

**INDONESIA**

**Schedule of Specific Commitments**

**(For the First Package of Commitments)**

## INDONESIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes 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
<p><b>I. HORIZONTAL COMMITMENTS</b></p> <p>ALL SECTORS INCLUDED IN THIS SCHEDULE</p>	<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> <p>(i) should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT),</p> <p>(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>	<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> <p>(a) interest (b) royalties (c) dividend (d) fee from service performed in Indonesia</p> <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>	

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	<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 Any foreign natural persons supplying services are subject to charges levied by Governments</p> <p>Labour Laws and Regulations. 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 Operator":** 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

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<p><b>"Joint venture Enterprise"</b>: 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.</p> <p><b>"Contract Management"</b>: Contract management is a contract organized under Indonesian law in the form of cooperation on management of temporary nature between Indonesian (national) capital and foreign capital.</p> <p><b>Business visitor(s) is (are) natural person staying in Indonesia for the purpose of participating in business meeting, business contacts 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.</b></p>			
<p><b>II. SECTOR-SPECIFIC COMMITMENTS</b></p>			
<p><b><u>CONSTRUCTION AND RELATED ENGINEERING SERVICES</u></b></p> <p>A. <u>General construction work for building</u></p> <p>Construction work for building (CPC 512 except CPC 51210)</p>	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.</p>	

Modes 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
	<p>Section and the Foreign Capital Investment Law.</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>(4) As specified in the Horizontal Section</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>B. <u>General construction work for civil engineering</u></p> <p>Construction work for civil engineering (CPC 513)</p>	<p>(1) Unbound*</p> <p>(2) None</p>	<p>(1) Unbound*</p> <p>(2) Unbound</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 55% of the</p>	<p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form 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</p>	

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	<p>capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>(4) As specified in the Horizontal Section</p>	<p>Development Board and having qualification A/Big.</p> <p>(4) As specified in the Horizontal Section</p>	
<p>C. <u>Installation and assembly work</u></p> <p>Assembly and erection of prefabricated construction (CPC 514)</p>	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form 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>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(4) As specified in the Horizontal Section	(4) As specified in the Horizontal Section	
D. <u>Other</u>  - Pre-erection work at construction system (CPC 511 except CPC 51110 and 51113)	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>(4) As specified in the Horizontal Section</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form 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>	

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- Steel binding and erection (incl. welding) (CPC 51550)	(1) Unbound*  (2) None	(1) Unbound*  (2) Unbound	
	(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.  (b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law.  Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).  (4) As specified in the Horizontal Section	(3) (a) 1. License fee requirement 2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big.  (b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big.  (4) As specified in the Horizontal Section	
- Renting Services related to equipment for construction or demolition of building or civil engineering works, with operator (CPC 518)	(1) Unbound*  (2) None  (3) (a) Joint operation by establishing a representative office in	(1) Unbound*  (2) Unbound  (3) (a) 1. License fee requirement 2. Registered foreign	



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	<p>Indonesia. License for representative office shall be valid for 3 years and can be extended</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)</p> <p>(4) As specified in the Horizontal Section</p>	<p>company shall form 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>- Foundation work including pile driving (CPC 51510)</p>	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)</p> <p>(4) As specified in the Horizontal Section</p>	<p>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>	
- Gas fitting construction work (CPC 51630)	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form 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>	

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	(Perseroan Terbatas/PT) may be owned by foreign partner(s)		
	(4) As specified in the Horizontal Section	(4) As specified in the Horizontal Section	
- Fire alarm construction work (CPC 51642)	<p>(1) Unbound*</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>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)</p> <p>(4) As specified in the Horizontal Section</p>	<p>(1) Unbound*</p> <p>(2) Unbound</p> <p>(3) (a) 1. License fee requirement 2. Registered foreign company shall form 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>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- Burglar alarm system construction work (CPC 51643)	(1) Unbound* (2) None	(1) Unbound* (2) Unbound	
	(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  (b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law  Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)  (4) As specified in the Horizontal Section	(3) (a) 1. License fee requirement 2. Registered foreign company shall form a joint operation with local partner(s) which is (are) registered by Construction Services Development Board and having qualification A/Big  (b) Local partner(s) in joint venture shall be registered by Construction Services Development Board and having qualification A/Big  (4) As specified in the Horizontal Section	
- Lift and escalator construction work (CPC 51691)	(1) Unbound* (2) None (3) (a) Joint operation by establishing a representative office in	(1) Unbound* (2) Unbound (3) (a) 1. License fee requirement 2. Registered foreign	

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	<p>Indonesia. License for representative office shall be valid for 3 years and can be extended</p> <p>(b) Joint venture company by fulfilling the requirements as specified in the Horizontal Section and the Foreign Capital Investment Law</p> <p>Not more than 55% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s)</p> <p>(4) As specified in the Horizontal Section</p>	<p>company shall form 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><b><u>TOURISM AND TRAVEL RELATED SERVICES</u></b> Hotel (CPC 64110)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) In Eastern Part of Indonesia, Bengkulu, Jambi, 100% of capital share can be owned by foreign investor</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) a. Higher paid-up capital is required of foreign services suppliers than of domestic suppliers. This measure will be eliminated in the year 2020. b. Only 3,4, or 5 starred hotels are permitted</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(4) Unbound, except for: <ul style="list-style-type: none"> <li>a. Top Management Level in Hotel business comprised of:               <ul style="list-style-type: none"> <li>- General Manager</li> <li>- Food and Beverage Manager</li> <li>- Resident Manager</li> <li>- Comptroller</li> <li>- Marketing Director</li> </ul> </li> <li>b. Highly-skilled Professionals comprised of:               <ul style="list-style-type: none"> <li>- Executive Chef</li> <li>- Sous Chef</li> <li>- Specialty Cook</li> </ul> </li> </ul>	(4) As specified in the Horizontal Section	
Meal Serving Services with Full Restaurant Services (CPC 64210)	(1) None (2) None (3) Unbound, except in certain parts of East Indonesia (Sulawesi, Papua, Mollucas, Nusa Tenggara), foreign equity participation is permitted up to 49%	(1) None (2) None (3) Subject to prevailing local government's laws regarding to the moral or public order in accordance with Article XIV (a) of the GATS	
	(4) Unbound, <i>except for</i> : <ul style="list-style-type: none"> <li>- <i>Top Management Level</i></li> <li>- <i>Highly-Skilled Professionals</i></li> </ul>	(4) As specified in the Horizontal Section	
Tourism Consultancy Services (CPC 91136)	(1) None	(1) None	

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	(2) None  (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  (4) Unbound	(2) None  (3) Unbound  (4) As specified in the Horizontal Measures	
International Hotel Operator (CPC 91135)	(1) None  (2) None  (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 contract management  (4) Unbound, except for: a. Top Management Level in Hotel business comprised of: - General Manager - Food and Beverage Manager - Resident Manager - Comptroller - Marketing Director	(1) None  (2) None  (3) Unbound  (4) As specified in the Horizontal Section	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	b. Highly-skilled Professionals comprised of: <ul style="list-style-type: none"> <li>- Executive Chef</li> <li>- Sous Chef</li> <li>- Specialty Cook</li> </ul>		
Tourist Resorts including: <ul style="list-style-type: none"> <li>• Hotels (3,4, and 5 star)</li> <li>• Marinas</li> <li>• Golf Courses and other Sport Facilities</li> </ul>	(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 services suppliers than of domestic suppliers. This measure will be eliminated in the year 2020. b. Only 3,4, or 5 starred hotels are permitted (4) As specified in the Horizontal Section	
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	
<b>ENERGY SERVICES</b>			
<b>General condition on energy services</b>			
- Indonesia's Schedule of Specific Commitments on energy services sector based on 2 <sup>nd</sup> Revised Indonesian proposal of energy services classification			
Core analysis and other Lab Test, only for Isotop Analysis (1A.2.7.3)	(1) None	(1) None	



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	(2) None  (3) Joint operation through a representative office in Indonesia  (4) Unbound, except for directors and technical experts.	(2) None  (3) As specified in the Horizontal Section  (4) As specified in the Horizontal Section	
Geological and geophysical services, only for seismic data acquisition (1A.1.4.1.1)	(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	
Liquefaction and gasification only for coal – Coal liquefaction (2.4.4.4) – Coal Gasification (2.4.4.5)	(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	