall be deemed to be an existing non-conforming measure and subject to paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures).</p>

67.	Sector	:	Tourism and Travel Related Services
	Subsector	:	<p>(a) Beverage Serving Services without Entertainment (CPC 64310)</p> <p>(b) Beverage Serving Services with Entertainment (CPC 64320)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and the supply of services in certain provinces or areas to be subject to an economic needs test.</p>

68.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Travel Agency and Tour Operator Services (CPC 74710) only for tour operator services
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and with the maximum number of service suppliers to be 30 Tour Operators.

69.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Tour Leader Services (CPC 74720)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions).

70.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Tourist Resorts ¹⁸ including hotel (3, 4, and 5 stars), excluding marina facilities and hotel management)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence and the supply of services in certain provinces or areas to be subject to an economic needs test.</p> <p>Any non-conforming measure adopted or maintained after the entry into force of this Agreement in relation to the paragraph above shall be deemed to be an existing non-conforming measure and subject to paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures).</p>

¹⁸ 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.

71.	Sector	:	Tourism and Travel Related Services
	Subsector	:	International Hotel Operator (CPC 91135)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence and supply of services in certain provinces or areas to be subject to an economic needs test.

72.	Sector	:	Tourism and Travel Related Services
	Subsector	:	Tourism Consultancy Services (CPC 91136)
	Type of Obligation	:	Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to the following conditions:</p> <p>(a) cooperation with a national company; and</p> <p>(b) required to do: a joint venture, a joint operation and a contract management.</p>

73.	Sector	:	Recreational, Cultural and Sporting Services excluding Audio Visual Services
	Subsector	:	Theater and Opera House (CPC 96193)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture provided that no more than 51 per cent of equity participation owned by foreigners.

74.	Sector	:	Recreational, Cultural and Sporting Services excluding Audio Visual Services
	Subsector	:	Museum Services limited to Museums of Jewellery (CPC 96321)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1(Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence in the form of joint venture with no more than 51 per cent of equity participation owned by foreigners and foreign service supplier should renew the permit every five years.</p>

75.	Sector	:	Recreational, Cultural and Sporting Services excluding Audio Visual Services
	Subsector	:	Golf Courses and Other Facilities within the Tourist Resorts (CPC 96413)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be subject to the following conditions:</p> <p>(a) supply of services in certain provinces or areas are subject to an economic needs test; and</p> <p>(b) 51 per cent of equity participation owned by foreign service suppliers.</p>

76.	Sector	:	Recreational, Cultural and Sporting Services excluding Audio Visual Services
	Subsector	:	Marina Facilities
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions).

77.	Sector	:	Recreational, Cultural and Sporting Services (excluding Audio Visual Services)
	Subsector	:	Hotel management
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions).

78.	Sector	:	Transportation Services Maritime Transportation Services
	Subsector	:	Maintenance and Repair of Vessels (CPC 8868**) only for vessels classification 10,000 GT and above and for eastern part of Java and eastern part of Indonesia
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture subject to following conditions:</p> <p>(a) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and</p> <p>(b) only for vessel classification above 50,000 deadweight tonnage (DWT).</p>

79.	Sector	:	Transportation Services Maritime Transportation Services
	Subsector	:	Pushing and Towing Services for Maritime Transport (CPC 7214)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture, and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

80.	Sector	:	Transportation Services Maritime Transportation Services
	Subsector	:	Vessel Salvage and Refloating Services (CPC 7454)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.

81.	Sector	:	Transportation Services Maritime Transportation Services
	Subsector	:	Passenger Transportation (CPC 7221)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture.

82.	Sector	:	Transportation Services Internal Waterways Transport
	Subsector	:	Maintenance and Repair of Vessels (internal waterways) (CPC 8868**) only for vessels classification 10000 GT and above and for eastern part of Java and eastern part of Indonesia
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture subject to following conditions:</p> <p>(a) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; and</p> <p>(b) foreign service suppliers are only permitted to operate in the eastern part of Java and eastern part of Indonesia.</p>

83.	Sector	:	Transportation Services Maritime Transportation Services
	Subsector	:	Container Handling Services (CPC 7411) only for maritime cargo handling services
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 51 per cent of equity participation shall be owned by foreigners with 49 per cent through Foreign Direct Investment and remaining percentage through other mechanism subject to domestic regulations; (b) permit requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers; (c) foreign service suppliers are only permitted to operate only in main port such as: Tanjung Priok, Tanjung Perak, Belawan, Semarang, and Makasar; and (d) access to and use of port facilities in the port which is opened for international shipping are permitted.

84.	Sector	:	Transportation Services
	Subsector	:	(a) Aircraft Repair and Maintenance Services (b) Computer Reservation System (CRS) (c) Selling and Marketing
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture.

85.	Sector	:	Transportation Services
	Subsector	:	Road Freight Transportation (CPC 7123)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.

86.	Sector	:	Transportation Services Road Transportation Services
	Subsector	:	Maintenance and Repair of Road Transport Equipment (CPC 8867) excluding motorcycle
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture subject to following conditions:</p> <ul style="list-style-type: none"> (a) no more than 35 per cent of equity participation owned by foreigners; (b) the foreign services supplier shall have manufacturing activities in Indonesia, including its local group companies, relating to the maintenance and repair of automobiles; and (c) permit requirement for foreign service suppliers may vary from that applicable to Indonesian service suppliers.

87.	Sector	:	Transportation Services
	Subsector	:	Supporting Services for Road Transport (CPC 744) <ul style="list-style-type: none"> (a) toilets (b) restaurants (c) telecommunication facilities (d) rest stop facilities for motor vehicle crew (e) air and noise pollution reduction facilities (f) air quality and emission monitoring facilities (g) cleaning facilities (h) general motor vehicle repair facilities (i) trading facilities (j) shopping complex (k) general lodging and freight terminals
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.

88.	Sector	:	Transportation Services
	Subsector	:	Maritime Freight Forwarding Services (CPC 7480**)
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

89.	Sector	:	Transportation Services
	Subsector	:	Supporting Services for Road Transport: only for highway, bridge and tunnel operation services (CPC 74420) limited to highway services
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of joint venture and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

90.	Sector	:	Transportation Services
	Subsector	:	<p>Storage and Warehousing Services Outside Port Area and 1st Area for:</p> <p>(a) Storage Services of Frozen or Refrigerated Goods (CPC 7421)</p> <p>(b) Other Storage or Warehousing Services (CPC 7429)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(i) of Article 8.1 (Definitions).</p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture with no more than 30 per cent of equity participation owned by foreigners and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

91.	Sector	:	Other Services
	Subsector	:	<p>Core Analysis and Other Lab Test, only for isotope analysis</p> <p>(a) According to Indonesia Proposal of Energy Services Classification is under: Isotope Analysis (1A.2.7.3)</p> <p>(b) According to W 120 is under: Business Services on Technical Testing and Analysis Services (CPC 8676)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint operation through a representative office in Indonesia and allows permit requirements for foreign service suppliers to vary from that applicable to Indonesian service suppliers.</p>

92.	Sector	:	Other Services
	Subsector	:	<p>Liquefaction and Gasification only for coal</p> <p>(a) According to Indonesia Proposal of Energy Services Classification is under</p> <p>(i) Coal Liquefaction (2.4.4.4)</p> <p>(ii) Coal Gasification (2.4.4.5)</p> <p>(b) According to W 120 is under: Services Incidental to Manufacturing (CPC 884)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture.</p>

93.	Sector	:	Other Services
	Subsector	:	<p>Engineering, Procurement and Construction (EPC) services limited to platform construction and offshore line pipe installation</p> <p>(a) According to Indonesia Proposal of Energy Services Classification is under: Engineering, Procurement and Construction (EPC) Services (1A.3.2.2.)</p> <p>(b) According to W 120 is under: engineering design services for industrial processes and production (CPC 86725)</p>
	Type of Obligation	:	<p>National Treatment (Article 8.4)</p> <p>Market Access (Article 8.5)</p>
	Description	:	<p><u>Trade in Services</u></p> <p>Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint operation through a representative office in Indonesia.</p>

94.	Sector	:	Other Services
	Subsector	:	Other Human Health Services (CPC 93199) only for SPA services
	Type of Obligation	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Indonesia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (r)(iii) of Article 8.1 (Definitions) that requires supply through commercial presence to be in the form of a joint venture.

APPENDIX
SPECIFIC COMMITMENTS FOR FINANCIAL SERVICES
INDONESIA

EXPLANATORY NOTES

1. For the purposes of this Appendix, the use of “(1)”, “(2)”, and “(3)” refers to Cross-Border Supply, Consumption Abroad, and Commercial Presence respectively.
2. For the purposes of this Appendix:
 - (i) “None” means no additional conditions and limitations other than those listed in the entry four through nine of List B, and General Conditions on Non-Banking Financial Services Subsector and General Conditions on Banking Services Subsector.
 - (ii) “Unbound” means no commitment
 - (iii) “General Conditions on Non-Banking Financial Services Subsector” and “General Conditions on Banking Services Subsector” shall apply respectively to commitment of the relevant subsector, unless otherwise specified in such subsector.

Modes of Supply: 1) Cross-border Supply 2) Consumption abroad 3) Commercial presence			
Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
NON-BANKING FINANCIAL SERVICES SUBSECTOR			
General Conditions on Non-Banking Financial Services Subsector			
1) Notwithstanding the limitations on joint venture specified in entry four of List B, the share ownership of foreign services suppliers for non-banking financial services 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. 2) Share of listed non-bank financial services companies in the stock exchange may be 100 per cent owned by foreign investors. 3) All joint venture companies shall provide training for their employees.			
a) Life Insurance Services (CPC 81211)	(1) Unbound (2) Unbound, except if: (a) There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question (b) There is no insurance company in Indonesia which want to carry out an insurance coverage of the object in question (3) None	(1) Unbound (2) Unbound (3) None	

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b) Non-Life Insurance Services (CPC 8129) excluding CPC 81293 (Marine, Aviation and other Transportation)	(1) Unbound (2) Unbound, except if: (a) There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question (b) There is no insurance company in Indonesia which wants to carry out an insurance coverage of the object in question (3) None	(1) Unbound (2) Unbound (3) None	
c) Reinsurance Services	(1) Reinsurance service suppliers from other Parties must be rated a minimum of BBB by Standard and Poor or equivalent (2) Reinsurance service suppliers from other Parties must be rated a minimum of BBB by Standard and Poor or equivalent (3) None	(1) None (2) Unbound (3) None	

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d) Insurance Brokerage Services (CPC 81401)	(1) Unbound (2) None (3) None	(1) None (2) None (3) None	
e) Reinsurance Brokerage Services (CPC 8140)	(1) Unbound (2) None (3) None	(1) None (2) None (3) None	
f) Lending of all types, including, consumer credit, mortgage credit, factoring and financing of commercial transaction (CPC 8113) only for: - Factoring Services - Credit Card Business (Issuer and Agent of Credit Card) - Consumers Finance Services	(1) None (2) None (3) None	(1) None (2) None (3) None	

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
g) Financial Lease Services (CPC 81120)	(1) None (2) None (3) None	(1) None (2) None (3) None	
h) Securities Business Trading for Own Account or for Account of Customers, on an Exchange or Over-the-Counter Market, only for: - Listed shares - Bonds	(1) Unbound (2) None (3) Commercial presence only permitted through establishment of a Securities Company that is licensed as a Securities Broker Dealer	(1) Unbound (2) None (3) None	
i) Participation in Issues of Securities, including Underwriting and Placement as Agent (whether publicly or privately), and Provision of Services Related to such issues	(1) Unbound (2) None (3) Commercial presence only permitted through establishment of a Securities Company that is licensed as a Securities Underwriter	(1) Unbound (2) None (3) None	
- Portfolio Management, all forms of collective investment management ¹⁹ - Asset Management Limited only to Investment Fund Management	(1) Unbound (2) None (3) Commercial presence only permitted through establishment of a Securities Company that is licensed as an Investment Manager.	(1) Unbound (2) None (3) None	

¹⁹ Portfolio management is, as stipulated in the prevailing laws and regulations on capital market, all forms of collective investment management.

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
j) Investment Advisory Services limited only to Investment Advisory in Capital Market	(1) Unbound (2) None (3) Commercial presence only permitted through establishment of an Investment Advisory company	(1) Unbound (2) None (3) None	

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
BANKING SERVICES SUBSECTOR			
General Conditions on Banking Services Subsector			
<ol style="list-style-type: none"> 1) With the exception of the existing branches of foreign banks, foreign services supplier shall be in the form of a joint venture bank locally incorporated in Indonesia with the following requirements: <ol style="list-style-type: none"> (a) Unbound for new licences (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 suppliers and their respective Indonesian partners. No transfer of ownership shall take place without the consent of all parties in the joint venture bank. 3) Acquisition of existing local banks is allowed through the purchase of shares in the stock exchange is allowed up to 51 per cent of the shares of locally incorporated bank traded on 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. <p>Definition: A controlling shareholder shall mean a person who beneficially owns 10 per cent or more of the equity of interest of a bank or who beneficially own less than 10 per cent of the equity interest of a bank but has 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 to direct its action.</p>			

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Commercial Banking Business</u>			
<p>a) Acceptance of Deposits and other Repayable Funds from the Public</p> <p>b) Lending of all types, including Consumer Credit, Mortgage, Credit, Factoring, and Financing of Commercial Transaction</p> <p>c) All Payment and Money Transmission Services including Credit, Charge and Debit Cards, Travelers Check and Bankers Drafts</p> <p>d) Guarantees and Commitments</p> <p>e) Trading for Own Account or for Account of Customers, whether on an Exchange, in an over-the-Counter Market or otherwise, the following:</p> <ul style="list-style-type: none"> - Money market instruments (including check, bills, certificates of deposits) - Foreign Exchange - Exchange rate and interest rate instruments, including products such as swaps, forward rate agreements - Transferable securities issued in the money market 	<p>(1) None</p> <p>(2) None</p> <p>(3) (a) Bound only for two sub-branches and two auxiliary offices for foreign bank's branch office</p> <p>(b) Bound only for two branches and two sub-branches for joint-venture bank</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) (a) For foreign bank branch, expatriates may only assume executive positions, with the limitation that at least one executive position shall be held by an Indonesian national</p> <p>(b) Expatriate Director may only be appointed to a joint venture bank, in proportion to the foreign equity participation</p>	

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

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
f) Cash Management, Custodial and Depository Services			