

INDONESIA

Schedule of Specific Commitments

(For the First Package of Commitments)

INDONESIA - SCHEDULE OF SPECIFIC COMMITMENTS

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>3) Commercial Presence of the foreign service provider(s) may be in the form of joint venture and/or representative office, unless mentioned otherwise.</p> <p>Joint venture should meet the following requirements:</p> <ul style="list-style-type: none"> (i) should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT), (ii) not more than 49% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT), may be owned by foreign partner(s). 	<p>3) The Income Tax Law provides that non-resident taxpayers will be subject to withholding tax of 20% if they derive the following income from Indonesian source:</p> <ul style="list-style-type: none"> (a) interest (b) royalties (c) dividend (d) fee from service performed in Indonesia <p>Land Acquisition Undang-Undang Pokok Agraria (Land Law) No. 5 of 1960 stipulates that no foreigners (juridical and natural persons) are allowed to own land. However, a joint venture enterprise could hold the right for land use (Hak Guna Usaha) and building rights (Hak Guna Bangunan), and they may rent/lease land and property.</p> <p>Any juridical and natural persons should meet professional qualification requirements.</p>	

Sector or Sub-sector	Limitation on market access	Limitation on National Treatment	Additional Commitments
	<p>4) Subject to Indonesian Labour and Immigration Laws and Regulations, only directors, managers and technical experts/advisors, unless mentioned otherwise, are allowed to stay for two years and could be extended for a maximum two times subject to two years extension each time. Manager and technical experts (intra corporate transfer) are allowed based on an economic needs test.</p> <p>The entry and temporary stay of business visitor(s) is (are) permitted for a period of 60 days and could be extended maximum for 120 days.</p>	<p>4) Expatriate Charges</p> <p>Any foreign natural persons supplying services are subject to charges levied by Governments Labour Laws and Regulations.</p> <p>Any expatriate employed by a joint-venture enterprise, representatives office, and/or other types of juridical person and/or an individual services provider must hold a valid working permit issued by the Ministry of Manpower and Transmigration</p>	

Definitions:

"Director": One or a group of persons entrusted by the shareholders of a services providing entity with the final overall control and direction of the enterprise, and legally responsible to act on behalf of the enterprises inside and/or outside of the court.

"Manager": Senior employee of a service supplier who primarily directs the management of the organization, receiving general supervision or direction principally from the board of directors of the business, including directing the service supplier or a department or sub-division thereof, supervising or controlling the work of other supervisory, professional or managerial employee or having the authority to hire or fire or recommend such or other personnel actions.

"Technical Expert/Advisor": Person employed by a service supplier who possesses a standard of high or common (i) qualifications referring to a type of work or trade requiring specific technical knowledge or (ii) knowledge essential or proprietary to the service, research equipment, techniques or management.

"Joint Operation ": A joint operation is an undertaking between one or several foreign and Indonesian enterprises of temporary nature, to handle one or several project/businesses without establishing a new statutory body according to Indonesian laws

"Joint venture Enterprise": A joint venture enterprise is a legal entity organized under Indonesian law and having its domicile in Indonesia, in the form of

cooperation between foreign capital and Indonesian (national) capital.

“Contract Management” : Contract management is a contract organize under Indonesian law in the form of cooperation on management of temporary nature between Indonesian (national) capital and foreign capital.

“Business Visitor(s)” is (are) natural person staying in Indonesia for the purpose of participating in business meeting, business contract including negotiations for the sales of services and /or other similar activities including those who prepare for the establishment of a commercial presence in Indonesia, without acquiring remuneration and /or any other direct income from within Indonesia, and are not engaged in making direct sales or supplying services to general public.

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
BUSINESS SERVICES			
A. Professional Services			
a. Legal Services (Advisory services in home country law, and international law). (CPC 861)	1) None 2) None 3) Unbound 4) Unbound except for foreign lawyers (advokat). Foreign lawyers (advokat) are allowed to work or take part in Indonesian law firm as employees or as experts in International Law, but shall not appear in courts and/or undertake legal proceedings under any circumstances.	1) None 2) None 3) Unbound 4) Unbound except for foreign lawyers (advokat). Foreign lawyers (advokat) are : - only allowed as employees or experts in Indonesian law firm - obliged to transfer legal knowledge and professional capabilities to Indonesian Lawyers - obliged to transfer knowledge to education, legal research, or government institutions at least 10 hours each month free of charge. The share of foreign lawyers (advokat) in Indonesian law firm must not exceed 20 per cent, and shall be limited to five foreign lawyers (advokat) per firm.	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>Definition : Lawyer (advocate) is person who has the profession of providing legal service in and outside the court. International law means law established by international treaties and conventions as well as customary law</p>			
<p>Architectural Services (CPC 8671)</p> <p>Engineering Services (CPC 8672 except CPC 86721-86725-86726)</p> <p>Integrated Engineering Services (CPC 8673)</p> <p>Urban Planning Services (CPC 86741)</p>	<p>1) None</p> <p>2) None</p> <p>3) a) Joint operation by establishing a representative office in Indonesia. License for representative office shall be valid for 3 years and can be extended</p> <p>Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>4) As specified in the Horizontal Section</p>	<p>1) None</p> <p>2) None</p> <p>3) a) 1. License fee requirement 2. Registered foreign company shall for a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big</p> <p>b) Local partner (s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big</p> <p>4) As specified in the Horizontal Section</p>	
<p>Advisory and Consultative Services Related to Engineering (CPC 86721)</p>	<p>1) None</p> <p>2) None</p> <p>3) Joint operation through representative office in Indonesia</p>	<p>1) None</p> <p>2) None</p> <p>3) The Indonesian participant in joint operation must be a member of Indonesian Consultant Association</p>	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	4) Unbound except for director and technical expert	4) As specified in the Horizontal Section	
Engineering Design Services for Industrial Processes and Production (CPC 86725)	1) None 2) None 3) Joint operation through representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be a member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
B. Computer and Related Services Consultancy Services related to the installation of computer hardware (CPC 841)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
Software Implementation Services (CPC 842)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Data Base Services (CPC 84400*)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
C. Research and Development Services Interdisciplinary R&D (CPC853, limited to Industrial Activities)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
F. OTHER SERVICES Technical Testing and Analysis Services (CPC 8676)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
i. Services incidental of manufacturing (CPC 884 & 885 Except for 88442)	1) None except for government funded project 2) None except for government funded project 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None except for government funded project 2) None except for government funded project 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
Maintenance and Repair of Equipment (not including maritime vessel, air craft, or other transport equipment) (CPC 633+8861+8866)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	
Project Management Services other than for Construction (CPC 86601)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound except for director and technical expert	1) None 2) None 3) The Indonesian participant in joint operation must be member of Indonesian Consultant Association 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
COMMUNICATIONS SERVICES			
C. Telecommunication Services			
<p>Local service:</p> <p>Public Switched Telephone Services (CPC 7521)</p> <p>Circuit Switched Public Data Network Services (CPC 7523**)</p> <p>Teleconferencing Services (CPC 75292)</p>	<p>1) None</p> <p>2) None</p> <p>3) Only through joint venture with local private sector</p> <p>Foreign equity participation is limited to 35 per cent.</p> <p>4) Natural persons for management and technical expert for JVC is limited to 20 persons</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) As specified in the Horizontal Section</p>	
<p>Long Distance Services:</p> <p>Public Switched Telephone Service (CPC 7521)</p> <p>Circuit Switched Public Data Network Services (CPC 7523**)</p> <p>Teleconferencing Services (CPC 75292)</p>	<p>1) None</p> <p>2) None</p> <p>3) Only through joint venture with local private sector</p> <p>Foreign equity participation is limited to 40 per cent</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	4) Natural person for management and technical expert for JVC is limited to 20 persons	4) As specified in the Horizontal Section	
International: Public Switched Telephone Service (CPC 7521) Circuit Switched Public Data Network Services (CPC 7523**)	1) None 2) None 3) Only through joint venture with local private sector Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert for JVC is limited to 20 persons	1) None 2) None 3) None 4) As specified in the Horizontal Section	
Packet-switched public data network services (CPC 7523**) <ul style="list-style-type: none"> - X.25 - Frame relay - Local - Local distance - International 	1) None 2) None 3) Only through Joint venture with local private sector. Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert is limited to 20 persons	1) None 2) None 3) None 4) As specified in the Horizontal Section	
Telex Services	1) None	1) None	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	2) None 3) Only through Joint venture with local private sector. Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert is limited to 20 persons	2) None 3) None 4) As specified in the Horizontal Section	
Telegraph Services	1) None 2) None 3) Only through Joint venture with local private sector. Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert is limited to 20 persons	1) None 2) None 3) None 4) As specified in the Horizontal Section	
Domestic: Mobile Cellular Telephone (CPC 75213) Personal Mobile Cellular Communication Regional and National Paging Service (CPC 75291) Public Payphone Service	1) None 2) None 3) Only through Joint venture with local private sector. Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert is limited to 20 persons	1) None 2) None 3) None 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Internet Access Services	1) None 2) None 3) Only through Joint venture with local private sector. Foreign equity participation is limited to 40 per cent 4) Natural persons for management and technical expert is limited to 20 persons	1) None 2) None 3) None 4) As specified in the Horizontal Section	
Voice mail services (CPC 7523) Electronic mail services (CPC 75232) Computer time sharing services (CPC 84330) Video text services (CPC 75229)	1) None 2) None 3) Access granted for five foreign services provider companies, in addition to the existing companies 4) Unbound, except for director and technical expert	1) None 2) None 3) Higher paid up capital is required of foreign service suppliers than of domestic services suppliers. This measure will be eliminated in the year 2020. 4) As specified in the Horizontal Section	
Electronic mail box (CPC 75232) File transfer services	1) None 2) None	1) None 2) None	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
(CPC 75299) Home telemetering alarm (CPC 75299) Entertainment services (CPC 75299) Management information services (CPC 75299)	3) Access granted for five foreign services provider companies, in addition to the existing companies 4) Unbound, except for director and technical expert	3) Higher paid up capital is required of foreign service suppliers than of domestic services suppliers. This measure will be eliminated in the year 2020. 4) As specified in the Horizontal Section	
3. CONSTRUCTION SERVICES AND RELATED ENGINEERING SERVICES:			
Pre-erection Work at Construction Site (CPC 511) Construction Work for Buildings (CPC 512) Construction Work for Civil Engineering (CPC513) Assembly and Erection of Prefabricated Constructions (CPC 514) Special Trade Construction (CPC 515) Installation Work (CPC516) Building Completion and	1) Unbound* 2) None 3) a) Joint operation: to form a joint operation by establishing a representative office in Indonesia. b) Joint venture: to establish a limited liability enterprise (Perseroan Terbatas/PT)	1) Unbound* 2) None 3) a) Joint Operation Registration License fee requirement License for representative office shall be valid for 3 years and can be extended. Registered foreign company shall form a joint operation with local partner(s) which is (are) entity(ties) certified according to prevailing laws and regulations	

* Unbound due to lack of technical feasibility.

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Finishing Work (CPC517) Renting Services Related Equipment for Construction or Demolition of Building or Civil Engineering Works with Operator (CPC 518)	Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT)	b) Joint Venture The establishment of joint venture company would need to have a local partner(s) which is (are) entity(ties) certified according to prevailing laws and regulations Not more than 55% of the capital share as the Limited Liability Enterprise (Perseroan Terbatas/PT)	
	4) As specified in the Horizontal Section	4) As specified in the Horizontal Section	

EDUCATION SERVICES

General conditions on education services

Commercial presence of the foreign service provider is permitted only through an education institution which is registered in Indonesia and must meet the following conditions :

1. Mutual recognition arrangement between relevant institutions on credits, programs, and certifications is required.
2. Foreign education institution providing services must establish partnership with local partner. Foreign language instructors must be native and Indonesian speakers.
3. Foreign education institution must be listed in the Ministry of Education's List of Accredited Foreign Education and its local partner must be accredited.
4. Foreign education institution in cooperation with local partner may open education institution in the cities of Jakarta, Surabaya, Bandung, Yogyakarta, and Medan.
5. Temporary entry for natural persons engaged in education activities in Indonesia is subject to approval by the Ministry of National Education. Approval is granted on case-by-case basis.

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
B. Secondary education services:			
Technical and vocational secondary education services (electronic automotive) (CPC 92230)	1) None 2) None 3) As indicated in the Horizontal Section and General Conditions 4) Unbound except as indicated in the Horizontal Section and General Conditions	1) None 2) None 3) Unbound 4) As indicated in the Horizontal Section and General Conditions	
Post secondary technical and vocational education services (Polytechnique Machine and Electrical) (CPC 92310)	1) None 2) None 3) As indicated in the Horizontal Section and General Conditions 4) Unbound except as indicated in the Horizontal Section and General Conditions	1) None 2) None 3) Unbound 4) Unbound	
D. Adult Education (CPC 924) Language courses and training	1) None 2) None 3) As indicated in the Horizontal Section and General Conditions 4) Unbound except as indicated in the Horizontal Section and General Conditions	1) None 2) None 3) Unbound 4) Unbound	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
E. Other Education services (CPC 92900)	1) None	1) None	
Football and chess only	2) None	2) None	
	3) As indicated in the Horizontal Section and General Conditions	3) Unbound	
	4) Unbound except as indicated in the Horizontal Section and General Conditions	4) Unbound	

FINANCIAL SERVICES

General condition on Non Banking Financial Services Sub-sector

1. All Market Access and National Treatment limitation specified in the Non Banking Financial Services Sub-sector will be eliminated by the year 2020 subject to similar commitment by other Member.
2. The share ownership of foreign services supplier is bound at the prevailing laws and regulation. The conditions of ownership and the percentage share of ownership as stipulated in the respective shareholder agreement establishing the existing individual joint venture in non banking financial services shall be respected. No transfer of ownership shall take place without the consent of all parties in the joint venture concerned,
3. Limitation on national treatment in terms of taxation which is specified in the Horizontal Measures is not applied on the Non Banking Financial Services Sub-sector.
4. In addition to the Horizontal Measures, temporary entry will be granted to technical expert(s)/adviser(s) for no longer than 3 (three) months per person for any gives year.
5. Share of non-bank financial companies listed in the stock exchange may be 100% owned by foreign investor.
6. In relation to the presence of natural persons, only directors, managers, and experts/advisors can be assumed by expatriates with maximum stay of 3 years and can be extended
7. All joint venture companies shall provide training for their employee.

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>Non-Life Insurance Services (CPC 81291, 81292, 81294, 81295, 81296, 81297, 81299)</p>	<p>1) Unbound</p> <p>2) Unbound except if :</p> <p>(a) There is no insurance company in Indonesia, either individually or group, which could handle the insurance risk of the object in question.</p> <p>(b) There is no insurance company in Indonesia which want to carry out an insurance coverage of the object in question.</p> <p>(c) The owners of insurance objects in question are not Indonesian citizens or Indonesian legal entities.</p> <p>3) As specified in the Horizontal Section and General Conditions.</p> <p>4) Unbound except for director and technical advisor/expert.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) As specified in the General Conditions</p> <p>4) As specified in the Horizontal Section.</p>	
<p>Reinsurance Services</p>	<p>1) Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</p> <p>2) Reinsurance service suppliers from other Members must be rated minimum as BBB by Standard and Poor or equivalent.</p> <p>3) As specified in the Horizontal Section and General Conditions.</p> <p>4) Unbound except for director and technical advisor/expert.</p>	<p>1) None</p> <p>2) Unbound</p> <p>3) As specified in the General Conditions.</p> <p>4) As specified in the Horizontal Section.</p>	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Life Insurance Service (CPC 8121)	1) Unbound 2) Unbound except if : (a) There is no insurance company in Indonesia, either individually or group, which could handle the insurance risk 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. (c) The owner of insurance object in question are not Indonesia citizens or Indonesian legal entities. 3) As specified in the Horizontal Section and General Conditions. 4) Unbound except for director and technical advisor/except.	1) Unbound 2) Unbound 3) As specified in the General Conditions. 4) As specified in the Horizontal Section	
Insurance Brokerage Services (CPC 8140)	1) Unbound 2) None 3) As specified in the Horizontal Section and General Conditions. 4) Unbound except for director and technical advisor/except.	1) None 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section	
Reinsurance Brokerage Services (CPC 8140)	1) Unbound 2) None 3) As specified in the Horizontal Section and General Conditions. 4) Unbound except for director and technical advisor/expert.	1) None 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Financial Lease Services (CPC 81120)	1) None 2) None 3) As specified in the Horizontal Section and General Conditions. 4) Unbound except as indicated in the Horizontal Section	1) None 2) None 3) As specified in the General Conditions 4) As specified in the Horizontal Section	
Factoring Services (CPC 8113)	1) None 2) None 3) As specified in the Horizontal Section and General Conditions. 4) Unbound except as indicated in the Horizontal Section	1) None 2) None 3) As specified in the General Conditions 4) As specified in the Horizontal Section	
Credit Card Business (Issuer and Agent of Credit Card) (CPC 8113)	1) None 2) None 3) As specified in the Horizontal Section and General Conditions 4) Unbound except as indicated in the Horizontal Section	1) None 2) None 3) As specified in the General Conditions 4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Consumers Finance Services (CPC 8113)	1) None 2) None 3) As specified in the Horizontal Section and General Conditions 4) Unbound except as indicated in the Horizontal Section	1) None 2) None 3) As specified in the General Conditions 4) As specified in the Horizontal Section	
Securities Business Trading for own account or for account of customers, on an exchange or over-the counter market - Listed shares - Bonds	1) Unbound 2) None 3) Through establishment of a securities broker/dealer. 4) Unbound except as indicated in the Horizontal Section.	1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section.	
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) Through establishment of a securities underwriter company. 4) Unbound except as indicated in the Horizontal Section.	1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section.	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Portfolio management, all forms of collective investment management	1) Unbound 2) None 3) Through establishment of a securities company as an investment manager. 4) Unbound except for directors.	1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section.	
Asset Management limited only to investment fund management	1) Unbound 2) None 3) Through establishment of a securities company as an investment manager. 4) Unbound except for directors.	1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Section.	
Investment Advisory Services limited only to investment advisory in capital market	1) Unbound 2) None 3) Through establishment of an Investment advisory company. (Bapepam rule No. V.C.1) 4) Unbound except for directors.	1) Unbound 2) None 3) As specified in the general condition. 4) As specified in the Horizontal Section.	

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>General conditions on Banking Sub-sector :</p>			
<ol style="list-style-type: none"> 1. With the exception of the existing branches of foreign banks, foreign services provider shall be in the form of joint venture bank locally incorporated in Indonesia with the following requirements : <ol style="list-style-type: none"> a. Unbound for new license. b. Only financial Institutions are permitted to establish joint venture banks. 2. The conditions of ownership and the percentage share of ownership as stipulated in the respective shareholder agreement establishing the existing individual joint venture bank shall be respected as the basis of ownership of the foreign service provider(s) and their respective Indonesian partner(s). No transfer of ownership shall take place without the consent of all parties in the joint venture bank 3. Acquisition of local existing banks through the purchase of shares in the stock exchange is allowed up to 51% of the shares of locally incorporated bank listed in the stock exchange. 4. Foreign bank and joint venture bank may open their offices in the cities of Jakarta, Surabaya, Semarang, Bandung, Medan, Makassar, Denpasar, Batam, Padang, Manado, Ambon, Balikpapan, Banda Aceh, and Jayapura. 5. With respect to the presence of natural persons, no economic need test will apply. A non Indonesian employed as manager or as technical expert shall have at least two Indonesian understudies during his/her term. 6. In addition to the Horizontal Measures, temporary entry will be granted to technical expert(s)/adviser(s) of branch office of the foreign bank and joint venture bank for no longer than 3 (three) months per person for any given year. 7. A person shall be a “controlling shareholder” in only one bank. 8. Limitation on national treatment in terms of taxation which is specified in Horizontal Measures is not applied on the Banking Sub-sector 			
<p>Definition :</p>			
<p>A controlling shareholder shall mean a person who beneficially own 10% or more of the equity of interest of a bank or who beneficially own less than 10% of the equity interest of a bank but have the power to control the bank. A person shall be deemed to have control of a bank if such person has the power to name director and/or commissioner of such bank and/or has the power to direct its action.</p>			

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Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Commercial Banking Business			
(i) Acceptance of deposits and other repayable funds from public	1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	
(ii) Lending of all types, including consumer credit, mortgage, credit, factoring and financing of commercial transaction.	1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
(iii) All payment and money transmission services including credit, charge and debit cards, travelers cheques and bankers drafts.	1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	
(iv) Guarantees and Commitments	1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>(v) Trading for own account or for account of customers, whether on an exchange, in an over-the counter market or otherwise, the following</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	
<p>- Money market instruments (including cheques, bills, certificates of deposits)</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>- Foreign exchange</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	
<p>- Exchange rate and interest rate instruments, including products such as swaps, forward rate agreements.</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>- Transferable securities issued in the money market.</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	
<p>(vi) Cash management, custodial and depository services</p>	<p>1) None 2) None 3) a. Bound only 2 (two) sub branches and 2 (two) auxiliary offices for foreign bank's branch office b. Bound only 2 (two) branches and 2 (two) sub-branches for joint venture bank. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	<p>1) None 2) None 3) a. For foreign bank branch, only executive position can be assumed by expatriates with limitation that at least one of them shall be Indonesian national. b. For the joint venture bank, only for the director can be assumed by the expatriates in proportion to the ownership sharing. 4) Unbound except as indicated in the Horizontal Section and General Conditions on Banking Sub-sector</p>	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
TOURISM AND TRAVEL RELATED SERVICES			
A. Hotel and Restaurant Services			
Hotels (CPC 64110)	1) None 2) None 3) In Eastern Part of Indonesia, Bengkulu, Jambi, and Sulawesi 100 % of capital share can be owned by foreign investor. 4) Unbound, except for: a) Top management level in hotel business comprised of General Manager, Food and Beverage Manager, Resident Manager Controller, Marketing Director b) Highly skilled professional comprised of Executive Chef, Sous Chef and Specialty Cook	1) None 2) None 3) a) Higher paid-up capital is required of foreign services suppliers than of domestic services suppliers. This measures will be eliminated in the year 2020 b) Only 3,4 or 5 starred hotels are permitted 4) As specified in the Horizontal Section	
B. Travel Agent and Tour Operator (TA & TO) (CPC 74710)	1) None 2) None 3) Maximum service providers 30 TA & TO 4) Unbound except for technical advisor	1) None 2) None 3) Tour operator must be Travel Agent located in Jakarta and Bali 4) As specified in the Horizontal Section	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Meal Serving Services with Full Restaurant Services (CPC 64210)	1) None 2) None 3) Unbound, except in certain part of East Indonesia (Sulawesi, Papua, Molucas, Nusa Tenggara) foreign equity participation is permitted up to 49% 4) Unbound, except for : - Top Management Level Highly-Skilled Professional	1) None 2) None 3) Subject to prevailing local government's laws regarding to the moral or public order in accordance with Article XVI (a) of the GATS 4) As specified in the Horizontal Section	
B. Tourist Resorts : Tourist Resort including : - Hotels (3,4, and 5 star) - Marinas - Golf Courses and other Sport facilities (CPC 96413)	1) None 2) None 3) In eastern part of Indonesia, Bengkulu and Jambi , 100% of capital share can be owned by foreign investor. 4) Unbound except for Resort Manager.	1) None 2) None 3) a) Higher paid-up capital is required of Foreign Service suppliers than of domestic service suppliers. These measures will be eliminated in the year 2020. b) Only 3, 4, or 5 starred hotels are permitted 4) As specified in the Horizontal Section	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>C. Other Tourism Consultancy Services (CPC 91136)</p>	<p>1) None</p> <p>2) None</p> <p>3) Must be registered to Indonesian Ministry of Justice as Indonesian company. In the case of cooperation with a national company, it is required, to do; Joint venture, joint operation and Contract management</p> <p>4) Unbound</p>	<p>1) None</p> <p>2) None</p> <p>3) Unbound</p> <p>4) As specified in the Horizontal Section</p>	
<p>International Hotel Operator (CPC 91135)</p>	<p>1) None</p> <p>2) None</p> <p>3) Must be registered to Indonesian Ministry of Justice as Indonesian company</p> <p>In the case of cooperation with a national company, it is required to do Contract management</p>	<p>1) None</p> <p>2) None</p> <p>3) Unbound</p>	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	4) Unbound, except for: a) Top management level in hotel business comprised of: General Manager, Food and Beverage Manager, Resident Manager Controller, Marketing Director b) Highly skilled professional comprised of Executive Chef, Sous Chef and Specialty Cook	4) As specified in the Horizontal Section	
TRANSPORT SERVICES			
A. Maritime Transport Services International Passenger Transport Excluding Cabotage (pillar 1) (CPC 7211)	1) None 2) None 3) Foreign shipping company may establish Owner's Representative 4) As specified in the Horizontal Section	1) Foreign shipping company is obliged to appoint Indonesian Shipping Company or joint venture shipping company as its general agent 2) None 3) As specified in the Horizontal Section 4) As specified in the Horizontal Section	The following services at ports are made available to international maritime transport supplier on reasonable and non-discriminatory terms and conditions: 1. Pilotage; 2. Towing and tug assistance; 3. Provisioning and water

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
			supply; 4. Garbage collection and ballast waste disposal; 5. Port captain's services; 6. Navigation aids; 7. Shore-based operational services essential to ship operation, including communication, water and electrical supply; 8. Emergency repair facilities; and 9. Anchorage and berthing services.
International Freight Transport excluded Cabotage (CPC 7212)	1) None 2) None 3) Foreign shipping company may establish Owner's Representative 4) As specified in the Horizontal Section	1) a. Foreign shipping company is obliged to appoint Indonesian Shipping Company or joint venture shipping company as its general agent b. Government' Cargo 2) None 3) As specified in the Horizontal Section 4) As specified in the Horizontal Section	The following services at ports are made available to international maritime transport supplier on reasonable and non-discriminatory terms and conditions: 1. Pilotage; 2. Towing and tug assistance; 3. Provisioning and water supply; 4. Garbage collection and ballast waste disposal; 5. Port captain's services; 6. Navigation aids;

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
			7. Shore-based operational services essential to ship operation, including communication, water and electrical supply; 8. Emergency repair facilities; and 9. Anchorage and berthing services.
<u>Maritime Auxiliary Services</u> a. Maritime cargo handling services (CPC 741)	1) Unbound due to lack of technical feasibility 2) None 3) Only through joint venture corporation, with foreign equity share allowable up to maximum 49% 4) As indicated in the Horizontal Section	1) Unbound due to lack of technical feasibility 2) None 3) As indicated in the Horizontal Section 4) As indicated in the Horizontal Section	
Rental Vessel without crew (CPC 83103)	1) None 2) None 3) Unbound due to lack of technical feasibility 4) As indicated in the Horizontal Section	1) None 2) None 3) As indicated in the Horizontal Section 4) As indicated in the Horizontal Section	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
C. Air Transport Services			
a. Aircraft repair and maintenance services	1) None 2) None 3) Foreign services suppliers are permitted to establish joint venture aircraft repair and maintenance enterprises in Indonesia, with maximum equity 49% 4) Unbound except as indicated in Horizontal Section	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Section	
b. Computer reservation system (CRS)	1) None 2) None 3) Foreign CRS services are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49% 4) Unbound except as indicated in Horizontal Section	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Section	
c. Selling and marketing	1) None 2) None 3) Foreign General Sales Agent are permitted to establish joint venture enterprises in Indonesia, with maximum equity 49% 4) Unbound except as indicated in Horizontal Section	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Section	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
OTHER SERVICES NEC			
<p>ENERGY SERVICES General Condition on energy services: Indonesia's schedule of specific commitments on energy services sector is based on 2nd Revised Indonesia Proposal of Energy Services Classification</p>			
<p>Core analysis and other Lab Test, only for Isotop Analysis</p> <ul style="list-style-type: none"> - According to Indonesia Proposal of Energy Services Classification is under: <ul style="list-style-type: none"> • Isotop Analysis (1.A.2.7.3.) - According to WI20 is under: Business Services on Technical Testing and Analysis Services (CPC8076) 	<ul style="list-style-type: none"> 1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound, except for directors and technical experts 	<ul style="list-style-type: none"> 1) None 2) None 3) As specified in the Horizontal Section 4) As specified in the Horizontal Section 	
<p>Geological and Geophysical Services, only for Seismic Data Acquisition</p> <ul style="list-style-type: none"> - According to Indonesia Proposal of Energy Services Classification is under: <ul style="list-style-type: none"> • Seismic Data Acquisition (1A.1.4.1.1.) - According to W 120. Seismic Data Acquisition is under: Business Services on 	<ul style="list-style-type: none"> 1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound, except for directors and technical experts 	<ul style="list-style-type: none"> 1) None 2) None 3) As specified in the Horizontal Section 4) As specified in the Horizontal Section 	

Mode of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Sub-sector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Subsurface Surveying Services (CPC 86752)			
Liquefaction and Gasification only for Coal – According to Indonesia Proposal of Energy Services Classification is under: ▪ Coal Liquefaction (2_4.4.4.) ▪ Coal Gasification (2.4.4.5.) – According to W120 is under : Services Incidental to Manufacturing (CPC 884)	1) None 2) None 3) Joint operation through a representative office in Indonesia 4) Unbound, except for directors and technical experts	1) None 2) None 3) As specified in the Horizontal Section 4) As specified in the Horizontal Section	

**ATTACHMENT TO THE REPUBLIC OF INDONESIA
SCHEDULE ON BASIC TELECOMMUNICATIONS**

REFERENCE PAPER

Scope

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

Definitions

Users mean service consumers and service suppliers.

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

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

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

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

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

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

1.2 Safeguards

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

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

2. Interconnection

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

2.2 Interconnection to be ensured

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

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

2.3 Public availability of the procedures for interconnection negotiations

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

2.4 Transparency of interconnection arrangements

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

2.5 Interconnection: dispute settlement

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

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

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

3. Universal service

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

4. Public availability of licensing criteria

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

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

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

5. Regulatory Authority

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

6. Allocation and use of scarce resources

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