LAMPIRAN

Horizontal Commitments of Indonesia dan

Sector Specific Commitments of Indonesia di bidang Jasa Kontruksi

Horizontal Commitments of Indonesia

Mode of Supply:

1) Cross-border supply 2) Consumption Abroad 3) Commercial presence 4) Presence of natural persons

Horizontal Measure	Limitations on Market Access	Limitations on National	Additional Commitments	Notes
		Treatment		

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 proprietal 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.

2)

ALL SECTORS INCLUDED IN THIS SCHEDULE 1) As specified in each sector

2)

- 1) As specified in each sector

- 3) Commercial Presence of the foreign service provider(s) may be in the form of joint venture and/or representative office, unless mentioned otherwise. Joint venture should meet the following requirements: i) should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT), ii) not more
- 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: a) interest b) royalties c) dividend d) fee from service performed in Indonesia. Land Acquisition Undang-Undang Pokok

than 49% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT), may be owned by foreign partner(s).

Agraria (Land Law) No. 5 of 1960 stipulates that no foreigners (juridical and natural persons) are allowed to own land. However, a joint venture enterprise could hold the right for land use (Hak Guna Usaha) and building rights (Hak Guna Bangunan), and they may rent/lease land and property. Any juridical and natural should persons meet professional qualification requirements.

- Subject to Indonesian 4) Labour and Immigration Laws and Regulations, only directors, managers and technical experts/advisors, unless mentioned otherwise. are allowed with a maximum stay of two years subject to one year extension. Manager and technical experts (intra corporate transfer) are allowed based on an economic needs test.
- Charges Any Expatriate natural persons foreign supplying services are subject to charges levied by National, Provincial and Municipal Governments. 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. Immigration Laws and Regulations. Any expatriate must meet immigration requirements and procedures to enter the territory of the Republic of Indonesia

Sector Specific Commitments of Indonesia

Mode of Supply:		1) Cross-border supply 2) Consumption Abroad 3) Commercial presence 4) Presence of natural persons
Sector / Sub-sector	Limitations on Market Access	Limitations on National Treatment Additional Commitments Notes
03. Construction and Related Engineering Services		
Pre-erection work at construction system (CPC 511 except CPC 51110 and 51113)	1) Unbound*	1) Unbound*
	2) None	2) Unbound
	 a) Joint operation: To form a joint operation by establishing a representative office b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law 	Contractors Association having
	4) As specified in the Horizontal Measures	4) As specified in the Horizontal Measures

Construction work for building (CPC 512 except CPC 51210)	1)	Unbound*		Unbound*
	2)	None		Unbound
	3)	 a) Joint operation: To form a joint operation by establishing a representative office b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law 	3)	a) Joint operation: 1. Registration fee requirement 2. Licence for representative office shall be valid for 3 years and can be extended 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Contractors Association having qualification A b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Contractors Association and having qualification A
	4)	As specified in the Horizontal Measures	4)	As specified in the Horizontal Measures
Construction work for civil engineering (CPC 513)	1)	Unbound*	1)	Unbound*
	2)	None	2)	Unbound
	3)	a) Joint operation: To form a joint operation by establishing a representative office	3)	a) Joint operation:1. Registration fee requirement2. Licence for representative office shall be valid for 3 years and can be extended3. Registered foreign company

b) Joint venture:
to establish a joint venture
company by fulfilling the
requirements as specified in the
Horizontal Measures and the
Foreign Capital Investment Law

shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Contractors Association having qualification A

b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Contractors

Association and having qualification A

4) As specified in the Horizontal Measures

4) As specified in the Horizontal Measures

Assembly and erection of prefabricated construction (CPC 514 - 5140)

1) Unbound*

1) Unbound*

- 2) None
- 3) a) Joint operation:

 To form a joint operation by establishing a representative office
 - b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law

- 2) Unbound
- 3) a) Joint operation:
 - 1. Registration fee requirement
 - 2. Licence for representative office shall be valid for 3 years and can be extended
 - 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Contractors Association having qualification A
 - b) Joint venture:

Local partner(s) in joint venture shall be member(s) of the Indonesian Contractors Association and having

				qualification A
	4)	As specified in the Horizontal Measures	4)	As specified in the Horizontal Measures
Special trade construction work (CPC 515 - 5155)	1)	Unbound*	1)	Unbound*
	2)	None	2)	Unbound
	3)	 a) Joint operation: To form a joint operation by establishing a representative office b) Joint venture: To establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law 	3)	a) Joint operation: 1. Registration fee requirement 2. Licence for representative office shall be valid for 3 years and can be extended 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Contractors Association having qualification A b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Contractors Association and having qualification A
	4)	As specified in the Horizontal Measures	4)	As specified in the Horizontal Measures
Renting Services related to equipment for construction or demolition of building or civil engineering works, with operator (CPC 518)	1)	Unbound*	1)	Unbound*
	2)	None	2)	Unbound

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- 3) a) Joint operation:

 To form a joint operation by establishing a representative office
 - b) Joint venture:
 To establish a joint venture
 company by fulfilling the
 requirements as specified in the
 Horizontal Measures and the
 Foreign Capital Investment Law
- 3) a) Joint operation:
- 1. Registration fee requirement
 - 2. Licence for representative office shall be valid for 3 years and can be extended
 - 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Contractors Association having qualification A
 - b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Contractors Association and having qualification A
- 4) As specified in the Horizontal Measures
- As specified in the Horizontal Measures

Sector Specific Commitments of Indonesia

Mode of Supply:	1) Cross-border supply 2) Consumption Abroad 3) Commercial presence 4) Presence of natural persons					
Sector / Sub-sector		Limitations on Market Access	Li	mitations on National Treatment	Additional Commitments	Notes
01.A. Professional Services						
Architectural Services (CPC 8671)	1)	Unbound	1)	Unbound		
	2)	None	2)	Unbound		
	3)4)	a) Joint operation: To form a joint operation by establishing a representative office b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law Unbound	4)	a) Joint operation: 1. Registration fee requirement 2. Licence for representative office shall be valid for 3 years and can be extended 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Consultant Association having qualification A b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Consultant Association and having qualification A Unbound		
Engineering Service (CPC 8672 - except CPC 86721-86725-86726)	1)	Unbound	1)	Unbound		

- 2) None
- a) Joint operation:
 To form a joint operation by establishing a representative office
 - b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law

- 4) As specified in the Horizontal Measures
- Integrated Engineering Services (CPC 8673)
 - 2) None

Unbound

- 3) a) Joint operation:

 To form a joint operation by establishing a representative office
 - b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the

- 2) Unbound
- 3) a) Joint operation:
 - 1. Registration fee requirement
 - 2. Licence for representative office shall be valid for 3 years and can be extended
 - 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Consultant Association having qualification A
 - b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Consultant Association and having qualification A
- As specified in the Horizontal Measures
- 1) Unbound
- 2) Unbound
- 3) a) Joint operation:
 - 1. Registration fee requirement
 - 2. Licence for representative office shall be valid for 3 years and can be extended
 - 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Consultant Association having

		Foreign Capital Investment Law		qualification A
				b) Joint venture: Local partner(s) in joint venture shall be member(s) of the Indonesian Consultant Association and having qualification A
	4)	As specified in the Horizontal Measures	4)	As specified in the Horizontal Measures
Urban Planning Services (CPC 86742)	1)	Unbound	1)	Unbound
	2)	None	2)	Unbound
	3)	 a) Joint operation: To form a joint operation by establishing a representative office b) Joint venture: to establish a joint venture company by fulfilling the requirements as specified in the Horizontal Measures and the Foreign Capital Investment Law 	3)	a) Joint operation: 1. Registration fee requirement 2. Licence for representative office shall be valid for 3 years and can be extended 3. Registered foreign company shall form a joint operation with local partner(s) which is (are) member(s) of the Indonesian Consultant Association having qualification A b) Joint venture: Local partner(s) in joint venture shall be member(s) of the
	4)	As specified in the Horizontal	4)	Indonesian Consultant Association and having qualification A As specified in the Horizontal
		Measures	-	Measures

