

FACTUAL PRESENTATION

**Economic Partnership Agreement
between
Japan and Indonesia
(Goods and Services)**

Report by the Secretariat

This report, prepared for the consideration of the Economic Partnership Agreement between Japan and Indonesia has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671).

Any technical questions arising from this report may be addressed to Ms. Jo-Ann Crawford (tel: +41 22 739 5422).

and be temporary in nature. Restrictions related to trade in services are to be applied on an MFN basis.

I. DOMESTIC REGULATION

100. Article 83 calls on the Parties to endeavour to ensure that measures relating to authorizations, licensing or qualification of services suppliers of the other Party are: based on objective and transparent criteria, such as the competence and the ability to supply the services; not more burdensome than necessary to ensure the quality of the services; and do not constitute a disguised restriction on the supply of the service.

J. RECOGNITION

101. Where a Party recognizes the education, experience, licenses or certifications obtained in a non-Party, it is not bound to accord this treatment to the other Party. The Party shall provide the other Party adequate opportunity to demonstrate that the education or experience obtained, requirements met, or licenses or certifications granted in the other Party should also be recognized (Article 84.3).

V. PROVISIONS AFFECTING TRADE IN GOODS, SERVICES AND INVESTMENT

A. COMPETITION

102. Chapter 11 contains provisions relating to competition. The Parties agree to promote competition by addressing anti-competitive activities. They agree to apply their competition laws and regulations in a manner which does not discriminate between persons in like circumstances on the basis of their nationality. In addition, they agree to implement administrative and judicial procedures in a fair manner to address anti-competitive activities, pursuant to their relevant laws and regulations.

✓ B. GOVERNMENT PROCUREMENT

103. Chapter 10 contains provisions relating to government procurement. The Parties agree to respond in a timely manner to reasonable requests for information from the other Party on its laws and regulations, policies and practices, as well as any reforms to its existing government procurement regimes (Article 124).²⁴ No thresholds for government procurement are established under the Agreement.

104. Article 125 provides for the establishment of a Sub-Committee on Government Procurement whose functions include reviewing and monitoring the implementation and operation of Chapter 10 of the Agreement; exchanging views on laws and regulations, policies and practices, and other mutually agreed issues regarding government procurement; discussing ways to facilitate cooperation between relevant entities of the Parties; reporting the findings of the Sub-Committee to the Joint Committee; and carrying out other functions as may be delegated by the Joint Committee.

C. INTELLECTUAL PROPERTY RIGHTS

105. Chapter 9 of the Agreement contains provisions governing intellectual property. The Parties agree to grant and ensure adequate, effective and non-discriminatory protection of intellectual property, promote efficiency and transparency in the administration of the intellectual property protection system, and provide for measures for enforcement of intellectual property rights against infringement, counterfeiting and piracy (Article 106.1). The Parties agree to accord each other national and MFN treatment in accordance with the TRIPS Agreement (Article 108). In addition to

²⁴ Japan is a signatory of the WTO Agreement on Government Procurement, Indonesia is not.

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Article 123
Sub-Committee on Intellectual Property

For the purposes of the effective implementation and operation of this Chapter, the functions of the Sub-Committee on Intellectual Property (hereinafter referred to in this Article as "the Sub-Committee") established in accordance with Article 15 shall be:

- (a) reviewing and monitoring the implementation and operation of this Chapter;
- (b) discussing any issues related to intellectual property with a view to enhancing protection of intellectual property and enforcement of intellectual property rights and to promoting efficient and transparent administration of intellectual property protection system;
- (c) exchanging views on the following issues:
 - (i) protection of genetic resources, traditional knowledge and folklore; and
 - (ii) liability of internet service providers;
- (d) reporting the findings of the Sub-Committee to the Joint Committee; and
- (e) carrying out other functions as may be delegated by the Joint Committee in accordance with Article 14.

Chapter 10
Government Procurement

Article 124
Exchange of Information

1. Each Party shall, subject to its laws and regulations, respond in a timely manner to reasonable requests from the other Party for information on its laws and regulations, policies and practices on government procurement, as well as any reforms to its existing government procurement regimes.
2. The exchange of information under paragraph 1 shall be facilitated through the following governmental authorities:
 - (a) for Japan, the Ministry of Foreign Affairs; and

- (b) for Indonesia, the State Ministry of National Development Planning (BAPPENAS).

Article 125

Sub-Committee on Government Procurement

1. For the purposes of the effective implementation and operation of this Chapter, the functions of the Sub-Committee on Government Procurement (hereinafter referred to in this Article as "the Sub-Committee") established in accordance with Article 15 shall be:
 - (a) reviewing and monitoring the implementation and operation of this Chapter;
 - (b) exchanging views on laws and regulations, policies and practices, and other mutually agreed issues regarding government procurement;
 - (c) discussing ways to facilitate cooperations between relevant entities of the Parties in the field of government procurement;
 - (d) reporting the findings of the Sub-Committee to the Joint Committee; and
 - (e) carrying out other functions as may be delegated by the Joint Committee in accordance with Article 14.
2. The decision by each Party on the composition of representatives of the Government of the Party to the Sub-Committee, shall be facilitated by its governmental authority referred to in paragraph 2 of Article 124.

Chapter 11
Competition

Article 126
Promotion of Competition
by Addressing Anti-competitive Activities

Each Party shall, in accordance with its laws and regulations, promote competition by addressing anti-competitive activities, in order to facilitate the efficient functioning of its market.

Note: For the purposes of this Chapter, the term "anti-competitive activities" means any conduct or transaction that may be subject to penalties or relief under the competition laws and regulations of either Party.