

## **ANNEX II SCHEDULE OF INDONESIA**

### **EXPLANATORY NOTES**

1. Articles 7.4 (National Treatment), 7.5 (Most-Favored-Nation Treatment), 7.8 (Performance Requirements), and 7.9 (Senior Management and Boards of Directors) apply only to the following sectors:

- (a) manufacturing;
- (b) agriculture;
- (c) fisheries;
- (d) forestry;
- (e) mining and quarrying.

2. This Annex sets out, in accordance with Article 7.10 (Non-conforming Measures), the specific sectors, sub-sectors or activities, within the sectors listed in paragraph 1, for which Indonesia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Article 7.4 (National Treatment);
- (b) Article 7.5 (Most-Favored-Nation Treatment);
- (c) Article 7.8 (Performance Requirements); or
- (d) Article 7.9 (Senior Management and Boards of Directors).

<b>1. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: Customary Rights on Land and Properties
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central and Regional
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure related to customary rights of land and properties of minorities tribal groups.
<b>Source of Measure</b>	: Article 33 of <i>the 1945 Constitution of the Republic of Indonesia</i> ; and Government policy.

<b>2. Sector</b>	: <b>Manufacturing</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: ISIC (see below)
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors: <ul style="list-style-type: none"> <li>a. Limitation on Foreign Equity Participation: <ul style="list-style-type: none"> <li>• Cars maintenance and repair (ISIC 5020)</li> <li>• Patent medicine industry (ISIC 2423)</li> </ul> </li> <li>b. Partnership requirement: <ul style="list-style-type: none"> <li>• Manufacturer of copra (ISIC 10421)</li> <li>• Sweetening and saline fruits and vegetable industry (ISIC 1513)</li> <li>• Manufacturer of soy sauce (ISIC 10771)</li> <li>• Milk powder and condensed milk processing and industry (ISIC 1520)</li> <li>• Stamped Batik Industry (ISIC 1712)</li> <li>• Rattan processing industry (ISIC 2010)</li> <li>• Preserving industry of rattan, bamboo, and the likes (ISIC 2010)</li> <li>• Manufacturer of wooden goods (moulding and construction material components industry) (ISIC 16221)</li> <li>• Essential Oil Industry (ISIC 2429)</li> <li>• Tobacco drying and preliminary processing industry (ISIC 1600)</li> <li>• Bricks and clay/ceramic industry (ISIC 2691, 2692, 2693)</li> <li>• Goods made from clay/ceramic industry (ISIC 2691, ISIC 2693)</li> </ul> </li> </ul>

- Lime industry (ISIC 2694)
- Goods made from cement industry (ISIC 2695)
- Good made from lime industry (ISIC 2695)
- Other goods made from cement and lime industry (ISIC 2695)
- Nails, nuts and bolts industry, component and spare parts to start up motor industry, pumps and compressor industry, component and two and three wheels vehicles accessories industry, bike and pedicab/*becak* accessories industry (ISIC 2899, 2911, 2912, 3591, 3592)
- Agricultural machinery industry using medium technology such as rice peeler, corn peeler and handy-tractor (ISIC 2921)
- Manufacturer of wooden ships for marine tourism and fishing (ISIC 3511, 3512)
- Manufacturer of devices and fittings of wooden ships for marine tourism and fishing (ISIC 3511)
- Manufacturer of jewelry products from precious metal for personal use (ISIC 3330, 3691)
- Manufacturer of jewelry products from precious metal for non-personal use (ISIC 3330, 3691)
- Manufacturer of jewelry products from non-precious metal for non-personal use (ISIC 3330, 3699)
- Manufacture of precious stones (ISIC 3691)
- Manufacture of handicraft not elsewhere classified (ISIC 3699)
- Non-metal waste recycle (ISIC 3720)
- Sugar industry from sugar cane (White Crystal Sugar, Refined Crystal Sugar and Raw Crystal Sugar) (ISIC 1542)
- Fishery Processing Industry: Salting and drying of fish and biota from

other waters (ISIC 1512); Smoking of fish and biota from other waters (ISIC 1512); Fish yeasting/fermentation, and other cooked products for extraction and fish jelly (ISIC 1512, 1549); Processing of minced fish and surimi (ISIC 1512)

c. Recommendation or specific requirements by relevant authorities:

- Cigarette Industries:
  - Clove cigarette industry (ISIC 1600)
  - Regular non-clove cigarette industry (ISIC 1600)
  - Other cigarette industries (ISIC 1600)
- Manufacturer of securities (inter alia, bank notes paper, cheque paper, watermark paper) (ISIC 2101)
- Money printing and special printing industry/security documents such as stamp, stamp duty, valuable paper such as Bank Note Paper, Cheque Paper, Watermark paper, passport, demography document and hologram. Special permit is required from the Minister of Industry and from the National Intelligence Agency (ISIC 2221)
- Cyclamate and Saccharin Industry (ISIC 2411)
- Special Ink Industry (ISIC 2429)
- Lead smelting industry (ISIC 2720)
- Saw Mill or Lumbering industry with production/output capacity above 2.000 M<sup>3</sup>/year (ISIC 2010)
- Veneer Industry, Plywood industry, Laminated Veneer Lumber (LVL) Industry (ISIC 2021)
- Wood chip industry and Wood Pellet Industry (ISIC 2029)
- Narcotics for Pharmaceutical Industry (Pharmaceutical Industry) (ISIC 2423)
- Medical Equipment Industry:

- Class B (surgical masks, syringe, patient monitor, condom, surgical gloves, hemodialysis fluids, PACS, surgical knives) (ISIC 2423)
- Class C (IV Catheter, X Ray, ECG, Patient Monitor, Orthopedic Implants, Contact Lens, Oximeters, Densitometers) (ISIC 2423)
- Class D (CT Scan, MRI, Cardiac Catheter, Cardiac Stent, HIV Test, Pacemaker, Dermal Fillers, Ablation Catheters) (ISIC 2423)

d. Requirement on source of raw material:

- Pulp industry (from wood) (ISIC 2101)

e. Combination of the above requirements:

- Crumb rubber industry (ISIC 2519)
- Industry of raw materials for explosives (ISIC 2411)
- Industry of explosive materials and its components for industry (ISIC 2429)
- Medical equipment industry:
  - Class A (Cotton, bandage, stick, IV pole, sanitary napkins, adult diapers, patient's bed, wheelchair) (ISIC 2423)
- Crops plantation seeding business industry for the following crops in an area of 25 hectares or more, until a certain area as stipulated in the *Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License* and *Minister of Agriculture Regulation No. 29 of 2016 concerning the Amendment of Minister of Agriculture Regulation No. 98 of 2013*:
  - *Jatropha curcas*, other sweetener crops, sugar cane, tobacco, textile raw materials and cotton, cashews, coconut palms, oil palms, beverage crops (tea, coffee and cocoa), peppercorns, cloves, essential oil

crops, medicinal pharmaceutical crops, other spice crops, rubber and other trees for extraction of sap, and other crops not elsewhere classified (ISIC 0111, 0112, 0113, 0200).

- Plantation business for the following crops which are integrated with processing industry in an area of 25 hectares or over with a capacity equivalent to or exceeding a certain limit as stipulated in the *Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License* and *Minister of Agriculture Regulation No. 29 of 2016 concerning the Amendment of Minister of Agriculture Regulation No. 98 of 2013*:
  - Cashews plantation and manufacture of dried cashew nuts and cashew nut shell liquid (CNSL) (ISIC 0113, 1513, 1549);
  - Peppercorns plantation and manufacture of dried white peppercorns and dried black peppercorns (ISIC 0112, 1513, 1549);
  - Jatropha plantation and manufacture of jatropha oil (ISIC 0111, 0112, 2429);
  - Sugar cane and manufacture of cane sugar, sugar cane top and sugar cane bagasse (ISIC 0111, 1542);
  - Tobacco and manufacture of dried tobacco leaves (ISIC 0111, 1600);
  - Cotton plantation and manufacture of cotton fiber (ISIC 0111);
  - Coconut palms plantation and manufacture of coconut oil (ISIC 0113, 1514);
  - Coconut palms plantation and manufacture of copra, fiber, coconut shell charcoal, dust, and nata de coco (ISIC 0113, 1514,

- 1549);
- Oil palms plantation and manufacture of palm oil (CPO) (ISIC 0113, 1514, 1549);
- Coffee plantation and manufacture of coffee bean peeling, cleaning and sorting (ISIC 0113, 1513);
- Cocoa plantation and manufacture of cocoa bean peeling, cleaning and drying (ISIC 0113, 1513, 1549);
- Tea and manufacture of black tea/green tea (ISIC 0113, 1513, 1549);
- Cloves plantation and manufacture of dried clove buds (ISIC 0113, 0140, 1549);
- Essential oil crops plantation and manufacture of essential oil (ISIC 0111, 0112, 0113, 2429);
- Rubber plantation and manufacture of sheets, concentrated latex (ISIC 0111, 2519);
- Plantation of grains other than coffee and cocoa beans and manufacture of grain peeling and cleaning other than coffee beans and cocoa beans (ISIC 1513, 1549).
- Manufacturer of the following agricultural products with an equal or exceeding a certain limit as stipulated in the *Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License* and *Minister of Agriculture Regulation No. 29 of 2016 concerning the Amendment of Minister of Agriculture Regulation No. 98 of 2013*:
  - Crude vegetable and animal oils (edible oils); copra, fiber, coconut shell charcoal, dust, nata de coco; coconut oil; palm oil; peeling, cleaning, drying and sorting of cocoa beans and coffee beans products; cane sugar, sugar cane top



and sugar cane bagasse; black tea/green tea; dried tobacco leaves; rude jatropha oil; cotton fiber and cotton seeds; rubber for sheets, concentrated latex; cashews for dried cashew nut and cashew nut shell liquid (CNSL); peppercorns for dried white peppercorns and dried black peppercorns; dried clove buds (ISIC 0111, 0140, 1513, 1514, 1531, 1542, 1549, 1600, 2429, 2519).

**Source of Measure** : *Law No. 25 of 2007 concerning Investment;*  
*Law No. 39 of 2014 concerning Plantations;*  
*Presidential Regulation of the Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields that are Closed to Investment and Business Fields that are Conditionally Open for Investment;*  
*Presidential Decree No. 21 of 2001 concerning Lubricant Supply and Services;*  
*Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License j.o Minister of Agriculture Regulation No. 29 of 2016 concerning the Amendment of Minister of Agriculture Regulation No. 98 of 2013;*  
*Minister of Health Regulation No. 62 of 2017 concerning Medical Devices and Household Health Products Distribution Authorization;* and  
Government policy.

<b>3. Sector</b>	: <b>Agriculture</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: ISIC (see below)
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors: <ul style="list-style-type: none"> <li>a. Limitation on Foreign Equity Participation: <ul style="list-style-type: none"> <li>• For each individual crop seeding or seedling business in an area of more than 25 hectares: <ul style="list-style-type: none"> <li>- Staple food crops (rice, corn, soybeans, groundnuts, green beans, including cassava and sweet potatoes) and other food crops not classified elsewhere (ISIC 0111, 0112, 0113, 0200)</li> <li>- Seasonal fruits crops, grapes, tropical fruits crops, citrus fruits, apples, pome and stone fruits, berries, annual vegetables, perennial vegetables, drug crops, mushrooms, floriculture crops (ISIC 0111, 0112, 0113, 0200)</li> </ul> </li> <li>• For each individual crop cultivation business in an area of more than 25 hectares: <ul style="list-style-type: none"> <li>- Staple food crops (rice, corn, soybeans, groundnuts, green beans and other food crops including cassava and sweet potatoes) (ISIC 0111, 0112, 0113, 0200)</li> <li>- Seasonal fruits crops, grapes, tropical fruits crops, citrus fruits, apples, pome and stone fruits,</li> </ul> </li> </ul> </li> </ul>

berries, leafy vegetables (cabbages, mustard, scallion, celery), root vegetables (shallot, garlic, potatoes, carrots), fruit-bearing vegetables (tomatoes, cucumber), chili peppers, paprika, mushrooms, ornamental plants, non-flower ornamental plants (ISIC 0111, 0112, 0113, 0200, 1513)

- Each of the following agriculture related activities:
    - Horticultural research and quality test laboratories, horticultural agro tourism activities, horticultural post-harvest services, retail sale of flower, horticultural development consultants, horticultural landscaping, and horticultural courses services (ISIC 0140, 2022, 7310, 9219, 9241, 9249, 5239, 7414, 7421, 8090, 9241)
    - Research and development on agricultural and development resources and engineering, and research and development on genetically modified organisms (GMO) products sciences and engineering (genetic engineering) (ISIC 7310)
- b. Locational requirement:
- Swine breeding and farming with quantity of more than 125 heads (ISIC 0122)
- c. Combination of the above requirements
- Plantation business for the following crops without any processing unit in an area of 25 hectares or more, until a certain area as stipulated in the *Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License* j.o *Minister of Agriculture Regulation No. 29 of 2016 concerning the*

*Amendment of Minister of Agriculture Regulation No. 98 of 2013:*

- *Jatropha curcas, other sweetener crops, sugar cane, tobacco, textile raw materials and cotton, cashews, coconut palms, oil palms, beverage crops (tea, coffee and cocoa), peppercorns, cloves, essential oil crops, medicinal pharmaceutical crops, other spice crops, rubber and other trees for extraction of sap, and other crops not elsewhere classified (ISIC 0111, 0112, 0113, 0200)*

**Source of Measure** : *Law No. 39 of 2014 concerning Plantations;*

*Law No. 18 of 2009 concerning Livestock and Animal Health and Law No. 41 of 2014 concerning the Amendment to Law No. 18 of 2009;*

*Law No. 41 of 1999 concerning Forestry;*

*Law No. 5 of 1990 concerning Conservation of Natural Resources and Its Ecosystems;*

*Government Regulation No. 6 of 2007 as amended by Government Regulation No. 3 of 2008 concerning Forest Administration and Compilation of Forest Management Planning and Utilisation of Forest;*

*Government Regulation No. 8 of 1999 concerning Utilization of Plant and Wild Animal Species;*

*Government Regulation No. 18 of 2010 concerning Plant Cultivating Business;*

*Government Regulation No. 44 of 1995 concerning Seeding of Plantations;*

*Presidential Regulation of the Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields that are Closed to Investment and Business Fields that are Conditionally Open*

*for Investment;*

*Minister of Agriculture Regulation No. 98 of 2013 concerning Guidance of Plantation Business License j.o Minister of Agriculture Regulation No. 29 of 2016 concerning the Amendment of Minister of Agriculture Regulation No. 98 of 2013;*

*Minister of Agriculture Decree No. 404 of 2002 concerning Guidelines for License and Registration on Livestock Sector;*

*Minister of Agriculture Decree No. 348 of 2003 concerning Guidelines for License on Horticulture Sector;*

*Minister of Agriculture Regulation No 2 of 2009 concerning Guidelines of Veterinary Medical Services;*

*Minister of Agriculture Regulation No. 39 of 2010 concerning the Guidelines on Business Licensing for Staple Crops Cultivation; and*

Government policy.

<b>4. Sector</b>	: <b>Forestry</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: ISIC (see below)
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors: <ul style="list-style-type: none"> <li>a. Limitation on Foreign Equity Participation: <ul style="list-style-type: none"> <li>• Hunting business in Hunting Parks and Hunting Blocks (ISIC 0150, 9219, 9241, 9249)</li> <li>• Captive breeding of animals and plants, and conservation institutions (ISIC 0150)</li> </ul> </li> <li>b. Partnership requirement: <ul style="list-style-type: none"> <li>• Exploitation of forests plants: Rattan (ISIC 2010), Pine Sap (Oleo Pine Resin) (ISIC 0200), Bamboo (ISIC 0200), Wood Rosin/Shorea Javanica (Damar) (ISIC 0200), Eaglewood/Aquilaria Malaccensis (Gaharu) (ISIC 0200)</li> <li>• Exploitation of shellac, alternative food crops (sagoo), gums, and honeybee farming (ISIC 0200)</li> <li>• Production of silkworm cocoon (natural silk farming) (ISIC 0122)</li> </ul> </li> <li>c. Recommendation or specific requirements by relevant authorities: <ul style="list-style-type: none"> <li>• Development of Technology used on plant and wildlife genetics (ISIC 0200)</li> </ul> </li> </ul>

**Source of Measure** : *Law No. 41 of 1999 concerning Forestry;*

*Law No. 5 of 1990 concerning Conservation of Natural Resources and Its Ecosystems;*

*Government Regulation No. 6 of 2007 as amended by Government Regulation No. 3 of 2008 concerning Forest Administration and Compilation of Forest Management Planning and Utilisation of Forest;*

*Government Regulation No. 36 of 2010 concerning Natural Tourism Concession in the National Park Utilisation Zone, Grand Forest Park, Nature Tourism Park;*

*Government Regulation No. 8 of 1999 concerning Utilization of Plant and Wild Animal Species;*

*Presidential Regulation of the Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields that are Closed to Investment and Business Fields that are Conditionally Open for Investment; and*

Government policy.

<b>5. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central and Regional
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure relating to the privatization, corporatization, commercialization or divestment of Government assets, entities or agencies, including: <ul style="list-style-type: none"> <li>(a) limitations on ownership of assets;</li> <li>(b) transfer or disposal of equity interests or their assets;</li> <li>(c) the right of foreign investors or their investments to control their assets; and</li> <li>(d) nationality of the senior management or members of the board of directors.</li> </ul> <p>For greater certainty:</p> <ul style="list-style-type: none"> <li>(a) where Indonesia transfers an interest in an existing state enterprise to another state enterprise, such transfer shall not be considered to be an initial transfer or disposal of the interest for purposes of this entry; and</li> <li>(b) where Indonesia transfers or disposes of an interest in an existing state enterprise in multiple phases, subparagraph (a) shall apply separately to each such phase.</li> </ul>
<b>Source of Measure</b>	: <i>Law No. 19 of 2003 concerning State Owned Enterprises;</i>  <i>Law No. 40 of 2007 concerning Limited</i>



*Liability Company; and*  
Government policy.

<b>6. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central and Regional
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measures with respect to special preferences given for Small and Medium Enterprises and Cooperatives (' <i>Usaha Mikro, Kecil, Menengah dan Koperasi</i> ' or UMKMK) in Indonesia <sup>1</sup> .
<b>Source of Measure</b>	: <i>Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises;</i>  <i>Law No. 25 of 1992 concerning Cooperatives;</i> and  Government policy.

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<sup>1</sup> For purpose of this reservation, the definition of Micro, Small, and Medium Sized Enterprises (UMKM) can be found in *Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises*, and the definition of Cooperatives can be found in *Law No. 25 of 1992 concerning Cooperatives*.

For illustrative purpose, the criteria for Micro, Small, and Medium Sized Enterprises, as stipulated in *Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises*, are as follows:

- (1) Criteria for Micro Enterprise are as follows:
  - a. has a net asset, excluding land and building, up to IDR 50 million; or
  - b. has an annual sales up to IDR 300 million.
- (2) Criteria for Small Enterprise are as follows:
  - a. has a net asset, excluding land and building, more than IDR 50 million up to IDR 500 million; or
  - b. has an annual sales more than IDR 300 million up to IDR 2.5 billion.
- (3) Criteria for Medium Enterprise are as follows:
  - a. has a net asset, excluding land and building, more than IDR 500 million up to IDR 10 billion; or
  - b. has an annual sales more than IDR 2.5 billion up to IDR 50 billion.
- (4) The nominal amount as determined in paragraph 1, 2, and 3 above may be changed due to the economic condition by the Presidential Regulation.

<b>7. Sector</b>	: <b>Fishery</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain measures for the establishment and operation of foreign investment in the following sub-sectors: <ul style="list-style-type: none"> <li>a. Partnership requirement: <ul style="list-style-type: none"> <li>• Fish hatcheries and fish rearings: Sea Fish, Brackishwater Fish, Freshwater Fish (ISIC 0502)</li> </ul> </li> <li>b. Recommendation or specific requirements by relevant authorities: <ul style="list-style-type: none"> <li>• Cultivation of coral/ornamental coral reef (ISIC 0150)</li> </ul> </li> </ul>
<b>Source of Measure</b>	: <i>Law No. 31 of 2004 as amended by Law No. 45 of 2009 concerning Fishery;</i>  <i>Law No. 5 of 1983 concerning Indonesia's Exclusive Economic Zone;</i>  <i>Presidential Regulation of the Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields that are Closed to Investment and Business Fields that are Conditionally Open for Investment;</i>  <i>Minister of Marine Affairs and Fisheries Regulation No. PER.05/MEN/2008 as amended by No. PER.12/MEN/2009 regarding Capture Fishery Business;</i>  <i>Minister of Marine Affairs and Fisheries Regulation No. PER.12/MEN/2007 regarding Aquaculture Business Licensing;</i>

*Minister of Marine Affairs and Fisheries  
Regulation No. PER.05/MEN/2009 concerning  
Aquaculture Business Scale;*

*Minister of Forestry Decree No. 447/Kpts-  
II/2003 concerning Procedures on Exploitation  
or Capturing and Distribution of Wild Plants  
and Animals; and*

Government policy.

<b>8. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Most-Favored Nation Treatment (Article 7.5) Performance Requirements (Article 7.8) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure relating to sectors other than those recognized or that should have been recognized owing to the circumstances at the time of entry into force of Investment Chapter by the Government of Indonesia.  Any sector classified explicitly in ISIC Rev.3 at the date of entry into force of this Agreement should have been recognized by the Government of Indonesia at that time.
<b>Source of Measure</b>	: Government policy.

<b>9. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to maintain any existing measures with respect to foreign investors or investments that have been overlooked, provided that the measures involved are already in force at the date of entry into force of this Agreement. When an overlooked measure is identified, it will be promptly inserted into Annex 1 of Indonesia's Schedule.  If an overlooked measure referred to in paragraph 1 is identified, Indonesia will provide the other Party with details of the measure and the opportunity for consultations at least 90 days before including it in its Schedule.  Indonesia will not withdraw a right or benefit from an investor that has made an investment in accordance with its laws and regulations, through the addition of an overlooked measure to its Schedule.
<b>Source of Measure</b>	: Government policy.

<b>10. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Regional
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: National Treatment may not apply to measures relating to the procedural aspect of investment implementation licenses/permits <sup>2</sup> at the provincial level <sup>3</sup> .
<b>Source of Measure</b>	: <i>Law No. 23 of 2014 concerning Local Government;</i>  <i>Provincial Regulations;</i> and  Government policy.

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<sup>2</sup> For illustrative purposes, this may include location permit and building permit.

<sup>3</sup> For purpose of this reservation, provincial level means the regional level of government.

<b>11. Sector</b>	: <b>Manufacturing, Agriculture, Fishery, Forestry</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Performance Requirements (Article 7.8) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure to address a food security emergency as declared under relevant legislation and only for the duration of the declared food security emergency.
<b>Source of Measure</b>	: Article 33 of <i>the 1945 Constitution of the Republic of Indonesia</i> ;  <i>Law No. 18 of 2012 concerning Foods</i> ;  <i>Government Regulation No. 17 of 2015 concerning Food Security and Nutrition</i> ; and  Government policy.



<b>12. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Most-Favored-Nation Treatment (Article 7.5) Performance Requirements (Article 7.8) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure with respect to mode 3 of services.
<b>Source of Measure</b>	: Government policy.

<b>13. Sector</b>	: <b>All Sectors</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central and Regional
<b>Type of Obligation</b>	: Most-Favored-Nation Treatment (Article 7.5)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure related to more favorable treatment accorded to investors of a non-party and their investment resulting from: <ul style="list-style-type: none"> <li>a) any existing or future preferential agreement or arrangement between or among ASEAN Member States.</li> <li>b) any existing agreement in force or signed prior to the date of entry into force of this Agreement; and</li> <li>c) any international agreement in force or signed after the date of entry into force of this Agreement, involving: <ul style="list-style-type: none"> <li>i. aviation;</li> <li>ii. fisheries; or</li> <li>iii. maritime matters, including salvage.</li> </ul> </li> </ul>
<b>Source of Measure</b>	: Government policy.

<b>14. Sector</b>	: <b>Manufacturing, Agriculture, Fishery, Forestry</b>
<b>Sub-Sector</b>	: -
<b>Industry Classification</b>	: -
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4) Most-Favored-Nation (Article 7.5) Performance Requirements (Article 7.8) Senior Management and Board of Directors (Article 7.9)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measures on the following line of business: <ul style="list-style-type: none"> <li>• Cultivation of marijuana (ISIC 0111)</li> <li>• Catching of fish species listed in Appendix I to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (ISIC 0500)</li> <li>• Lifting of valuable artifacts from shipwrecks (ISIC 6303)</li> <li>• Utilization (collection) of coral from nature for construction materials/lime/calcium, aquarium, and souvenirs/jewelry as well as living coral or dead coral (recently dead) coral from nature (ISIC 0500)</li> <li>• Chloral alkali making industry under mercury process (ISIC 2411)</li> <li>• Industry of pesticide active substances: Dichloro Diphenyl Trichloroethane (DDT), Aldrin, Endrin, Dieldrin, Chlordane, Heptachlor, Mirex, and Toxaphene (ISIC 2421)</li> <li>• Industrial chemical industry and Ozone Depleting Substances (BPO) : Polychlorinated Biphenyl (PCB), Hexachlorobenzene and Carbon Tetrachloride (CTC), Methyl Chloroform, Methyl Bromide, Trichloro Fluoro</li> </ul>

Methane (CFC-11), Dichloro Trifluoro Ethane (CFC-12), Trichloro Trifluoro Ethane (CFC-113), Dichloro Tetra Fluoro Ethane (CFC-114), Chloro Pentafluoro Ethane (CFC-115), Chloro Trifluoro Methane (CFC-13), Tetrachloro Difluoro Ethane (CFC-112), Pentachloro Fluoro Ethane (CFC-111), Chloro Heptafluoro Propane (CFC-217), Dichloro Hexafluoro Propane (CFC-216), Trichloro Pentafluoro Propane (CFC-215), Tetrachloro Tetrafluoro Propane (CFC-214), Pentachloro Trifluoro Propane (CFC-213), Hexachloro Difluoro Propane (CFC-211), Bromo Chloro Difluoro Methane (Halon-1211), Bromo Trifluoro Methane (Halon 1301), Dibromo Tetrafluoro Ethane (Halon-2402), R-500, R502 (ISIC 2411)

- Industry of chemicals listed in Schedule I of the Chemical Weapons Convention as incorporated in Appendix I to Law No. 9 of 2008 concerning Use of Chemicals as Chemical Weapons (ISIC 2411)
- Alcoholic hard liquor industry (ISIC 1551)
- Alcoholic beverages industry: Wine (ISIC 1552)
- Malt beverages industry (ISIC 1553).

**Source of Measure** : *Presidential Regulation of the Republic of Indonesia No. 44 of 2016 concerning Lists of Business Fields that are Closed to Investment and Business Fields that are Conditionally Open for Investment; and*

Government policy.

<b>15. Sector</b>	: <b>Energy</b>
<b>Sub-Sector</b>	: Small Scale Power Plant (less than or equal to 10 MW) other than those provided in Entry 18 of Annex I
<b>Industry Classification</b>	: ISIC 4010
<b>Level of Government</b>	: Central
<b>Type of Obligation</b>	: National Treatment (Article 7.4)
<b>Description of Measure</b>	: Indonesia reserves the right to adopt or maintain any measure with respect to investment in small scale power plant (less than or equal to 10 MW).
<b>Source of Measure</b>	: Government policy.