



Committee on Regional Trade Agreements

FACTUAL PRESENTATION

COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE EFTA STATES AND
INDONESIA
(GOODS AND SERVICES)

Report by the Secretariat

This report, prepared for the consideration of the Comprehensive Economic Partnership Agreement between the EFTA States and Indonesia, has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. 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) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

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Key Facts

Parties to the Agreement:	Iceland, Indonesia, Liechtenstein, Norway and Switzerland
Date of Signature:	16 December 2018
Date of Entry into Force:	1 November 2021
Date of Notification:	26 April 2022
Full implementation:	1 January 2034

1 TRADE ENVIRONMENT

1.1. The Free Trade Agreement between the EFTA States (Iceland, Liechtenstein, Norway and Switzerland), and Indonesia (hereinafter "the Agreement") is one of EFTA's 31 RTAs and Indonesia's 13 notified RTAs.¹

1.1 Merchandise trade

1.2. In 2021, Switzerland was the largest importer and exporter of goods among the Parties (ranking 15th in the world) followed by Indonesia (22nd), Norway (26th for imports and 24th for exports) and Iceland (89th for imports and 88th for exports) (Table 1.1).

Table 1.1 Parties' rankings in world and bilateral trade

Party	Goods, 2021		Services, 2020	
	Import	Export	Import	Export
World ranking				
Iceland	89	88	71	57
Norway	26	24	17	18
Switzerland	15	15	8	8
Indonesia	22	22	25	29

Note: Excluding intra-EU trade.

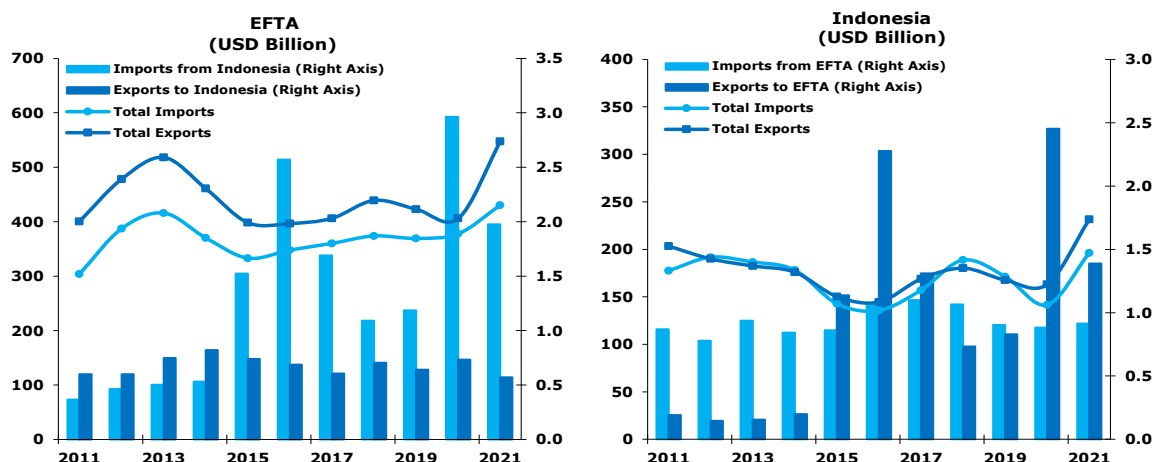
Source: WTO Trade Profiles and UNSD Comtrade database.

1.3. In the period 2011-2021, EFTA as a whole recorded a global merchandise trade surplus with exports of USD 547 billion and imports of USD 430 billion in 2021 (Chart 1.1). In the same period, Indonesia's global merchandise trade balance fluctuated between surplus and deficit with exports totalling USD 232 billion and imports equal to USD 196 billion. Trade between the Parties is small with Indonesia accounting for 0.5% of EFTA imports and 0.1% of EFTA exports in 2021. Similarly, EFTA as a whole accounted for 0.5% of Indonesia's imports and 0.6% of exports in 2021. The bars in Chart 1.1 show that the bilateral trade balance tended to be in favour of EFTA until 2014 and reversed afterwards.²

¹ In addition to the RTAs concluded as EFTA, Iceland, Liechtenstein and Norway have 3 separate bilateral RTAs with other parties and Switzerland has 5.

² Data as reported by Indonesia to COMTRADE shows a deficit for Indonesia also in 2018 and 2019.

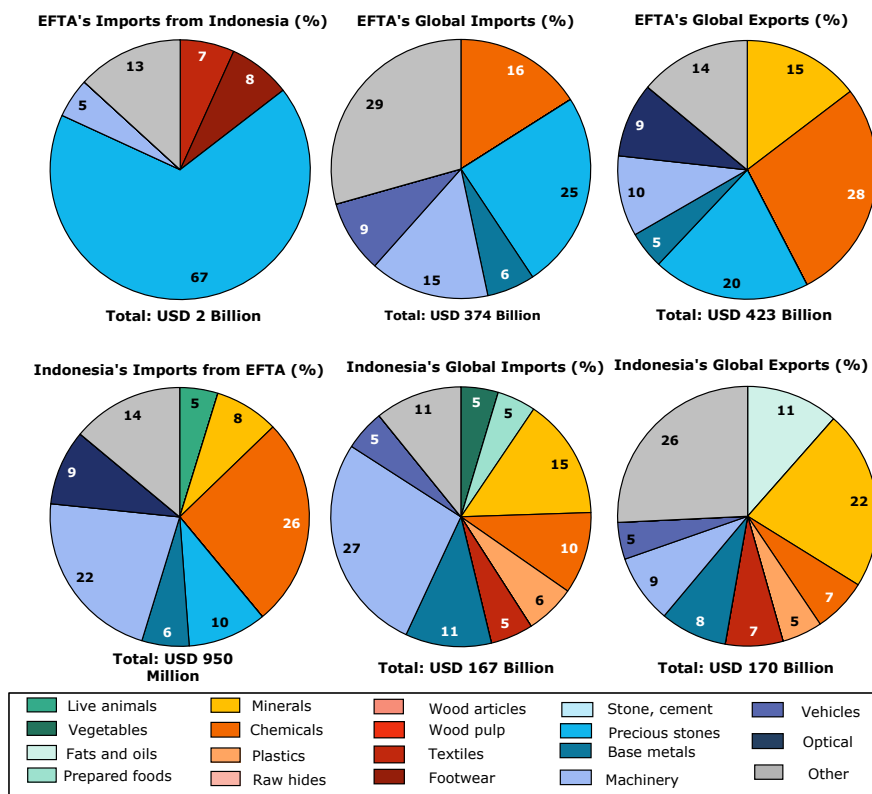
Chart 1.1 EFTA-Indonesia: Merchandise bilateral trade and with world (2011-2021)



Source: UNSD Comtrade, March 2023.

1.4. The commodity structure of global and bilateral trade of the Parties in the period 2018-2020 is shown in Chart 1.2 on the basis of Harmonized System (HS) sections. EFTA's imports from Indonesia were less diversified than its global imports with precious stones accounting for more than two thirds of goods imports from Indonesia. Indonesia's largest exports were minerals, stone and cement and base metals respectively accounting for 22%, 11% and 8% of its global exports. Indonesia mainly imports machinery (27%), minerals (15%) and base metals (11%) from the world. The three largest imports by Indonesia from EFTA were chemicals, machinery and precious stones, with shares between 26% and 10% of bilateral imports. Chemicals, precious stones and minerals were also EFTA's largest global exports at 28%, 20% and 15% of its global exports, respectively.

Chart 1.2 EFTA-Indonesia: Product composition of merchandise trade (by HS Section), annual average 2018-2020



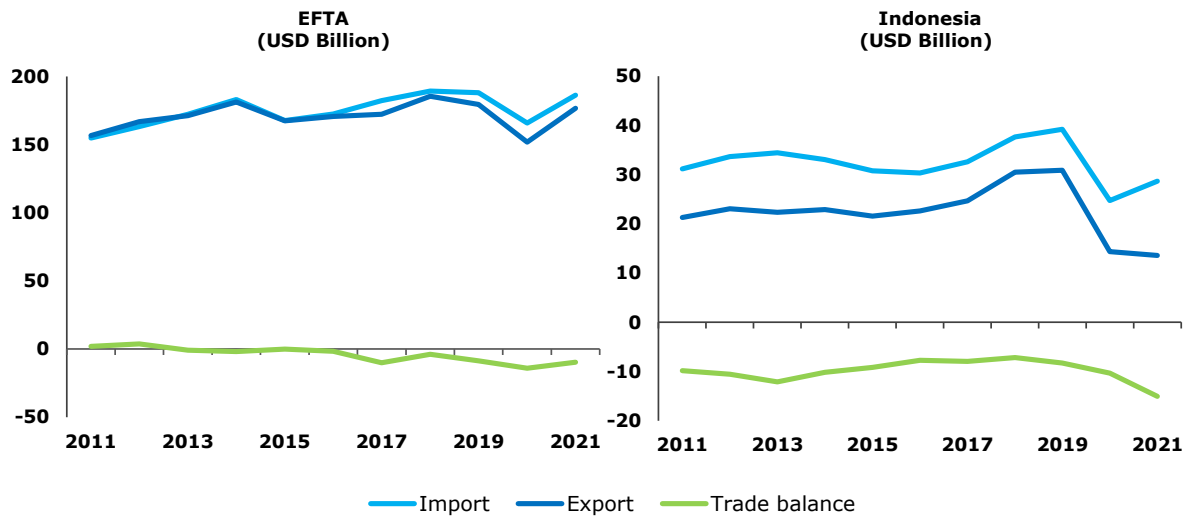
Source: UNSD Comtrade, March 2023.

1.2 Trade in services and investment

1.5. In 2020, Switzerland was the largest importer and exporter of services among the Parties (ranking 8th in the world) followed by Norway (17th for imports and 18th for exports), Indonesia (25th for imports and 29th for exports) and Iceland (71st for imports and 57th for exports) (Table 1.1).

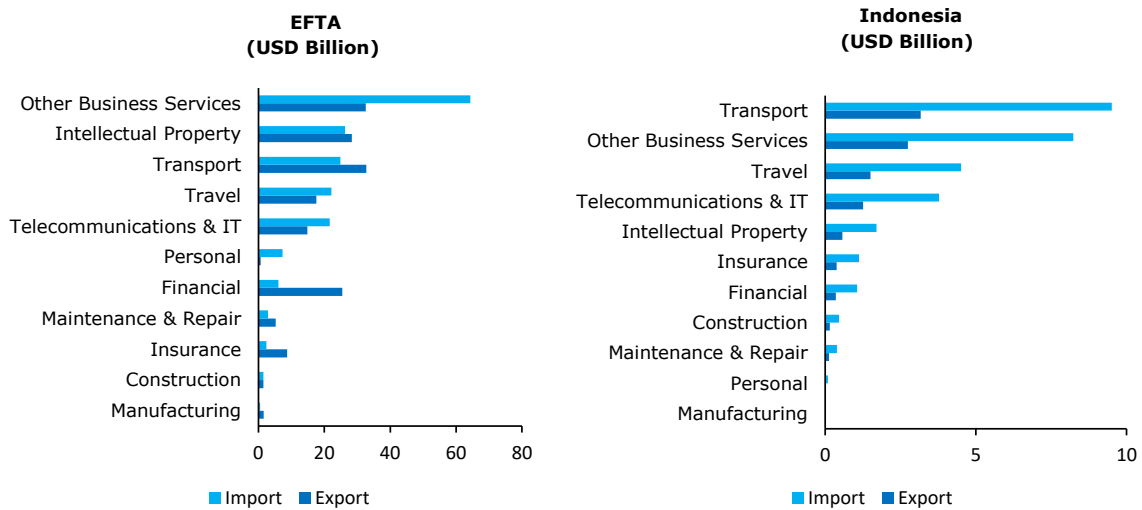
1.6. Chart 1.3 depicts EFTA's and Indonesia's global trade in commercial services for the period 2017-2021. EFTA imports and exports remained relatively stable over the period with a trade surplus turning into a deficit in 2012. Indonesia's exports and imports also remained relatively stable over the period with the exception of 2020 and 2021 when both flows decreased. Indonesia registered a global trade deficit throughout the period.

Chart 1.3 EFTA and Indonesia: Global trade in commercial services, 2017-2021



Source: Indonesian authorities and WTO Statistics database, March 2023.

1.7. Chart 1.4 shows the composition of global trade in services of the Parties. Other business services, charges for the use of intellectual property and transport services are the largest imports and exports of EFTA with shares between 36% (imports of other business services) and 14% (imports of transport services) of its total exports or imports. Transport services, other business services and travel services are the largest imports and exports of Indonesia with shares between 31% (imports of transport services) and 15% (exports of travel services) of its total exports or imports.

Chart 1.4 EFTA and Indonesia: Commercial services trade with world, by category (2019-2021)

Note: Imports data for manufacturing services for Indonesia was sourced from the WTO Statistics database.

Source: WTO Statistics database, March 2023 and Indonesian authorities (for Indonesia in 2019 and 2020).

1.8. Data provided by Indonesia show a bilateral trade in services surplus in favour of EFTA States for the period 2018-2020 (Table 1.2). Switzerland (including Liechtenstein) is Indonesia's largest trading partner among EFTA States. Other business services were the largest exported services to EFTA in 2018 and 2020 and the largest imported services throughout the period, while travel services were the largest exported services in 2019.

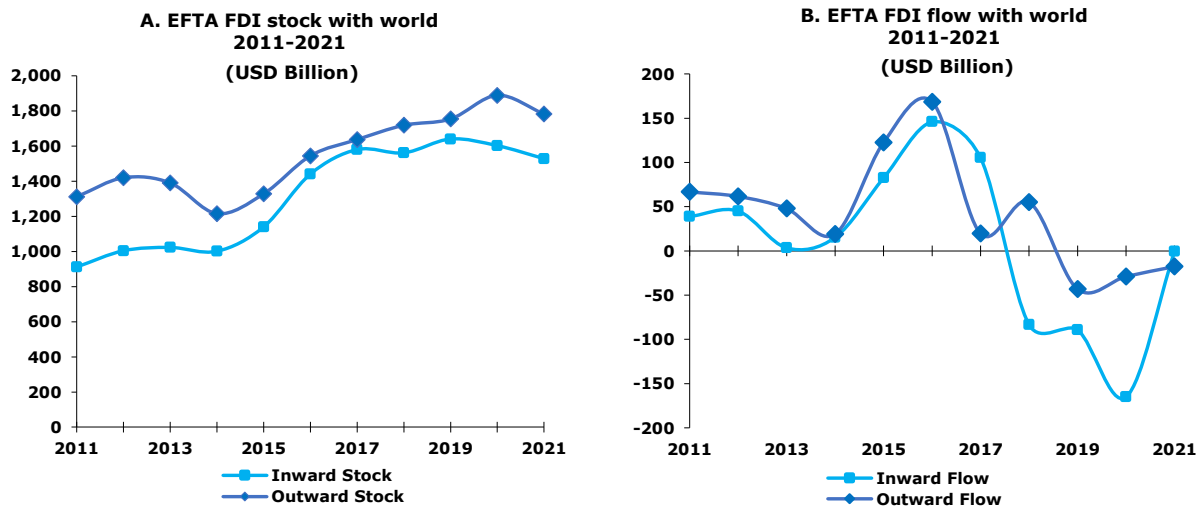
Table 1.2 Indonesia: bilateral trade in commercial services with EFTA, 2018-2020

Services Category (in USD Millions)	Export			Import		
	2018	2019	2020	2018	2019	2020
Total Commercial Services	110.2	264.6	142.4	318.5	287.5	343.1
Other business services	74.7	75.8	58.8	218.2	184.4	238.1
Charges for the use of intellectual property n.i.e.	0.6	0.6	0.7	41.6	43.4	38.1
Telecommunication, computer and information services	4.3	4.9	5.4	31.4	33.7	36.6
Insurance and pension services	2.2	1.4	2.0	8.6	12.0	19.5
Transport	21.6	63.6	48.4	13.5	8.3	7.1
Maintenance and repair services not included elsewhere (n.i.e.)	2.5	3.6	3.7	4.1	4.7	2.7
Financial services	1.2	0.7	0.9	0.8	0.6	0.7
Personal cultural and recreational services	0.9	1.3	0.7	0.2	0.2	0.2
Construction services	0.5	0.6	0.4	0.1	0.2	0.2
Travel	0.0	110.5	19.8	0.0	0.0	0.0
Manufacturing services on physical inputs owned by others	1.7	1.6	1.7	n/a	n/a	n/a

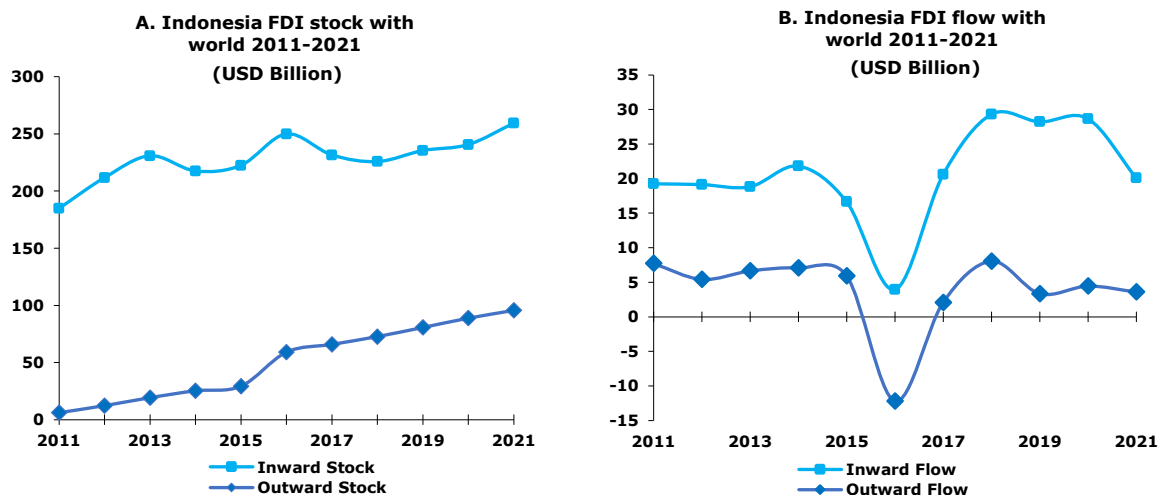
Note: Imports data for manufacturing services on physical inputs owned by others not available.

Source: Indonesian authorities.

1.9. Chart 1.5 and Chart 1.6 depict the Parties' global foreign direct investment stocks and flows for the period 2011-2021. Inward and outward stocks of both Parties increased throughout with EFTA being a net source of global FDI stocks and Indonesia a net recipient. EFTA's FDI flows with the world fluctuated considerably in the period while Indonesia's flows were relatively stable (except for a substantial drop in 2016).

Chart 1.5 EFTA: FDI stock and flow with world, 2011-2021

Source: UNCTAD Stat.

Chart 1.6 Indonesia: FDI stock and flow with world, 2011-2021

Source: For outward stocks and flows, UNCTAD STAT. For inward stocks and flows, Indonesian authorities (2018-2020) and UNCTAD Stat (2011-2017, 2021).

2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

2.1 Background Information

2.1. The Agreement was signed on 16 December 2018 and entered into force on 1 November 2021. It was notified to the WTO under Article XXIV:7(a) of the GATT 1994 and Article V:7(a) of the GATS initially on 26 April 2022.

2.2. The text of the Agreement is available, together with its Annexes, on the following websites:

EFTA: <https://www.efta.int/free-trade/Free-Trade-Agreement/Indonesia>

Indonesia: <https://ditjenppi.kemendag.go.id/index.php/bilateral/eropa/efta>

2.3. The Agreement is composed of 12 Chapters, 17 Annexes, two records of understanding and one memorandum of understanding as follows:

Box 2.1 Structure of the Agreement

Chapter/Annex number	Chapter/Annex name
Preamble	
Chapter 1	General provisions
Chapter 2	Trade in goods
Chapter 3	Trade in services
Chapter 4	Establishment
Chapter 5	Protection of intellectual property
Chapter 6	Government procurement
Chapter 7	Competition
Chapter 8	Trade and sustainable development
Chapter 9	Cooperation
Chapter 10	Institutional provisions
Chapter 11	Dispute settlement
Chapter 12	Final provisions
Annexes	
Annex I	Rules of origin and mutual administrative cooperation in customs matters
Annex II	Schedule of tariff commitments on goods - Indonesia to EFTA
Annex III	Schedule of tariff commitments on goods - Iceland to Indonesia
Annex IV	Schedule of tariff commitments on goods - Norway to Indonesia
Annex V	Schedule of tariff commitments on goods - Switzerland to Indonesia
Annex VI	Trade facilitation
Annex VII	Mandate of the Sub-Committee on trade in Goods
Annex VIII	List of MFN Exemptions
Annex IX	Movement of natural persons supplying services
Annex X	Recognition of qualifications of service suppliers
Annex XI	Recognition of certificates of competency and training of seafarers on boards vessels registered in Switzerland
Annex XII	Schedules of Specific Commitments
Annex XIII	Telecommunication Services
Annex XIV	Financial Services
Annex XV	Tourism and travel services

Chapter/Annex number	Chapter/Annex name
Annex XVI	List of reservations
Annex XVII	Protection of Intellectual Property
	Record of understanding concerning patents
	Record of understanding relating to Annex on financial services
	Memorandum of understanding on cooperation and capacity building

Source: WTO Secretariat, based on the Agreement.

2.4. The Agreement establishes a comprehensive economic partnership, including a free trade area based on trade relations between market economies (Article 1.1). It applies to Indonesia on the one side and the individual EFTA States (Iceland, Liechtenstein, Norway and Switzerland) on the other side but not to trade and economic relations between individual EFTA States, unless otherwise provided for in the Agreement (Article 1.4).³

3 PROVISIONS ON TRADE IN GOODS

3.1 Import duties and charges, and quantitative restrictions

3.1. Chapter 2 contains provisions specific to trade in goods.

3.2. No Party may adopt or maintain any prohibition or restriction on the importation of a product to another Party, except for measures in accordance with paragraph 2 of Article XI of the GATT 1994 (Article 2.7). Measures in accordance with paragraph 2 of Article XI of the GATT 1994 require notification to the Joint Committee; they shall be temporary and may not go beyond what is necessary to deal with the circumstances.⁴

3.1.1 General provisions

3.3. The general elimination of all import prohibitions or restrictions on trade in goods between the Parties, other than customs duties and taxes or other charges, whether made effective through quotas, import licences or other measures, as in Paragraph 1 of Article XI of the GATT 1994, applies and is incorporated into and made part of the Agreement (Article 2.7).

3.4. Article VII of the GATT 1994 (on customs valuation), as well as the WTO Agreement on Customs Valuation, the WTO Agreement on Import Licensing Procedures, Article VIII of the GATT 1994 (on fees and formalities) and Article III of the GATT 1994 (on national treatment on internal taxation and regulations) are all incorporated into and made part of the Agreement, *mutatis mutandis* (Articles 2.5, 2.6, 2.8, and 2.9). In addition, and to complement the disciplines of the GATT 1994, Annex VI to the Agreement (on trade facilitation) provides for complementary rules and disciplines.

3.5. Article 2.6 incorporates the WTO Agreement on Import Licensing Procedures, *mutatis mutandis*. Each Party shall ensure that import licensing procedures are implemented in a transparent, non-discriminatory fair and equitable, predictable and least trade-restrictive manner. Upon entry into force of the Agreement, each Party shall promptly notify the other Parties of existing import licensing procedures and any new import licensing procedures as well as modifications to existing import licensing procedures. The Parties shall exchange contact points responsible for the issuance of import licenses in order to facilitate communication and exchange of information on a regular basis.

³ The Agreement does not apply to the Norwegian territory of Svalbard, with the exception of trade in goods (Article 1.3). As a result of the Customs Treaty of 29 March 1923 between Switzerland and Liechtenstein, Switzerland represents Liechtenstein in matters covered thereby (Article 1.4).

⁴ The Parties shall endeavour to terminate measures no later than three years after their imposition.

3.1.2 Liberalization of trade and tariff lines

3.6. Unless otherwise provided in the Agreement, no Party shall increase import duties, or introduce new import duties, on goods originating in another Party covered by the Agreement (Article 2.2).⁵

3.7. The Parties schedules of tariff commitments are included in Annexes II to V.

3.1.3 Liberalization schedule

3.1.3.1 EFTA

3.1.3.1.1 Iceland

3.8. Table 3.1 shows tariff elimination commitments by Iceland with respect to Indonesia. Before the entry into force of the Agreement, 8,244 lines were duty free on an MFN basis, representing 88.9% of its tariff, and corresponding to 99.9% of its imports from Indonesia during 2018-2020.⁶ At the entry into force of the Agreement, an additional 575 lines (6.2% of the tariff) became duty-free for imports from Indonesia. 453 tariff lines (4.9% of the tariff) remain dutiable.

Table 3.1 Iceland: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period ^a	Tariff lines		Imports from Indonesia (2018-2020)	
	Number	%	Value (USD million)	%
MFN (2022)	8,244	88.9	10.3	99.9
Entry into force	575	6.2	0.0	0.1
Remain dutiable	453	4.9	0.0	0.0
Total	9,272	100.0	10.3	100.0

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.

Note: Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

3.9. Table 3.2 shows Iceland's tariff elimination, by HS Section with regard to Indonesia. The 453 lines that remain subject to duties are in Sections I (live animals), II (vegetable products), III (animal products)⁷ and IV (prepared food), with average applied tariffs between 24.3% and 30%. All preferential *ad valorem* rates remain equal to the corresponding MFN rate, as illustrated in Chart 3.1.

Table 3.2 Iceland: Tariff elimination under the Agreement, by HS Section

HS Section	MFN (2022) ^a			Agreement		Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines	Duty Free 2022	Remain Dutiable	
I	7.6	962	698	35	229	29.8
II	12.9	491	302	93	96	30.0
III	0.0	117	113	1	3	*
IV	8.7	1,260	689	446	125	24.3
V	0.0	191	191			
VI	0.0	1,175	1,175			
VII	0.0	386	386			
VIII	0.0	123	123			
IX	0.0	322	322			
X	0.0	191	191			
XI	0.0	917	917			

⁵ Import duties are defined as any customs duties and charges of any kind, including taxes and surcharges, imposed in connection with the importation of goods, except duties and charges imposed in conformity with Articles III and VIII of the GATT 1994 as well as anti-dumping duties that are applied pursuant to Article VI of the GATT 1994 and in accordance with Article 2.15.

⁶ Of the 9,272 lines in Iceland's schedule, 8,777 (94.7%) were *ad valorem* while 57 lines (0.6%) were specific and 438 (4.7%) were compound.

⁷ All remaining dutiable lines have specific duties and are excluded from the calculation of average rates.

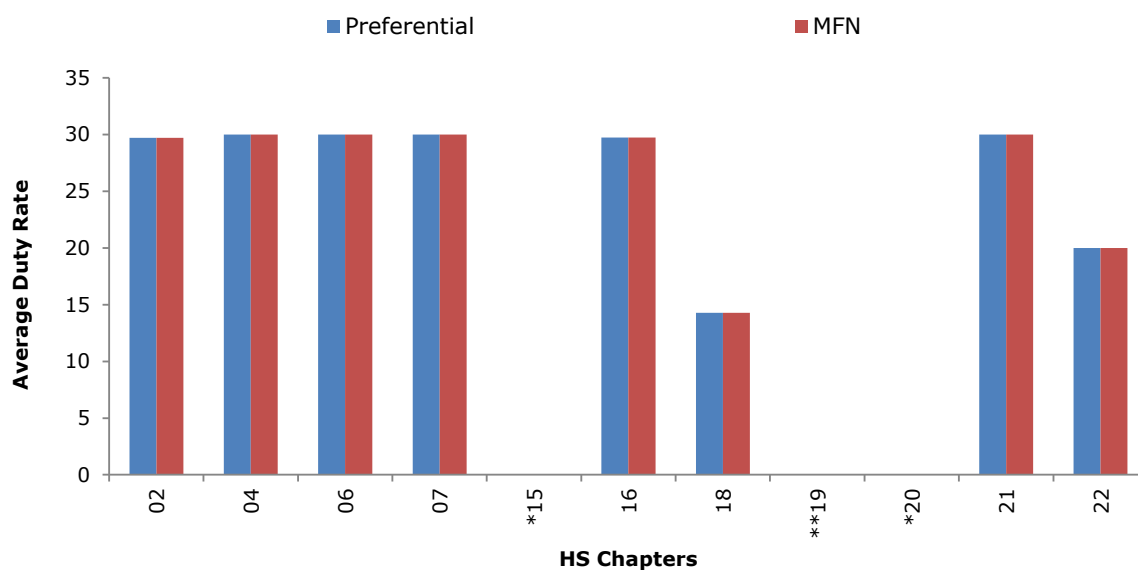
HS Section	MFN (2022) ^a			Agreement		Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines	Duty Free 2022	Remain Dutiable	
XII	0.0	72	72			
XIII	0.0	188	188			
XIV	0.0	63	63			
XV	0.0	689	689			
XVI	0.0	1,183	1,183			
XVII	0.0	436	436			
XVIII	0.0	227	227			
XIX	0.0	25	25			
XX	0.0	217	217			
XXI	0.0	37	37			
Total	2.6	9,272	8,244	575	453	28.7

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.
* contains specific duties only.

Note: For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included.
Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

Chart 3.1 Iceland: Average of dutiable rates, by HS Chapter



* HS Chapters 15 and 20 contain specific duties only.

** The *ad valorem* components of 2 tariff lines out of 13 lines remaining dutiable in Chapter 19 were eliminated maintaining specific duties in the Agreement.
For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included.
Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

3.1.3.1.2 Norway

3.10. Table 3.3 shows tariff elimination commitments by Norway with respect to Indonesia. Before the entry into force of the Agreement, 6,323 lines were duty free on an MFN basis, representing 85.4% of its tariff, and corresponding to 82.7% of its imports from Indonesia during 2018-2020.⁸ At the entry into force of the Agreement, an additional 373 lines (5% of the tariff and 16% of

⁸ Of the 7,405 lines in Norway's schedule, 6,683 (90.3%) were *ad valorem* while 669 lines (9%) were specific, 2 (0.03%) were compound and 51 (0.7%) had other duties.

imports) became duty-free for imports from Indonesia. 709 tariff lines (4.9% of the tariff and 1.4% of imports) remain dutiable.

Table 3.3 Norway: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period ^a	Tariff lines		Imports from Indonesia (2018-2020)	
	Number	%	Value (USD million)	%
MFN (2022)	6,323	85.4	147.6	82.7
Entry into force	373	5.0	28.5	16.0
Remain dutiable	709	9.6	2.4	1.4
Total	7,405	100.0	178.6	100.0

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.

Note: Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

3.11. Table 3.4 shows Norway's tariff elimination, by HS Section with regard to Indonesia. The 373 lines that remain subject to duties are in Sections I (live animals), II (vegetable products), III (animal products), IV (prepared food) and VI (chemicals), with average applied tariffs between 13.4% and 356.9%. With the exception of Chapters 02 (meat), 04 (dairy products), 06 (live trees and flowers), 15 (oils) and 21 (edible preparations), all preferential rates remain equal to the corresponding MFN rate, as illustrated in Chart 3.2.

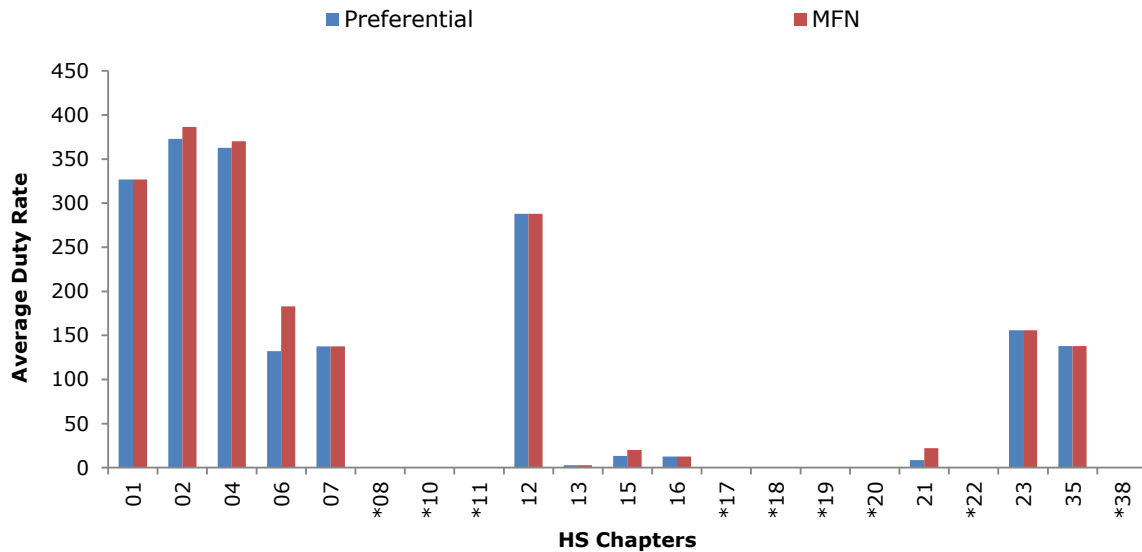
Table 3.4 Norway: Tariff elimination under the Agreement, by HS Section

HS Section	MFN (2022) ^a			Agreement		Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines	Duty Free 2022	Remain Dutiable	
I	14.6	602	404	11	187	356.9
II	15.7	594	309	43	242	135.0
III	5.0	135	53	31	51	13.4
IV	2.3	458	210	38	210	83.3
V	0.0	190	190			
VI	0.5	1,072	1,053		19	138.1
VII	0.0	288	288			
VIII	0.0	88	88			
IX	0.0	225	225			
X	0.0	167	167			
XI	2.6	882	632	250		
XII	0.0	60	60			
XIII	0.0	179	179			
XIV	0.0	56	56			
XV	0.0	661	661			
XVI	0.0	1,025	1,025			
XVII	0.0	242	242			
XVIII	0.0	224	224			
XIX	0.0	24	24			
XX	0.0	214	214			
XXI	0.0	19	19			
Total	2.3	7,405	6,323	373	709	199.8

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.

Note: For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

Chart 3.2 Norway: Average of dutiable rates, by HS Chapter

* HS Chapters 8, 10, 11, 17-20, 22 and 38 contain specific duties only. Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

3.1.3.1.3 Switzerland

3.12. Table 3.5 shows tariff elimination commitments by Switzerland with respect to Indonesia. Before the entry into force of the Agreement, 2,408 lines were duty free on an MFN basis, representing 27.4% of its tariff, and corresponding to 55.6% of its imports from Indonesia during 2018-2020.⁹ At the entry into force of the Agreement, an additional 5,159 lines (58.7% of the tariff and 44% of imports) became duty-free for imports from Indonesia. 1,227 tariff lines (5.8% of the tariff and 0.4% of imports) remain dutiable.

Table 3.5 Switzerland: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period ^a	Tariff lines		Imports from Indonesia (2018-2020)	
	Number	%	Value (USD million)	%
MFN (2022)	2,408	27.4	864.7	55.6
Entry into force	5,159	58.7	685.1	44.0
Remain dutiable	1,227	14.0	5.8	0.4
Total	8,794	100.0	1,555.5	100.0

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.

Note: Tariff lines subject to MFN in-quota rates are excluded in the tariff line count. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

⁹ Of the 9,272 lines in Switzerland's schedule, 8,777 (94.7%) were *ad valorem* while 57 lines (0.6%) were specific and 438 (4.7%) were compound.

3.13. Table 3.6 shows Switzerland's tariff elimination, by HS Section with regard to Indonesia. The 1,227 lines that remain subject to duties are in Sections I (live animals), II (vegetable products), III (animal products), IV (prepared food) and VI (chemicals). All those lines are subject to specific duties for which *ad valorem* equivalents are not available.

Table 3.6 Switzerland: Tariff elimination under the Agreement, by HS Section

HS Section	MFN (2022) ^a			Agreement		Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines	Duty Free 2022	Remain Dutiable	
I	...	487	224	82	181	...
II	...	1,057	235	259	563	...
III	...	209	76	13	120	...
IV	...	638	123	160	355	...
V	...	182	121	61		
VI	...	1,146	461	677	8	...
VII	...	245	34	211		
VIII	...	74	15	59		
IX	...	181	22	159		
X	...	181	27	154		
XI	...	1,091	543	548		
XII	...	60		60		
XIII	...	172	2	170		
XIV	...	63	7	56		
XV	...	912	39	873		
XVI	...	1,339	292	1,047		
XVII	...	277	35	242		
XVIII	...	238	98	140		
XIX	...	26		26		
XX	...	197	36	161		
XXI	...	19	18	1		
Total	...	8,794	2,408	5,159	1,227	...

a The entry into force of the Agreement is November 2021. Data from 2022 has been used.

... Not available: Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents are not available.

Note: Tariff lines subject to in-quota rates are excluded in the tariff line count. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

3.1.3.2 Indonesia

3.14. Table 3.7 shows tariff elimination commitments by Indonesia with respect to EFTA States. Before the entry into force of the Agreement, 1,302 lines were duty free on an MFN basis, representing 12% of its tariff, and corresponding to 0.2% of its imports from Iceland, 37.1% from Norway and 34.6% from Switzerland and Liechtenstein during 2018-2020.¹⁰ At the entry into force of the Agreement, an additional 2,774 lines (25.7% of the tariff) became duty-free for imports from EFTA States. 2,855 lines will become duty free in 2025, 2,855 in 2030 and 414 in 2032. 1,712 tariff lines (15.8% of the tariff) will remain dutiable corresponding to 1.7%, 0.7% and 6.5% of imports from Iceland, Norway and Switzerland and Liechtenstein respectively.

¹⁰ Of the 10,813 lines in Indonesia's schedule, 10,786 (99.75%) were *ad valorem* while 27 lines (0.25%) were specific.

Table 3.7 Indonesia: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Tariff lines in Indonesia's tariff schedule		Indonesia's imports from EFTA partners Value in million USD (Average imports 2018-2020)					
			Iceland		Norway		Liechtenstein/Switzerland	
	Number	%	Value	%	Value	%	Value	%
2021 (MFN)	1,302	12.0	0.0	0.2	69.1	37.1	262.2	34.6
2021	2,774	25.7	0.2	2.8	46.3	24.9	258.7	34.1
2025	2,855	26.4	0.1	1.4	17.6	9.4	128.5	17.0
2030	1,756	16.2	5.1	90.3	46.1	24.8	44.3	5.8
2032	414	3.8	0.2	3.6	5.6	3.0	15.2	2.0
Remain dutiable	1,712	15.8	0.1	1.7	1.3	0.7	49.3	6.5
TOTAL	10,813	100.0	5.7	100.0	186.0	100.0	758.1	100.0

Note: Tariff lines subject to in-quota rates are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities.

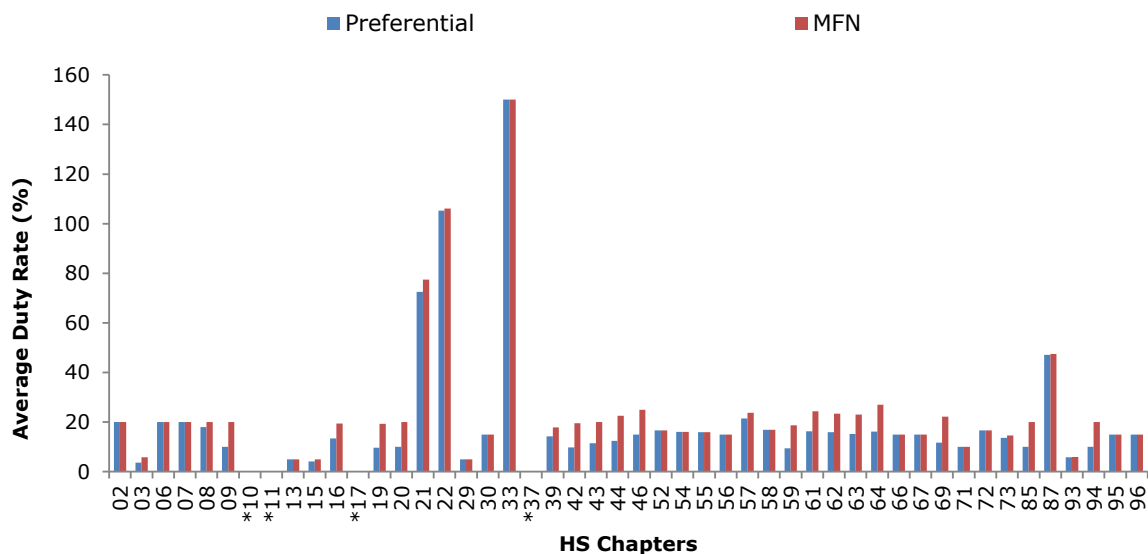
3.15. Table 3.8 shows Indonesia's tariff elimination, by HS Section with regard to EFTA States. The 1,712 lines that remain subject to duties are in all Sections except for Sections V (minerals), X (pulp of wood), XVIII (optical instruments) and XXI (works of art). Average applied tariffs range from 3.8% in Section I (live animals) to 58.2% in Section IV (prepared food). Chart 3.3 compares preferential and MFN *ad valorem* rates of the remaining dutiable lines at the HS Chapter level.

Table 3.8 Indonesia: Tariff elimination under the Agreement, by HS Section

HS Section	MFN 2021			Lines under the Agreement					Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines	Duty Free in				Remain Dutiable	
				2021	2025	2029	2032		
I	5.3	589	33	186	94	67	95	114	3.8
II	5.3	491	52	342	47	11	8	31	16.9
III	4.3	175	25	79	66		2	3	4.2
IV	23.6	470	10	77	149	49	46	139	58.2
V	3.2	218	85	129	1	3			
VI	5.0	1,259	194	688	285	82	2	8	56.7
VII	9.3	565	8	152	169	188	29	19	14.2
VIII	8.6	91	31	9	10	17	9	15	10.2
IX	5.1	228	117	26	55	4	7	19	14.7
X	4.5	300	45	145	97	13			
XI	15.3	1,175	6	136	249	246	44	494	16.6
XII	16.4	84		1	21	24	10	28	16.1
XIII	9.2	250	2	80	79	46	1	42	11.7
XIV	7.0	86	18	19	19	21	6	3	10.0
XV	9.4	1,035	129	149	223	168	87	279	15.8
XVI	5.6	2,133	439	409	912	339	28	6	10.0
XVII	26.1	1,033	71	20	151	322	3	466	47.1
XVIII	5.6	326	30	96	168	32			
XIX	6.0	30						30	5.8
XX	10.7	267	5	30	56	123	37	16	12.2
XXI	4.4	8	2	1	4	1			
Total	10.1	10,813	1,302	2,774	2,855	1,756	414	1,712	26.9

Note: Tariff lines subject to in-quota rates are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities.

Chart 3.3 Indonesia: Average of dutiable rates, by HS Chapter

* HS Chapters 10, 11, 17 and 37 contain specific duties only. Tariff lines subject to in-quota rates are excluded in the computation. Based on the HS 2017 nomenclature

Source: WTO estimates based on the data provided by the Indonesian authorities.

3.1.4 Tariff rate quotas

3.16. Norway and Switzerland maintain tariff rate quotas (TRQ) on 21 and 10 tariff lines respectively within the limits of their WTO commitments. For Switzerland, in-quota preferences are zero for four lines while all other lines have duties lower than MFN. Norway eliminates in-quota duties for all products subject to TRQs except for four lines; out of quota preferences are the applied MFN rates except for three lines which have lower preferential duties. Iceland does not have preferential TRQs. Indonesia maintains TRQs on three lines with MFN rates reduced by 50% in quota and 40% out of quota. Table A2.1, Table A2.2 and Table A2.3 in Appendix 2 provide details.

3.2 Rules of origin

3.17. The rules of origin and methods of administrative cooperation are set out in Annex I to the Agreement (Article 2.4).

3.18. Article 2 of Annex I states that a product is considered as originating in a Party if:¹¹

- it has been wholly obtained in a Party,¹²
- the non-originating materials used in production in a Party satisfy the requirements provided for in Article 4 (sufficient working or processing), or
- it has been produced in a Party exclusively from materials originating in one or more Parties.

3.19. Article 4 of the Annex states the working or processing which must be carried out on non-originating materials used in the manufacturing the final product in order for it to be considered originating. Appendix 1 to Annex I contains product specific rules. For agricultural products, the products are originating if they are wholly obtained or if their transformation involves a change in tariff heading. For industrial goods, a change in tariff heading is the main requirement but in some

¹¹ Unless otherwise specified, all Articles in this section refer to Articles of Annex I.

¹² Article 3 of Annex I lists the categories of products to be considered as wholly obtained.

cases products can alternatively be considered originating if third-party materials do not exceed 70% (40% for Chapter 91) of the ex-works price of the product.

3.20. Notwithstanding these requirements, materials that do not meet a required change in tariff classification may nevertheless be considered originating if their value does not exceed 20% of the value of the ex-works price of the good produced and no maximum value of non-originating materials in Appendix 1 is exceeded.

3.21. Cumulation of origin is governed by Article 6 and authorized bilaterally. An exported product originating in a Party, which does not undergo working or processing beyond those referred to in paragraph 1 of Article 5, shall retain its origin. Where materials originating in two or more Parties are used in the manufacture of a product and these materials have not undergone any working or processing beyond the operations referred to in Article 5, the origin of the product is determined by the material with the highest customs value, or if this cannot be ascertained, with the highest first ascertainable price paid for that material in that Party.

3.22. Section II of Annex I clarifies the principle of territoriality applicable to the Agreement, including for operations carried out in a third-party, under outward processing procedures or a similar arrangement (Article 10 of Annex I). The acquisition of originating status of a product shall not be affected by operations carried out in a non-party, under an outward processing procedure or a similar arrangement, if the re-imported product has been obtained from the exported materials, the total added value acquired in the non-party does not exceed 20% of the ex-works price of the product and, taken together, the total value of the non-originating materials incorporated in the Party and the total added value acquired outside the Party concerned does, not exceed the value allowed in accordance with product specific rules. Article 11 covers direct transport.

3.23. Section III addresses proof of origin and contains the origin declaration and disciplines applicable to representation and approved exporters. Provisions on importation requirements exemption from origin declaration and denial of preferential treatment are contained in Section IV, while Section V sets out obligations of importers and exporters. Section VI covers administrative cooperation and requires exchange of information on competent authorities and details of approved exporters as well as information on the interpretation, application and administration of the Annex. Rules on penalties, including criminal, civil and administrative penalties and provisions for goods in transit or storage are contained in Section VII.

3.3 Export duties and charges, and quantitative restrictions

3.24. The Agreement does not prohibit export duties. If a Party agrees with a non-party to abolish or limit export duties, it shall, upon request by another Party, accord treatment no less favourable to the other Party (Article 2.3).¹³

3.25. No Party may adopt or maintain any prohibition or restriction on the exportation of a product to another Party, except for measures in accordance with paragraph 2 of Article XI of the GATT 1994 (Article 2.7).¹⁴ Measures in accordance with paragraph 2 of Article XI of the GATT 1994 require a notification to the Joint Committee, they shall be temporary and may not go beyond what is necessary to deal with the circumstances.¹⁵

3.4 Regulatory provisions on trade in goods

3.4.1 Standards

3.26. Article 2.11 disciplines standards, technical regulations and conformity assessments procedures while Article 2.12 covers SPS measures.

¹³ Indonesia applies export duties on palm oil, crude palm oil and its derivative products, leather and wood, raw cocoa, and mineral ore products.

¹⁴ All export restrictions applied by the EFTA States are notified to the WTO in accordance with GATT Art. XI. The most recent notifications can be found in documents G/MA/QR/N/CHE/3 for Switzerland and G/MA/QR/N/NOR/2 for Norway.

¹⁵ The Parties shall endeavour to terminate measures no later than three years after their imposition.

3.4.1.1 Sanitary and phytosanitary measures

3.27. Article 2.12 incorporates the WTO SPS Agreement, *mutatis mutandis*.

3.28. It also provides that an importing Party shall ensure free movement of imported goods complying with its relevant SPS requirements and applicable domestic laws and regulations which shall be applied in a non-discriminatory manner.

3.29. System audits are the preferred assessment method and the need to perform on-site inspections shall be justified and agreed by the Parties.

3.30. The Parties agree to minimise the number of model SPS-certificates as far as possible and when official certificates are required, they should be in line with the principles laid down in international standards. Import control should be carried out according to international standards, guidelines and recommendations issued by the relevant international organisations.¹⁶

3.31. The import requirements and checks applied to imported products shall be based on the risk that is associated with such products and shall be applied in a non-discriminatory manner.

3.32. Upon request, the Parties shall agree on an arrangement extending to each other equivalent treatment related to SPS measures mutually agreed between each Party and a non-party.¹⁷ As of 7 July 2023, no request was made by the Parties.

3.33. The Article also provides for consultations and the establishment of contact points.

3.4.1.2 Technical barriers to trade

3.34. Article 2.11 incorporates the WTO TBT agreement, *mutatis mutandis*.

3.35. The Article also provides for technical consultations if a Party considers that another Party has applied or is considering applying a measure not in conformity with the WTO TBT Agreement, in order to find an appropriate solution in conformity with it.

3.36. Upon request, the Parties shall agree on an arrangement extending to each other equivalent treatment related to technical regulations, standards and conformity assessments mutually agreed between each Party and a non-party. As of 7 July 2023, no request was made by the Parties.

3.37. The Parties may amend the Agreement or conclude other agreements to prevent, eliminate, or reduce technical barriers to trade, including mutual recognition agreements designed to avoid duplicative and unnecessarily burdensome conformity assessment procedures in specific sectors.

3.38. The Parties shall exchange names and addresses of contact points to facilitate communication and the exchange of information on TBT matters.

3.4.2 Safeguard mechanisms

3.39. Article 2.16 contains disciplines applicable to global safeguard measures which may be applied by the Parties, while a specific bilateral safeguard mechanism is established under Article 2.17. Disciplines on safeguard measures are complemented by the provisions in Article 2.21 (on balance-of-payments).

3.4.2.1 Global safeguards

3.40. The Parties rights and obligations in respect of global safeguards shall be governed by Article XIX of the GATT 1994 and the WTO Agreement on Safeguards (Article 2.16). the Agreement specifies that "in taking measures under the relevant WTO provisions, a Party shall, consistent with

¹⁶ These include Codex Alimentarius Commission (CAC), including Codex Committee on Food Import and Export Inspection and Certification Systems (CCFICS), International Plant Protection Convention (IPPC) and the World Organisation for Animal Health (OIE).

¹⁷ The term "equivalent" shall not be understood as the term "equivalence" in the WTO SPS Agreement.

WTO law and jurisprudence and in accordance with its domestic legislation, exclude imports of an originating product from one or several Parties if such imports do not in and of themselves cause or threaten to cause serious injury".

3.4.2.2 Bilateral safeguards

3.41. Bilateral safeguard measures are permitted subject to the disciplines in Article 2.17. Where, as a result of the reduction or elimination of a customs duty under the Agreement, any product originating in a Party is being imported into the territory of another Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to constitute a substantial cause of serious injury or threat thereof to the domestic industry of like or directly competitive goods in the territory of the importing Party, the importing Party may take bilateral safeguard measures to the minimum extent necessary to remedy or prevent the injury.

3.42. Safeguard measures can consist of the suspension of the further reduction of customs duties or the increase of customs duties to a level not exceeding the lesser of the MFN duty applied at the time the measure is taken or the MFN duty applied on the day immediately preceding the entry into force of the Agreement.

3.43. The duration of a measure shall not exceed one year, extendable in exceptional circumstances to a maximum period of three years. In critical circumstances, the Agreement also foresees provisional bilateral safeguard measures, which shall be terminated within 200 days at the latest. The period of application of any provisional safeguard measure shall count as part of the duration of the bilateral safeguard measure.

3.44. Upon request, the Parties shall exchange views about the application of the Article and its effect on trade between them at the meetings of the Joint Committee.

3.4.2.3 Balance of payments safeguards

3.45. A Party, in serious balance of payments difficulties, or under imminent threat thereof, may, in accordance with the conditions established under the GATT 1994 and the relevant WTO Understanding, adopt such measures which shall be temporary and non-discriminatory (Article 2.21). The Agreement also contains notification obligations in that regard.

3.4.3 Anti-dumping and countervailing measures

3.46. With respect to antidumping the Agreement confirms that the rights and obligations of the Parties shall be governed by Article VI of the GATT 1994 and the WTO Antidumping Agreement (Article 2.15). The Parties will consider refraining from initiating anti-dumping procedures or applying anti-dumping measures against each other. The Agreement nevertheless contains a notification obligation before the initiation of an investigation procedure and consultations shall be allowed. A Party shall not initiate an anti-dumping investigation within one year of a determination regarding the same product from the same Party, which resulted in the nonapplication or revocation of anti-dumping measures.

3.47. With respect to countervailing measures the Agreement confirms that the rights and obligations of the Parties relating to subsidies shall be governed by Articles VI and XVI of the GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures (Article 2.14). The Agreement nevertheless contains a notification obligation before the initiation of an investigation procedure and consultations shall be allowed.

3.4.4 Subsidies and State-aid

3.48. Export subsidies, as defined in the WTO Agreement on Agriculture, in connection with the exportation of agricultural products to another Party are prohibited (Article 2.10).

3.49. There are no provisions on State-aid in the Agreement.

3.4.5 Customs-related procedures

3.50. Annex VI covers trade facilitation. It includes provisions on transparency, cooperation, advance rulings simplification of international trade procedures, competent customs offices, risk management, customs brokers, fees and charges, legalisation of documents, temporary admission of goods, inward and outward processing, border agency cooperation, appeal and confidentiality.

3.51. Compared to the WTO Trade Facilitation Agreement, the Annex, *inter alia*, extends advanced ruling to issues such as the applied rate of duty, the method for determining the customs value and rules of origin; it includes a stronger commitment for performing customs controls outside of business hours; it prohibits the mandatory use of customs brokers; it provides for additional disciplines on fees and charges, including a prohibition on their calculation on an *ad valorem* basis; and it prohibits requiring legalisation or other authentication of documentation related to importation.

3.4.6 Other regulations

3.4.6.1 State trading enterprises

3.52. Article XVII of the GATT 1994 and the related Understanding shall apply and are incorporated into and made part of the Agreement *mutatis mutandis* (Article 2.18).

4 PROVISIONS ON TRADE IN SERVICES AND INVESTMENT

4.1 Scope and definitions

4.1. Chapter 3 of the Agreement applies to measures affecting trade in services provided through any of the four traditional modes of supply, taken by central, regional or local governments and authorities as well as by non-Governmental bodies in the exercise of powers delegated by these Governments or authorities (Article 3.1). The Chapter does not cover measures affecting air traffic rights, however granted, or measures affecting services directly related to the exercise of air traffic rights (except as provided for in paragraph 3 of the GATS Annex on Air Transport Services). Moreover, nothing in the Chapter shall be construed to impose any obligation with respect to Government procurement.

4.2. Chapter 4 on investment applies to commercial presence in all sectors, with the exception of services sectors not covered by Chapter 3 (Article 4.1). It does not include investment protection and shall be without prejudice to the interpretation or application of other international agreements relating to investment or taxation to which one or several EFTA States and Indonesia are parties. Moreover, nothing in the Chapter shall be construed to impose any obligation with respect to Government procurement.

4.3. The Parties' schedules of specific commitments for services sectors are in Annex XII while Annex XVI includes the schedules of specific commitments for investment in all sectors except services sectors covered under Chapter 3. Annex IX to the Agreement contains additional disciplines on the movement of natural persons supplying services. The Parties' MFN exemptions are in Annex VIII. Specific disciplines on telecommunications services, financial services and tourism and travel services are contained in, respectively, Annexes XIII through XV.

4.2 Denial of benefits

4.4. The Agreement does not contain any specific provision on the denial of benefits.

4.3 General provisions on trade in services

4.3.1 Market access

4.5. With respect to market access through all modes of supply, each Party shall accord services and service suppliers of another Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of Specific Commitments in Annex XII (Article 3.4). Measures which limit inputs for the supply of services are not covered.

4.3.2 National treatment and MFN

4.6. Each Party shall accord to services and service suppliers of another Party in the sectors included in their schedules of specific commitments, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers, subject to the conditions and qualifications in the schedules of specific commitments (Article 3.5).

4.7. A Party shall accord MFN treatment to all measures affecting the supply of services, to services and service suppliers of another Party except as in the list of MFN exemptions in Annex VIII (Article 3.3). Treatment granted under other existing or future agreements concluded by one of the Parties and notified under Articles V or *Vbis* of the GATS shall not be subject to the Parties MFN obligations. Nevertheless, if a Party enters into an agreement notified under Articles V or *Vbis* of the GATS, it shall, upon request from another Party, afford adequate opportunity to that Party to negotiate the benefits granted therein. Furthermore, with respect to the rights and obligations of the Parties concerning advantages accorded to adjacent countries, paragraph 3 of Article II of the GATS shall apply.

4.8. Article 3.6 allows the Parties to negotiate commitments on measures affecting trade in services not subject to scheduling under Article 3.4 (Market Access) or 3.5 (National Treatment), including those regarding qualifications, standards or licensing matters. Such commitments shall be inscribed in a Party's schedule.

4.3.3 Commercial presence

4.9. Commitments on commercial presence are in the Parties' schedules of commitments on services for market access and national treatment.

4.3.4 Movement of natural persons

4.10. Article 3.9 applies to measures affecting natural persons who are service suppliers of a Party, and natural persons of a Party who are employed by a service supplier of a Party, in respect of the supply of a service. The Agreement however does not apply to measures affecting natural persons seeking access to the employment market of a Party, nor to measures regarding nationality, citizenship, residence or employment on a permanent basis.

4.11. Chapter 3 shall not prevent a Party from applying measures to regulate the entry of natural persons of another Party into, or their temporary stay in, its territory, including measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment

4.12. Annex IX to the Agreement contains additional disciplines on the movement of natural persons supplying services. It reflects preferential trade relations between the Parties, their common objectives to facilitate the entry, temporary stay and work of natural persons on a mutually advantageous basis and in accordance with the Parties' schedules of specific commitments, and the need to establish transparency, secure, effective and comprehensive information and procedures for, entry, temporary stay and work (Article 2 of Annex IX).

4.13. The Parties shall ensure that their requirements and procedures relating to entry and temporary stay are pre-established and clearly specified (Article 3 of Annex IX). Article 4 of the Annex requires the Party to publish information necessary to apply for entry, temporary stay and work in their territory. Article 5 of the Annex provides for expeditious application procedures.

4.14. The Parties' mode 4 commitments are listed as horizontal commitments in their individual schedules of specific commitments (Appendixes 1 through 5 to Annex IX to the Agreement). Table 4.1 provides a summary of each Parties' commitments under the Agreement and the GATS.

Table 4.1 Categories and length of stay for temporary presence of natural persons under the Agreement and the GATS

Category	Maximum length of stay	
	Agreement	GATS
Indonesia		
Intra-corporate transferees (Managers and specialists)	2 years (extendible for 1 year) Subject to economic needs test/domestic labour and immigration laws and regulations	2 years (extendible for 1 year) Subject to domestic labour and immigration laws and regulations Economic needs test
Business visitors	60 days (extendible every 30 days with maximum accumulated stay of 180 days)	No commitments
Installers	3 months per contract	No commitments
Iceland		
Intra-corporate transferees (Executives, managers and specialists)	1 year (extendible for up to 1 further year) Temporary residence and work permit	No duration specified
Business visitors	90 days per year	No duration specified
Liechtenstein		
Intra-corporate transferees (Executives and senior managers and specialists)	3 years Residency permit and work permit	3 years Residency permit and work permit
Norway		
Intra-corporate transferees (Executives/managers, specialists and trainees)	2 years (6 months for trainees) Work permit	2 years (no commitments for trainees)
Business visitors	3 months	3 months in any twelve-month period or for the duration of the contract, whatever is less Work permit
Contractual service suppliers Independent professionals	6 months in any twelve-month period of for the duration of the contract, whatever is less Work permit	No commitments
Switzerland		
Intra-corporate transferees (Executives and senior managers and specialists)	3 years, extendable to 5 Residency permit and work permit	3 years, extendable to 4 Residency permit and work permit
Business visitors (Business visitors responsible for establishing a commercial presence and services salespersons)	90 days within 1 year. Minimum 2-month interval prior to renewal Residency permit and work permit	3 months within 1 year, minimum 2-months interval if renewed Residency permit and work permit
Contractual service suppliers		3 months per contract Residency permit and work permit
Other/Installers and maintainers		No commitments.

Source: Parties' Draft Consolidated GATS Schedule of Specific Commitments and the Agreement.

4.4 Liberalization commitments

4.15. Liberalization modalities for Chapter 3 (trade in services) follow a positive list approach comparable to the approach used under the GATS.

4.16. With respect to sectors with commitments, each Party's schedule of specific commitments specifies i) terms, limitations and conditions for market access, ii) conditions and qualifications on national treatment, iii) undertakings relating to additional commitments, and iv) where appropriate, the timeframe for implementation of such commitments, and the date of entry into force of such commitments (Article 3.18).

4.17. Consultations shall be held, upon written request by a Party, to consider any modification or withdrawal of a specific commitment (Article 3.19). Moreover, the Parties' schedules of specific commitments and lists of MFN exemptions shall be subject to periodic review (Article 3.20).

4.4.1 Iceland

4.4.1.1 MFN and horizontal commitments

4.18. Iceland's GATS MFN exemptions cover certain measures i) in all sectors, aimed at promoting Nordic co-operation, ii) related to European programmes and initiatives in the audio-visual services sector and iii) related to computer reservation systems and sales and marketing of air transport services. In Appendix 2 to Annex VIII, Iceland replicates its GATS Article II exemptions except for CRS and sales and marketing of air transport services.

4.19. Under the GATS, Iceland's horizontal limitations mainly cover certain measures on the provision of services through mode 3 (some investment by foreigners and non-residents, as well as real-estate lease and acquisition) and mode 4 (unbound except the temporary entry and stay of executives, managers, specialists and service sellers). Commitments are made for the provision of subsidies, with some conditions. There are some horizontal limitations on national treatment related to Iceland's membership of the European Economic Area (EEA). The Agreement maintains some of these horizontal limitations though, for mode 3, conditions on foreign currency transfers are relaxed and national treatment accorded to subsidiaries may be extended to branches or agencies established in an EEA Member State or an EFTA Member State by a third-party company if effective and continuous links with the economy of the concerned Party can be shown.

4.4.1.2 Sector specific commitments

4.20. Appendix 2 to Annex XII includes Iceland's list of commitments for trade in services, commercial presence and movement of people. Table 4.2 provides a comparison of Iceland's GATS commitments in modes 1-3 with those taken under the Agreement. Horizontal limitations and MFN reservations are not considered in the table which should be read in conjunction with the Annex.

4.21. Iceland's sector-specific commitments under the Agreement mirror to a large extent its GATS commitments.

Table 4.2 Iceland: comparison between the GATS and Agreement specific commitments

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
1. Business services			
A. Professional Services	Partial	Similar	Partial
B. Computer and Related Services	Partial	Same	Partial
C. Research and Development Services	Partial	Improved	Partial
D. Real Estate Services	Partial	Same	Partial
E. Rental/Leasing Services without Operators	Partial	Same	Partial
F. Other Business Services	Partial	Same	Partial
2. Communication services			
A. Postal services	---	Same	---
B. Courier services	---	Same	---
C. Telecommunication services	Partial	Same	Partial
D. Audiovisual services	---	Same	---
E. Other	---	Same	---
3. Construction and related engineering services			
A. General construction work for buildings	Full	Same	Full
B. General construction work for civil Engineering	Full	Same	Full
C. Installation and assembly work	Full	Same	Full
D. Building completion and finishing work	Full	Same	Full
E. Other	---	Same	---
4. Distribution services			
A. Commission agents' services	Partial	Same	Partial
B. Wholesale trade services	Partial	Same	Partial
C. Retailing services	Partial	Same	Partial
D. Franchising	Partial	Same	Partial
E. Other	Partial	Same	Partial

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
5. Education services			
A. Primary education services	---	Same	---
B. Secondary education services	---	Same	---
C. Higher education services	---	Same	---
D. Adult education	---	Same	---
E. Other education services	---	Same	---
6. Environmental services			
A. Sewage services	Partial	Same	Partial
B. Refuse disposal services	Partial	Same	Partial
C. Sanitation and similar services	Partial	Same	Partial
D. Other	Partial	Same	Partial
7. Financial services			
A. All insurance and insurance-related services	Partial	Similar	Partial
B. Banking and other financial services	Partial	Similar	Partial
C. Other	---	Same	---
8. Health related and social services			
A. Hospital services	---	Same	---
B. Other Human Health Services	---	Same	---
C. Social Services	---	Same	---
D. Other	---	Same	---
9. Tourism and travel related services			
A. Hotels and restaurants (including catering)	Partial	Same	Partial
B. Travel agencies and tour operators services	Partial	Same	Partial
C. Tourist guides services	Full	Same	Full
D. Other	---	Same	---
10. Recreational and cultural and sporting services			
A. Entertainment services	Partial	Same	Partial
B. News agency services	Partial	Same	Partial
C. Libraries, archives, museums and other cultural services	Partial	Same	Partial
D. Sporting and other recreational services	Partial	Same	Partial
E. Other	Partial	Lower	---
11. Transport services			
A. Maritime Transport Services	Partial	Same	Partial
B. Internal Waterways Transport	---	Same	---
C. Air Transport Services	Partial	Improved	Partial
D. Space Transport	---	Same	---
E. Rail Transport Services	---	Same	---
F. Road Transport Services	Partial	Same	Partial
G. Pipeline Transport	---	Same	---
H. Services auxiliary to all modes of transport	Partial	Same	Partial
I. Other Transport Services	Full	Same	Full
12. Other services not included elsewhere	---	Same	---

General Note: MFN and Horizontal limitations, as well as mode 4 commitments/limitations are not considered in the Table.

Full: Commitments not subject to market access or national treatment limitations, for any of the three modes.

Partial: Commitments subject to some market access or national treatment limitations, for any of the three modes.

---: No commitments under the GATS or the Agreement.

Improved: Overall improved commitments under the Agreement as compared to those under the GATS.

Same: Commitment identical to those under the GATS.

Similar: Similar commitments though possibly, in specific individual cases, with limited improvements and/or limited additional reservations.

Lower: Lower coverage as compared to GATS.

Source: Draft Consolidated GATS Schedule of Specific Commitments (S/DCS/W/ISL/Rev.1), prepared by the Secretariat and Iceland's Schedules annexed to the Agreement.

4.4.1.2.1 Business services

4.22. Iceland's coverage and commitments in business services, computer services, real estate services, rental services without operators and other business services under the Agreement are essentially identical to those under the GATS.¹⁸ Limitations on commercial presence for research and

¹⁸ The Agreement includes an additional limitation on commercial presence in some legal services.

development services in the natural sciences are withdrawn. The coverage of the commitments is nevertheless largely similar to those in the GATS.

4.4.1.2.2 Communication services

4.23. As under the GATS, only telecommunication services are partially covered under the Agreement with no limitations on market access or national treatment.

4.4.1.2.3 Construction and related engineering services

4.24. Commitments under the Agreement on construction and related engineering services are identical to those under the GATS.

4.4.1.2.4 Distribution services

4.25. Commitments under the Agreement on distribution services are identical to those under the GATS. Coverage is partial as trade in arms, alcoholic beverages, tobacco and pharmaceutical products are excluded.

4.4.1.2.5 Education services

4.26. As under the GATS, there are no commitments on education services.

4.4.1.2.6 Environmental services

4.27. Commitments under the Agreement on environmental services are identical to those under the GATS. A licensing requirement for sewage services, refuse disposal waste and other environmental services is maintained for mode 3.

4.4.1.2.7 Financial services

4.28. Largely building upon its GATS commitments, Iceland's commitments under the Agreement are adjusted and partly rephrased to take into account the bilateral character of the Agreement. The coverage and extent of the commitments are similar to those under the GATS.

4.4.1.2.8 Health services

4.29. As under the GATS, there are no commitments on health related and social services.

4.4.1.2.9 Tourism and travel related services

4.30. Commitments under the Agreement on tourism and travel related services are identical to those under the GATS. Residence requirements and insurance requirements are maintained for mode 3 in some subsectors.

4.4.1.2.10 Recreational, cultural and sporting services

4.31. The coverage and commitments under the Agreement for recreational, cultural and sporting services are identical to those under the GATS except for other services which are not included in the Agreement. Limitations include discretionary authorization for access to management functions for news agency services, targeted financial support to specific local, regional or national activities, and licencing requirements for gambling and coin machines.

4.4.1.2.11 Transport services

4.32. The coverage of and commitments on transport services under the Agreement are the same as those under the GATS with the additional removal of a GATS limitation on the distribution through computer reservation systems (CRS) for air transport services.

4.4.2 Liechtenstein

4.4.2.1 MFN and horizontal commitments

4.33. Liechtenstein's GATS MFN exemptions cover certain measures, in all sectors, for the grant of work permits and temporary entry authorizations for EFTA and EU citizens, as well as some measures related to European programmes and initiatives in the audio-visual services sector, also linked to production, distribution, and transmission of audio-visual work. Exemptions are also made for construction and related engineering services (based on reciprocity); insurance and banking services, in the context of the monetary union with Switzerland, and under its bilateral agreements on road transport. Like the other EFTA States, it also makes an exemption for CRS and sales and marketing of air transport services. In Appendix 3 to Annex VIII of the Agreement, Liechtenstein replicates, with some adjustments, some of its GATS Article II exemptions. Exemptions for distribution services, financial services, CRS and sales and marketing of air transport services are, however, dropped under the Agreement.

4.34. Liechtenstein's horizontal limitations in the GATS also cover certain measures on the provision of services through mode 3 (establishment of commercial presence, subject to the requirement that there is no objection for reasons of "national economy") and through mode 4 (unbound except the temporary entry and stay of executives and senior managers, and specialists). It has some horizontal limitations on national treatment, for modes 1 and 2 for some subsidies and tax incentives and for mode 3 regarding the establishment and operation of forms of commercial presence, relating to its membership of the EEA. The Agreement replicates the limitations.

4.4.2.2 Sector specific commitments

4.35. Appendix 3 to Annex XII includes Liechtenstein's list of commitments for trade in services, commercial presence and movement of people. Table 4.3 provides a comparison of Liechtenstein's GATS commitments in modes 1-3 with those taken under the Agreement. Horizontal limitations and MFN reservations are not considered in the table which should be read in conjunction with the Annex.

4.36. Liechtenstein's sector-specific commitments under the Agreement mirror to a large extent its GATS commitments.

Table 4.3 Liechtenstein: comparison between the GATS and Agreement specific commitments in trade in services

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
1. Business services			
A. Professional Services	Partial	Same	Partial
B. Computer and Related Services	Partial	Same	Partial
C. Research and Development Services	Partial	Same	Partial
D. Real Estate Services	---	Same	---
E. Rental/Leasing Services without Operators	Partial	Same	Partial
F. Other Business Services	Partial	Improved	Partial
2. Communication services			
A. Postal services	---	Same	---
B. Courier services	---	Same	---
C. Telecommunication services	Partial	Improved	Full
D. Audiovisual services	---	Same	---
E. Other	---	Same	---
3. Construction and related engineering services			
A. General construction work for buildings	---	Same	---
B. General construction work for civil Engineering	---	Same	---
C. Installation and assembly work	---	Same	---
D. Building completion and finishing work	---	Same	---
E. Other	---	Same	---
4. Distribution services			
A. Commission agents' services	Partial	Same	Partial
B. Wholesale trade services	Partial	Same	Partial
C. Retailing services	Partial	Improved	Partial
D. Franchising	Full	Same	Full
E. Other	---	Same	---

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
5. Education services			
A. Primary education services	Partial	Same	Partial
B. Secondary education services	Partial	Same	Partial
C. Higher education services	Partial	Same	Partial
D. Adult education	Partial	Same	Partial
E. Other education services	---	Same	---
6. Environmental services			
A. Sewage services	Partial	Same	Partial
B. Refuse disposal services	Partial	Same	Partial
C. Sanitation and similar services	Partial	Same	Partial
D. Other	Partial	Same	Partial
7. Financial services			
A. All insurance and insurance-related services	Partial	Improved	Partial
B. Banking and other financial services	Partial	Improved	Partial
C. Other	---	Same	---
8. Health related and social services			
A. Hospital services	---	Same	---
B. Other Human Health Services	---	Same	---
C. Social Services	---	Same	---
D. Other	---	Same	---
9. Tourism and travel related services			
A. Hotels and restaurants (including catering)	Partial	Improved	Partial
B. Travel agencies and tour operators' services	Full	Same	Full
C. Tourist guides services	Partial	Same	Partial
D. Other	---	Same	---
10. Recreational and cultural and sporting services			
A. Entertainment services	---	Same	---
B. News agency services	Full	Same	Full
C. Libraries, archives, museums and other cultural services	---	Same	---
D. Sporting and other recreational services	Partial	Same	Partial
E. Other	---	Same	---
11. Transport services			
A. Maritime Transport Services	---	Same	---
B. Internal Waterways Transport	---	Same	---
C. Air Transport Services	---	Same	---
D. Space Transport	---	Same	---
E. Rail Transport Services	---	Same	---
F. Road Transport Services	Partial	Same	Partial
G. Pipeline Transport	---	Same	---
H. Services auxiliary to all modes of transport	Partial	Same	Partial
I. Other Transport Services	---	Same	---
12. Other services not included elsewhere	---	Same	---

General Note: MFN and Horizontal limitations, as well as mode 4 commitments/limitations are not considered in the Table.

Full: Commitments not subject to market access or national treatment limitations, for any of the three modes.

Partial: Commitments subject to some market access or national treatment limitations, for any of the three modes.

---: No commitments under the GATS or the Agreement.

Improved: Overall improved commitments under the Agreement as compared to those under the GATS.

Same: Commitment identical to those under the GATS.

Source: Draft Consolidated GATS Schedule of Specific Commitments (S/DCS/W/LIE) and Liechtenstein's Schedules annexed to the Agreement.

4.4.2.2.1 Business services

4.37. All Liechtenstein's specific commitments in the GATS are replicated under the Agreement. Coverage in "other business services" is expanded with the inclusion of commitments on translation and interpretation services, with limitations for translation for official purposes.

4.4.2.2.2 Communication services

4.38. As under the GATS, only telecommunication services are covered under the Agreement. While basic telecommunication services are unbound under the GATS, full commitments are made under the Agreement.

4.4.2.2.3 Construction and related engineering services

4.39. As under the GATS, there are no commitments on construction and related engineering services.

4.4.2.2.4 Distribution services

4.40. The partial coverage of commission agents' services, wholesale trade services under the Agreement is the same as under the GATS with no limitations. Liechtenstein made additional commitments for retail sales of motor fuel.

4.4.2.2.5 Educational services

4.41. As under the GATS, only private education services are included under the Agreement with the limitation that foreigners may establish commercial presence only when organised as juridical persons according to Liechtenstein law.

4.4.2.2.6 Environmental services

4.42. The Agreement, like the GATS, removes all limitations on modes 2 and 3 for all sectors excluding public utilities (whether owned and operated by municipalities or the Liechtenstein Government or contracted out by them) and garbage dumps.¹⁹

4.4.2.2.7 Financial services

4.43. Under the Agreement, Liechtenstein improves its GATS commitments on mode 2 by removing the commercial presence requirements for the provision of insurance services in Liechtenstein and for the management of Swiss franc denominated issues, and the prohibition for residents to purchase insurance services abroad. All other limitations under the GATS remain.

4.4.2.2.8 Tourism and travel related services

4.44. Under the Agreement, the coverage is identical to that under the GATS.²⁰ Moreover, the Agreement removes licensing and examination limitations for restaurants.

4.4.2.2.9 Health related and social services

4.45. As under the GATS, there are no commitments on health related and social services.

4.4.2.2.10 Recreational, cultural and sporting services

4.46. Under the Agreement, Liechtenstein makes commitments in libraries (with no commitments for subsidies, tax incentives and credits) in addition to the full liberalization of news agency services, libraries and sporting services

4.4.2.2.11 Transport services

4.47. As under the GATS, the Agreement liberalizes some road transport services and services auxiliary to all modes of transport.

¹⁹ Mode 1 remains unbound due to lack of technical feasibility.

²⁰ Mode 1 remains unbound due to lack of feasibility for hotels and restaurant (except catering) and tourist guides services.

4.4.3 Norway

4.4.3.1 MFN and horizontal commitments

4.48. Norway's GATS MFN exemptions cover certain measures, in all sectors, aimed at promoting Nordic co-operation, as well as related to European programmes and initiatives in the audio-visual services sector, also linked to production, distribution, and transmission of audio-visual work. It also has an exemption for existing and future road transport agreements. In Appendix 4 to Annex VIII of the Agreement, Norway replicates its GATS Article II exemptions. It also lists an additional exemption to reserve its right to adopt or maintain measures that accord differential treatment to countries under a bilateral or multilateral international agreement in force or signed after the date of entry into force of the Agreement involving maritime services.

4.49. Norway's GATS horizontal national treatment limitations cover certain measures for the provision of services through modes 3 and 4. Mode 3 limitations include general authorization procedures for acquisition, the treatment of branches and agencies and the formation of legal entities. Subsidies are unbound for modes 1 and 2 for all sectors. Under the Agreement, Norway removed the horizontal limitations on authorization procedures for acquisition and the treatment of branches and agencies.

4.4.3.2 Sector specific commitments

4.50. Appendix 4 to Annex XII includes Norway's list of commitments for trade in services, commercial presence and movement of people. Table 4.4 provides a comparison of Norway's GATS commitments in modes 1-3 with those taken under the Agreement. Horizontal limitations and MFN reservations are not considered in the table which should be read in conjunction with the Annex.

4.51. Norway's sector-specific commitments under the Agreement mirror to a large extent its GATS commitments with some improvements.

Table 4.4 Norway: comparison between the GATS and Agreement specific commitments in trade in services

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
1. Business services			
A. Professional Services	Partial	Similar	Partial
B. Computer and Related Services	Full	Same	Full
C. Research and Development Services	Partial	Same	Partial
D. Real Estate Services	Partial	Same	Partial
E. Rental/Leasing Services without Operators	Partial	Same	Partial
F. Other Business Services	Partial	Similar	Partial
2. Communication services			
A. Postal services	---	Same	---
B. Courier services	Partial	Same	Partial
C. Telecommunication services	Partial	Same	Partial
D. Audiovisual services	---	Same	---
E. Other	---	Same	---
3. Construction and related engineering services			
A. General construction work for buildings	Full	Same	Full
B. General construction work for civil Engineering	Full	Same	Full
C. Installation and assembly work	Full	Same	Full
D. Building completion and finishing work	Full	Same	Full
E. Other	Partial	Same	Partial
4. Distribution services			
A. Commission agents' services	---	Same	---
B. Wholesale trade services	Partial	Same	Partial
C. Retailing services	Partial	Improved	Partial
D. Franchising	Full	Same	Full
E. Other	---	Same	---
5. Education services			
A. Primary education services	Partial	Same	Partial
B. Secondary education services	Partial	Same	Partial
C. Higher education services	Partial	Same	Partial
D. Adult education	Partial	Same	Partial
E. Other education services	Partial	Same	Partial

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
6. Environmental services			
A. Sewage services	Partial	Same	Partial
B. Refuse disposal services	Partial	Same	Partial
C. Sanitation and similar services	Partial	Same	Partial
D. Other	Partial	Improved	Partial
7. Financial services			
A. All insurance and insurance-related services	Partial	Improved	Partial
B. Banking and other financial services	Partial	Improved	Partial
C. Other	---	Same	---
8. Health related and social services			
A. Hospital services	---	Same	---
B. Other Human Health Services	---	Same	---
C. Social Services	---	Same	---
D. Other	---	Same	---
9. Tourism and travel related services			
A. Hotels and restaurants (including catering)	Full	Same	Full
B. Travel agencies and tour operators' services	Full	Same	Full
C. Tourist guides services	Full	Same	Full
D. Other	---	Same	---
10. Recreational and cultural and sporting services			
A. Entertainment services	---	Same	---
B. News agency services	Full	Same	Full
C. Libraries, archives, museums and other cultural services	---	Same	---
D. Sporting and other recreational services	---	Same	---
E. Other	---	Same	---
11. Transport services			
A. Maritime Transport Services	Partial	Same	Partial
B. Internal Waterways Transport	---	Same	---
C. Air Transport Services	Partial	Improved	Partial
D. Space Transport	---	Same	---
E. Rail Transport Services	Partial	Same	Partial
F. Road Transport Services	Partial	Same	Partial
G. Pipeline Transport	---	Same	---
H. Services auxiliary to all modes of transport	Partial	Improved	Partial
I. Other Transport Services	---	Same	---
12. Other services not included elsewhere	---	Improved	Partial

General Note: MFN and Horizontal limitations, as well as mode 4 commitments/limitations are not considered in the Table.

Full: Commitments not subject to market access or national treatment limitations, for any of the three modes.

Partial: Commitments subject to some market access or national treatment limitations, for any of the three modes.

---: No commitments under the GATS or the Agreement.

Improved: Overall improved commitments under the Agreement as compared to those under the GATS.

Same: Commitment identical to those under the GATS.

Source: Draft Consolidated GATS Schedule of Specific Commitments (S/DCS/W/NOR) and Norway's Schedules annexed to the Agreement.

4.4.3.2.1 Business services

4.52. The coverage of the Agreement is somewhat different from the GATS. Accounting services, placement and supply services of personnel and investigation and security activities are not included in the Agreement while convention services, not included in the GATS, are liberalized. Commitments in the sectors covered under both the Agreement and the GATS are the same.

4.4.3.2.2 Communication services

4.53. As under the GATS, Norway took commitments in courier services with no limitations except as specified for transportation services, and telecommunication services.

4.4.3.2.3 Construction and related engineering services

4.54. As under the GATS, Norway fully liberalized all construction and related engineering services except for other services for which it removed all limitations only on some subsectors.

4.4.3.2.4 Distribution services

4.55. The coverage under the Agreement of wholesale services, retailing services and franchising is the same as under the GATS.²¹ Moreover, Norway eliminated a residency requirement for the establishment of retailing services.

4.4.3.2.5 Education services

4.56. In the Agreement, Norway replicates its GATS commitments. For educational services leading to the conferring of State recognised exams and/or degrees, authorization may be given to foundations and other legal entities to offer additional parallel or specialised education while primary and secondary education remain public service functions. Educational services not leading to the conferring of State recognised exams and/or degrees are fully liberalized.

4.4.3.2.6 Environmental services

4.57. The Agreement essentially replicates the GATS commitments with improvements in the coverage and commitments in services to reduce exhaust gases and other emissions and improve air quality. For all other sectors, there are no limitations in modes 2 and 3.²²

4.4.3.2.7 Financial services

4.58. In the Agreement, Norway builds on its GATS commitments for insurance and insurance-related services allowing non-resident insurance companies to supply insurance related to passenger vessels (including cruise vessels), ocean-going fishing vessels offshore exploration and insurance contracts to certain domestic companies. In banking and other financial services, Norway improved its GATS commitments by removing certain limitations on the registration of securities or the nationality requirement for manager and the boards of directors of commercial banks, financing undertakings, securities firms and management companies for collective investment funds.

4.4.3.2.8 Health related and social services

4.59. As under the GATS, there are no commitments for health related and social services under the Agreement.

4.4.3.2.9 Tourism and travel related services

4.60. As under the GATS, hotels and restaurants, travel agencies and tour operator services and tourist guides services are fully liberalized under the Agreement.

4.4.3.2.10 Recreational, cultural and sporting services

4.61. As under the GATS, news agency services are fully liberalized under the Agreement.

4.4.3.2.11 Transport services

4.62. Under the Agreement, Norway replicates its GATS commitments for maritime transport services, rail and road transport services. Moreover, it makes commitments for ground handling services in air transport services, and cargo handling services and storage and warehouse services auxiliary to all modes of transport.

4.4.3.2.12 Other services not included elsewhere

4.63. Norway removed limitations for mode 3 in physical well-being services (spas, massages, saunas, slimming rooms and steam rooms) which were not included in the GATS.

²¹ First hand sales of raw fish and private import of alcohol are excluded in general. Moreover import and trade in arms and pharmaceuticals are excluded in wholesale services and trade in pharmaceutical products, alcohol and arms are excluded in retailing services.

²² Mode 1 in some subsectors remains unbound except for advisory services.

4.4.4 Switzerland

4.4.4.1 MFN and horizontal commitments

4.64. Switzerland's GATS MFN exemptions cover measures related to audiovisual services and some transport services (some internal waterways and road transport services). Moreover, there are also elements of the bilateral agreements between Switzerland and Liechtenstein and between Switzerland and the EU on the movement of natural persons. In Appendix 5 to Annex IX of the Agreement, Switzerland replicates most of its GATS Article II exemptions. Exemptions for distribution services, banking services, some road transport services and CRS and sales and marketing of air transport services are, however, dropped under the Agreement.

4.65. Under the GATS, Switzerland's horizontal limitations cover certain measures on the provision of services through mode 3 (e.g. certain domicile requirements for the governing board and limitations on the acquisition of real estate) and mode 4 (unbound except for measures concerning the temporary entry and stay of executives and senior managers, specialists, service salespersons, business visitors responsible for setting up commercial presence, persons who are employees of certain service providers with special contracts and installers and maintainers). Subsidies are unbound for modes 1 and 2 for all sectors.

4.4.4.2 Sector specific commitments

4.66. Appendix 5 to Annex XII includes Switzerland's list of commitments for trade in services, commercial presence and movement of people. Table 4.5 provides a comparison of Switzerland's GATS commitments in modes 1-3 with those taken under the Agreement. Horizontal limitations and MFN reservations are not considered in the table which should be read in conjunction with the Annex.

4.67. Switzerland's sector-specific commitments under the Agreement build on its GATS commitments with some improvements.

Table 4.5 Switzerland: comparison between the GATS and Agreement specific commitments in trade in services

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
1. Business services			
A. Professional Services	Partial	Improved	Partial
B. Computer and Related Services	Partial	Improved	Partial
C. Research and Development Services	Partial	Same	Partial
D. Real Estate Services	---	Same	---
E. Rental/Leasing Services without Operators	Partial	Improved	Partial
F. Other Business Services	Partial	Improved	Partial
2. Communication services			
A. Postal services	---	Improved	Partial
B. Courier services	---	Improved	Partial
C. Telecommunication services	Partial	Same	Partial
D. Audiovisual services	---	Same	---
E. Other	---	Same	---
3. Construction and related engineering services			
A. General construction work for buildings	Partial	Same	Partial
B. General construction work for civil Engineering	Partial	Same	Partial
C. Installation and assembly work	Partial	Same	Partial
D. Building completion and finishing work	Partial	Same	Partial
E. Other	Partial	Improved	Partial
4. Distribution services			
A. Commission agents' services	Partial	Same	Partial
B. Wholesale trade services	Partial	Same	Partial
C. Retailing services	Partial	Same	Partial
D. Franchising	Full	Same	Full
E. Other	---	Same	---
5. Education services			
A. Primary education services	Partial	Same	Partial
B. Secondary education services	Partial	Same	Partial

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
C. Higher education services	Full	Same	Full
D. Adult education	Full	Same	Full
E. Other education services	---	Improved	Partial
6. Environmental services			
A. Sewage services	Partial	Improved	Partial
B. Refuse disposal services	Partial	Improved	Partial
C. Sanitation and similar services	Partial	Improved	Partial
D. Other	Partial	Improved	Partial
7. Financial services			
A. All insurance and insurance-related services	Partial	Improved	Partial
B. Banking and other financial services	Partial	Improved	Partial
C. Other	---	Same	---
8. Health related and social services			
A. Hospital services	---	Same	---
B. Other Human Health Services	---	Same	---
C. Social Services	---	Same	---
D. Other	---	Same	---
9. Tourism and travel related services			
A. Hotels and restaurants (including catering)	Partial	Improved	Partial
B. Travel agencies and tour operators' services	Full	Same	Full
C. Tourist guides services	Partial	Improved	Partial
D. Other	---	Improved	Partial
10. Recreational and cultural and sporting services			
A. Entertainment services	---	Same	---
B. News agency services	Full	Same	Full
C. Libraries, archives, museums and other cultural services	---	Same	---
D. Sporting and other recreational services	Partial	Same	Partial
E. Other	---	Same	---
11. Transport services			
A. Maritime Transport Services	---	Improved	Partial
B. Internal Waterways Transport	Partial	Same	Partial
C. Air Transport Services	Partial	Improved	Partial
D. Space Transport	Partial	Same	Partial
E. Rail Transport Services	Partial	Same	Partial
F. Road Transport Services	Partial	Improved	Partial
G. Pipeline Transport	---	Same	---
H. Services auxiliary to all modes of transport	Partial	Improved	Partial
I. Other Transport Services	---	Same	---
12. Other services not included elsewhere	---	Same	---

General Note: MFN and Horizontal limitations, as well as mode 4 commitments/limitations are not considered in the Table.

Full: Commitments not subject to market access or national treatment limitations, for any of the three modes.

Partial: Commitments subject to some market access or national treatment limitations, for any of the three modes.

---: No commitments under the GATS or the Agreement.

Improved: Overall improved commitments under the Agreement as compared to those under the GATS.

Same: Commitment identical to those under the GATS.

Source: Draft Consolidated GATS Schedule of Specific Commitments (S/DCS/W/CHE) and Switzerland's Schedules annexed to the Agreement.

4.4.4.2.1 Business services

4.68. Switzerland builds on its GATS commitments and enlarges the scope to cover additional legal services, computer and related services, rental/leasing services without operators and other services. Building on the GATS commitments, additional limitations on covered services are removed with some exceptions such as domicile requirements for auditors, license and qualification

requirements for engineering services and nationality requirements for rental and leasing services without operators relating to ships.

4.4.4.2.2 Communication services

4.69. The Agreement liberalizes express delivery services which are not covered under the GATS. The broad coverage and commitments (no limitations) for telecommunications services are identical to the GATS.

4.4.4.2.3 Construction services

4.70. Switzerland builds on its GATS commitments to expand coverage for some special trade construction work and rental services related to construction equipment.

4.4.4.2.4 Distribution services

4.71. While the partial coverage under the Agreement is the same as under the GATS, restrictions on sales area at the canton level for mode 3 are removed except for large-scale distribution facilities.

4.4.4.2.5 Education services

4.72. The commitments are, like under the GATS, restricted to private education services and remain unchanged. Primary education and some secondary education services remain unbound for modes 1 and 2 while all other restrictions are removed for other covered services. Switzerland also liberalized other education services in the fields of Batik design and batik making, textiles and clothing design, furniture and accessories design, and cooking.

4.4.4.2.6 Environmental services

4.73. As under the GATS, the Agreement excludes public utilities whether owned and operated by municipalities or cantons or contracted out by them. However, under the Agreement, mode 1 of all covered sectors has no limitations while, under the GATS they are unbound due to lack of technical feasibility.

4.4.4.2.7 Financial services

4.74. Under the Agreement, Switzerland maintains some of its GATS limitations in insurance and insurance-related services but removed limitations such as on the acquisition of real estate by foreigners, the commercial presence requirement for the underwriting of aircraft liability insurance and a minimum requirement of three years of experience in the direct insurance business. As for banking, Switzerland improved its GATS commitments by removing some limitations such as on the acquisition of real estate by foreigners, restrictions on the management of Swiss franc denominated issues and specific requirements relating to the name of the firm and the regulations on financial institutions in the country of origin.

4.4.4.2.8 Tourism and travel related services

4.75. Market access and national treatment limitations are dropped for commercial presence for hotels and restaurants and tourism guide services, as compared to its GATS commitments. Moreover, Switzerland removed all limitations for mode 2 for other services which are not included under the GATS.

4.4.4.2.9 Recreational, cultural and sporting services

4.76. As under the GATS, there are no limitations on market access and national treatment for news agency services and sporting services.

4.4.4.2.10 Transport services

4.77. The coverage under the Agreement is improved by including commitments on maritime transport services (with a number of limitations), supporting services for air transport, and other supporting services for road transport. Commitments are the same as under the GATS except that supporting services for air transport have no limitations except that the distribution through CRS of air transport services has to be provided by the CRS parent carrier.

4.4.5 Indonesia

4.4.5.1 MFN and horizontal commitments

4.78. Indonesia's GATS MFN exemptions cover measures related to banking services and construction services. In Appendix 1 to Annex IX of the Agreement, Indonesia includes MFN exemptions specific to maritime related services and air transport services in addition to a general exception for measures relating to the supply of services accorded to services or service suppliers from any ASEAN member State, based on any agreements concluded between ASEAN member States.

4.79. In its horizontal commitments under the GATS, Indonesia requires a maximum of 49% of foreign ownership and/or representative office for commercial presence through limited liability enterprises. It also limits the acquisition of land by foreign juridical and natural persons. Moreover, non-resident taxpayers are subject to a withholding tax of 20% and any juridical and natural persons should meet professional qualification requirements. Indonesia's horizontal commitments under the Agreement replicate its GATS commitments with the additional requirement of minimum investment for a joint venture supplying services through commercial presence in accordance with domestic laws and regulations.

4.4.5.2 Sector specific commitments

4.80. Appendix 5 to Annex XII includes Indonesia's list of commitments for trade in services, commercial presence and movement of people. Table 4.6 provides a comparison of Indonesia's GATS commitments in modes 1-3 with those taken under the Agreement. Horizontal limitations and MFN reservations are not considered in the table which should be read in conjunction with the Annex.

4.81. Indonesia's sector-specific commitments under the Agreement expand on its GATS commitments with commitments in additional sectors.

Table 4.6 Indonesia: comparison between the GATS and Agreement specific commitments in trade in services

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
1. Business services			
A. Professional Services	Partial	Improved	Partial
B. Computer and Related Services	Partial	Lower	---
C. Research and Development Services	Partial	Improved	Partial
D. Real Estate Services	---	Same	---
E. Rental/Leasing Services without Operators	---	Same	---
F. Other Business Services	Partial	Improved	Partial
2. Communication services			
A. Postal services	---	Same	---
B. Courier services	---	Same	---
C. Telecommunication services	Partial	Improved	Partial
D. Audiovisual services	---	Same	---
E. Other	---	Same	---
3. Construction and related engineering services			
A. General construction work for buildings	Partial	Improved	Partial
B. General construction work for civil Engineering	Partial	Improved	Partial
C. Installation and assembly work	Partial	Improved	Partial
D. Building completion and finishing work	---	Same	---
E. Other	Partial	Improved	Partial

Sectors (CPC Classification)	GATS Sectoral Commitments	RTA	
		Compared to GATS	Sectoral commitments
4. Distribution services			
A. Commission agents' services	---	Same	---
B. Wholesale trade services	---	New	Partial
C. Retailing services	---	Same	---
D. Franchising	---	Same	---
E. Other	---	New	Partial
5. Education services			
A. Primary education services	---	Same	---
B. Secondary education services	---	New	Partial
C. Higher education services	---	New	Partial
D. Adult education	---	New	Partial
E. Other education services	---	New	Partial
6. Environmental services			
A. Sewage services	---	New	Partial
B. Refuse disposal services	---	Same	---
C. Sanitation and similar services	---	Same	---
D. Other	---	New	Partial
7. Financial services			
A. All insurance and insurance-related services	Partial	Same	Partial
B. Banking and other financial services	Partial	Improved	Partial
C. Other	---		
8. Health related and social services			
A. Hospital services	---	New	Partial
B. Other Human Health Services	---	Same	---
C. Social Services	---	Same	---
D. Other	---	Same	---
9. Tourism and travel related services			
A. Hotels and restaurants (including catering)	Partial	Different	Partial
B. Travel agencies and tour operators' services	Partial	Improved	Partial
C. Tourist guides services	---	Same	---
D. Other	---	New	Partial
10. Recreational and cultural and sporting services			
A. Entertainment services	---	Same	---
B. News agency services	---	Same	---
C. Libraries, archives, museums and other cultural services	---	Same	---
D. Sporting and other recreational services	---	Same	---
E. Other	---	Same	---
11. Transport services			
A. Maritime Transport Services	Partial	Different	Partial
B. Internal Waterways Transport	---	---	---
C. Air Transport Services	---	New	Partial
D. Space Transport	---	---	---
E. Rail Transport Services	---	---	---
F. Road Transport Services	---	---	---
G. Pipeline Transport	---	---	---
H. Services auxiliary to all modes of transport	---	---	---
I. Other Transport Services	---	---	---
12. Other services not included elsewhere	---	New	Partial

General Note: MFN and Horizontal limitations, as well as mode 4 commitments/limitations are not considered in the Table.

Full: Commitments not subject to market access or national treatment limitation(s) for any of the three modes.

Partial: Commitments subject to some market access or national treatment limitations for any of the three modes.

---: No commitments under the GATS or the Agreement.

Improved: Overall improved commitments under the Agreement as compared to those under the GATS.

Same: Commitment identical to those under the GATS.

Similar: Similar commitments with limited improvements and/or limited additional reservations.

Lower: Lower coverage as compared to GATS.

Different: Coverage and/or commitments different than under the GATS.

Source: Draft Consolidated GATS Schedule of Specific Commitments (S/DCS/W/IDN) and Indonesia's Schedules annexed to the Agreement.

4.4.5.2.1 Business services

4.82. Indonesia made new commitments for legal services in foreign law advisory services. Commitments in research and development and other services are improved with the elimination of limitations for modes 1 and 2 which, under the GATS are unbound for Government funded projects. There are no commitments for computer and related services in the Agreement.

4.4.5.2.2 Communication services

4.83. The Agreement largely replicates GATS commitments with some improvements in some telecommunications services, where foreign equity participation is raised from 35% to 67%.

4.4.5.2.3 Construction services

4.84. For construction and related engineering services, the Agreement provides the same coverage and improved conditions compared to Indonesia's GATS commitments. The capital share of a limited liability enterprise that may be owned by foreign partners has been raised to 51% compared to 49% in its GATS schedule.

4.4.5.2.4 Distribution services

4.85. Indonesia made new commitments in wholesale trade services of food, beverages, and tobacco and direct selling (multi-level marketing). Mode 2 for direct selling has no limitations. Both sectors are subject to a maximum foreign equity threshold of 51%. Moreover, wholesale trade services are subject to other limitations such as qualification and licensing requirements, and an obligation to cooperate with at least 100 Indonesian SMEs yearly as a supplier and retailer.

4.4.5.2.5 Education services

4.86. Education services are partially liberalized with the exception of primary education. General conditions limit the liberalization, such as mutual recognition of credits, partnership with local partners, and geographical limitations. Job training education services remain unbound for modes 1 and 2 while for mode 3 foreign equity is limited to 67%; license requirements for foreign service suppliers may vary from that applicable to Indonesian service suppliers and the ratio between trainers and administrative staff from an EFTA State and from Indonesia will be agreed between the parties to the joint venture.

4.4.5.2.6 Environmental services

4.87. The Agreement provides for partial liberalization of sewage services, for wastewater management only, and other environmental services subsectors, for which there are no GATS commitments. These remain however subject to certain limitations, in particular on joint ventures and foreign equity, and qualification and registration requirements and procedures. Moreover, commercial presence is permitted only through environment institutions which are registered in Indonesia and in partnership with a local partner.

4.4.5.2.7 Financial services

4.88. Indonesia replicates its GATS commitments in non-banking financial sectors. The coverage of banking services is identical to that under the GATS. Improvements consist of an increase in the threshold for the acquisition of local banks through the purchase of shares of locally incorporated banks listed in the stock exchange from 49% (under the GATS) to 51% and an increase in allowed sub-branches and auxiliary offices for foreign bank branch offices from one to two.

4.4.5.2.8 Health services

4.89. Indonesia made commitments in hospital services with some limitations for mode 3 including the obligation for foreign health professionals to transfer medical knowledge and professional

capabilities to Indonesian health professionals as consultants only.²³ Moreover, commercial presence is permitted only through environment institutions registered in Indonesia and in partnership with a local partner.

4.4.5.2.9 Tourism and travel related services

4.90. Under the GATS, Indonesia has commitments in hotels and tourist resorts with at least three stars allowing up to 100% of foreign capital only in some regions and subject to higher paid-up capital requirements. Commitments in hotels and tourist resorts under the Agreement are different with the introduction of an economic needs test while foreign equity participation is up to 100% in all regions. Moreover, Indonesia includes meal serving services with full restaurant services in the Agreement. Regarding travel agents and tour operators, Indonesia removed a limitation on the number of agents or operators allowed and introduced a limit of 51% for foreign capital equity participation in joint venture companies. Finally, Indonesia made commitments in tourism consultancy services.

4.4.5.2.10 Transport services

4.91. Indonesia's commitments in maritime transport services under the Agreement are different from those under the GATS. While under the GATS Indonesia made commitments for international passenger and freight transport, the Agreement does not include commitments on international freight transport. At the same time under the Agreement, Indonesia scheduled commitments in a number of other subsectors such as maritime cargo handling, maritime freight forwarding services and storage and warehousing outside the port area.

4.92. Indonesia liberalizes, with no limitations, aircraft repair and maintenance services which are not covered under the GATS.

4.4.5.2.11 Other services

4.93. Indonesia includes new commitments in some energy services with limitations such as on foreign equity participation and licensing and authorization requirements.

4.5 Regulatory provisions

4.5.1 Domestic regulation

4.94. Each Party shall ensure that measures of general application affecting trade in services in covered sectors are administered in a reasonable, objective and impartial manner (Article 3.7). Judicial, arbitral or administrative tribunals or procedures shall be maintained or instituted as soon as practicable by the Parties. Where authorization is required for the supply of a service, the competent authorities of each Party shall, within a reasonable period of time, inform the applicant of the decision concerning the application. Each Party shall ensure that measures relating to qualification requirements and procedures, technical standards, and licensing requirements and procedures are based on objective and transparent criteria, such as competence and the ability to supply the service.

4.95. Upon conclusion of the multilateral negotiations on the disciplines on domestic regulation pursuant to Article VI:4 of the GATS, the Parties shall conduct a review for the purpose of discussing appropriate amendments to Chapter 3 based on the result of such multilateral negotiations. In the meantime, the Parties shall not apply qualification requirements and procedures, technical standards and licensing requirements and procedures that nullify or impair the specific commitments in the Agreement in a manner which is i) more burdensome than necessary to ensure the quality of the service or ii) in the case of licensing procedures, in itself a restriction on the supply of the service.

²³ The Agreement covers only specialist and super specialist medical care/more specific than specialist medical care, provided by hospital of more than 300 beds.

4.5.2 Recognition

4.96. Article 3.8 contains specific provisions on the recognition of qualifications. It prescribes, *inter alia*, that, for standards or criteria for the authorization, licensing or certification of service suppliers, recognition of the education or experience obtained, requirements met, or licences or certifications granted in that other Party, may be granted upon agreement or otherwise be accorded autonomously.²⁴

4.97. Article 2 of Annex X provides for procedures for recognition of education or experience obtained, requirements met, or licences or certifications granted in the territory of a Party. Moreover, under Article 4 of Annex X, each Party shall encourage its competent authorities and professional bodies to recognise qualifications of the other Parties, based *inter alia* upon principles of equivalence, facilitate mutual recognition with due regard to international cooperation, instruments and standards, and cooperate, including through the negotiation of an agreement on mutual recognition as appropriate.

4.98. Annex XI provides for the recognition of certificates of competency and training of seafarers for service on board vessels registered in Switzerland.

4.5.3 Subsidies

4.99. The Agreement does not contain any specific disciplines on subsidies with respect to trade in services. However, each Parties' Schedules of specific commitments contains carve out provisions or substantive limitations to the applicability of commitments to subsidies to services.

4.5.4 Safeguards

4.100. There are no safeguard measures related to trade in services. However, Article 3.15 provides that if difficulties arise in a services sector where a Party has undertaken a specific commitment, that Party may request consultations with the other Parties, regardless of whether such difficulties arise from liberalisation or not, for the purposes of exchanging information, data or experience, or exchanging views on possible ways and means to address such difficulties, taking into account the circumstances of the case at hand.

4.101. With respect to restrictions to safeguard the balance of payments, Articles 3.14 and 4.10 incorporate paragraphs 1 to 3 of Article XII of the GATS, *mutatis mutandis*.

4.6 Sector specific provisions on trade in services

4.6.1 Telecommunication services

4.102. Annex XIII to the Agreement contains additional disciplines on telecommunications services. Most of the provisions are based on the GATS Annex on telecommunications complemented by the Reference paper developed by the Negotiating Group on Basic Telecommunications. The Annex covers topics such as competitive safeguards for the purpose of preventing suppliers that engage in anti-competitive practices, interconnection, universal service, licensing procedures, regulatory authority, and scarce resources.

4.6.2 Financial services

4.103. Annex XIV to the Agreement contains additional disciplines on trade in financial services. Most of the provisions are based on the GATS Annex on Financial Services and on the Understanding on Commitments in Financial Services (FSU). Other provisions, not based on the GATS Annex or the FSU, relate for instance to transparency and domestic regulation.

4.104. Each Party shall grant, on a national treatment basis, to financial service suppliers of any other Party established in its territory, access to payments and clearing systems operated by public entities and to official funding and refinancing facilities available in the normal course of ordinary

²⁴ Any agreement or arrangement or autonomous recognition shall be in conformity with the relevant provisions of the WTO Agreement, in particular paragraph 3 of Article VII of the GATS.

business in accordance with its domestic laws and regulations. This is not intended to confer access to the Party's lender of last resort facilities (Article 2 of the Annex). Where membership or participation in, or access to, a self-regulatory body, securities or futures exchange or market, clearing agency, or any other organization or association is required, national treatment shall be accorded.

4.105. A Party shall not be prevented from adopting or maintaining reasonable measures for prudential reasons, including for the protection of investors, depositors, policyholders, policy-claimants, persons to whom a fiduciary duty is owed by a financial service supplier, or any similar financial market participants or users; ensuring the integrity and stability of that Party's financial system (Article 5 of the Annex). Such measures shall not be more burdensome than necessary to achieve their aim, shall not constitute a disguised restriction on trade in services and shall not discriminate.

4.106. Where prudential measures of a third-party are recognized by a Party in determining how financial services measures shall be applied, it shall afford adequate opportunity for another Party to negotiate its accession to such an agreement or arrangement, or to negotiate a comparable agreement or arrangement with it (Article 6 of the Annex). In case of autonomous recognition, adequate opportunity shall be afforded to another Party to demonstrate that similar treatment should be applicable to it.

4.107. Articles 3, 4 and 7 of the Annex provide for transparency, expeditious application procedures respectively, and transfers of information and processing of information.

4.6.3 Tourism and travel services

4.108. Annex XV to the Agreement contains additional disciplines on tourism and travel services. The Annex cover topics such as movement of tourists, repatriation in case of bankruptcy, confidentiality of personal data, travel security information and warnings, tourism infrastructure and sites, access to services, tourism responsibility, research and observation, training and capacity building and tourism operators and executives.

4.7 Other provisions on investment

4.109. Specific disciplines covering investment in all sectors, with the exception of services sectors as set out in Article 3.1, are contained in Chapter 4 which applies to commercial presence in all covered sectors (Article 4.1).²⁵ Chapter 4 does not include investment protection and shall be without prejudice to the interpretation or application of other international agreements relating to investment or taxation to which the Parties are parties. Moreover, nothing shall be construed to impose any obligation with respect to government procurement. The Chapter is subject to periodic review in the Joint Committee regarding the possibility of further developing the Parties' commitments (Article 4.13).

4.110. The Parties also recognise the importance of cooperating to promote investment and technology flows as a means for achieving economic growth and development (Article 4.3).

4.111. Article 4.4 provides for national treatment to juridical and natural persons of the Parties and to commercial presence of such persons in the sectors listed in Annex XVI and subject to any conditions and qualifications set out therein.

4.112. The sectors liberalised by each Party pursuant to this Chapter and the conditions and qualifications referred to in Article 4.4 (National Treatment) are set out in the schedules of specific commitments in Annex XVI (Article 4.5). Table 4.7 provides a summary of the Parties' reservations for investment in sectors other than services.

²⁵ Commercial presence is defined as any type of business establishment, including through the constitution, acquisition or maintenance of a juridical person or the creation or maintenance of a branch or a representative office within the territory of another Party for the purpose of performing an economic activity.

Table 4.7 Summary of the Parties' reservations in the schedules of specific commitments for investment in non-services sectors

Sector(s)	Reservation
INDONESIA	
All sectors	Commercial presence must take the form of a Perseroan Terbatas subject to Indonesia's Corporate Law The director of personnel affairs must be an Indonesian national Registration and minimum investment requirements No commitments are taken for subsidies
Crop and Animal Production, Hunting and Related Service Activities	Foreign equity participation limits in growing of certain crops; thresholds (land size area) starting from which the limitation applies differ by crop; unbound below the thresholds Sourcing from <i>plasma</i> * or small holders requirements for some crops Unbound for growing of fruit seeds, growing of drug and narcotic crops, poultry raising and swine/pigs raising (below certain threshold, location requirements above threshold), raising of silk worms and production of silk worms cocoons (partnership requirement), post-harvest crop activities and hunting, trapping and related service activities
Forestry and logging	Partnership requirements for the production of certain products Unbound for operation of other plantation forests, some logging activities and gathering of non-wood forest products
Fishing and aquaculture	Partnership requirements for operation of fish hatcheries (marine and freshwater) Unbound for marine and freshwater fishing
Mining of coal, lignite and other metal ores and other mining and quarrying	Limits on the participation in auctions for metallic mineral or coal and in case of divestment Mining business licenses for foreign investment by the Ministry of Energy and Mineral Resources Unbound for mining of uranium and thorium ores, for sea sand extraction
Food products	Foreign equity participation limits partnership cooperation requirements for the manufacture of certain products, sourcing from <i>plasma</i> * or small holders and/or obligation to use raw material from the own farm
Alcoholic beverages	Unbound
Tobacco products	Partnership and license requirements
Textiles	Partnership requirements for stamped batik industry Unbound for some weaving and finishing of textiles and knitted and crocheted fabrics
Wearing apparel	Unbound for manufacture of traditional apparel
Wood and wood products (except furniture)	Partnership and recommendation of continued raw material supply required from the Ministry of Environment and Forestry for some woods Unbound for sawmill industry and rattan processing primary industry
Paper and paper products	Manufacture of pulp from wood subject to input use from industrial forest plantation or imported chips, subject to domestic insufficiency
Chemicals and chemical products	Foreign capital ownership limitations, obligation of plasma plantation, requirement to source raw materials from own plantation or for a operational licence for some products Unbound for some basic chemicals, pesticide active substances and jatrophacurcas oil industry
Other non-metallic mineral products	Partnership requirements for some products Unbound for clay made household necessities industry
Basic metal	Lead smelting industry bound by recommendation from the Ministries of Environment and Industry
Fabricated metal products (except machinery and equipment)	Unbound for manufacture of weapons and ammunition Manufacture of cutting tools, hand tools and general hardware reserved for SMEs
Machinery and equipment	Partnership requirements for some products
Other transport equipment	Partnership requirements for some products Unbound for manufacture of military aircraft, spacecraft, and related machinery, including complementing parts and accessories, and manufacture of military fighting vehicles
Other manufacturing	Partnership requirements for some products Unbound for manufacture of traditional musical instrument
Electricity, Gas, Steam and Air Conditioning Supply	Unbound for power plant <1 MW and foreign capital ownership limitations for larger plants
Water Collection, Treatment and Supply	Foreign equity participation limitations

Sector(s)	Reservation
ICELAND	
All	Residency requirement for the majority of the founders, managers and at least half of the board of directors for private and public limited companies (extended to residency in the EEA States, EFTA States, and the Faroe Islands; with scope for exemptions) Nationality requirement for ownership and lease of real estate (extended to citizenship in the EEA States, EFTA States, and the Faroe Islands; with exceptions and scope for exemptions)
Fishing and aquaculture	Nationality requirement for conducting fishing operations within the Icelandic fisheries jurisdiction Nationality requirement (extended to EEA States, EFTA States, and the Faroe Islands) for fish auctioning in Iceland
Food products	Nationality requirement for fish processing in Iceland
Electricity, Gas, Steam and Air Conditioning Supply	No commitment under the Agreement for ISIC Rev. 4 Section D.
LIECHTENSTEIN	
All	Establishment of commercial presence as long as there is no objection for reasons of national economy Prior residence during a certain period of time and permanent domicile required for the establishment of commercial presence by an individual (likewise for at least one manager in the scenario of an establishment of commercial presence by a juridical person) Residency and citizenship/prior residence during a certain period of time required for the majority of the administrators General and limited partnerships must fulfil the same conditions as corporations with limited liability Citizenship or prior residence during a certain period of time required for the majority of the associates Scope for joint stock companies to foresee in their articles of incorporation the preclusion or limitation of the transfer of registered shares Acquisition of real estate subject to authorisation; non-residents are excluded from the acquisition of real estate
Extraction of crude petroleum and natural gas	Foreign ownership limits and local presence requirement may apply
Other mining and quarrying	Unbound for the extraction of salt (ISIC Rev. 4: 0893)
Food products	Unbound for manufacture of salt into food-grade salt (ISIC Rev. 4: 1079)
Chemicals and chemical products	Unbound for the enrichment of uranium and thorium ores and production of fuel elements for nuclear reactors (ISIC Rev. 4: 2011) No commitment under the Agreement for man-made fibres (ISIC Ref. 203)
Fabricated metal products (except machinery and equipment)	Unbound for manufacture of nuclear reactors (ISIC Rev. 4: 2513)
Electricity, Gas, Steam and Air Conditioning Supply	No commitment under the Agreement for ISIC Rev. 4 Section D.
NORWAY	
All	Residency required for the manager in a joint stock company and at least half of the members of the board of directors and of the corporate assembly (extended to nationals of an EEA Member State who are permanent residents of one of the EEA States; scope for exemptions) Collective copyright, neighbouring right's management systems as well as royalties, levies, grants and funds are not covered by the Agreement General exception for direct taxation insofar that measures do not contravene any tax treaty in force between Norway and Indonesia Reindeer husbandry restricted to Sami people
Crop and Animal Production, Hunting and Related Service Activities	
Fishing and aquaculture	Nationality required for obtaining concessions for the acquisition of fishing vessels or shares in companies owning such vessels (incl. minimum shares and voting rights for Norwegian citizens for a body to be defined as a Norwegian citizen and thus eligible for concessions) Ownership of the fishing fleet reserved for professional fishermen who meet the requirement of prior professional fishing on a Norwegian fishing boat for at least 3 of the last 5 years Nationality required for certain operations (processing, packing, transshipment) within the Norwegian Economic Zone (scope for exceptions)
Extraction of crude petroleum and natural gas	No commitment under the Agreement for ISIC Rev. 4 Division 6.
Electricity, Gas, Steam and Air Conditioning Supply	No commitment under the Agreement for ISIC Rev. 4 Section D.

Sector(s)	Reservation
SWITZERLAND	
All	Residency required for at least one member of the governing body or for another person with the right to represent the juridical person in the case of certain types of corporations, and cooperatives Residency required for at least one person of a branch office with the right to represent the branch office Authorization (cantonal) required for the acquisition of real estate by persons abroad Scope for prohibiting or limiting foreign ownership in interests or assets and the ability of foreign control when transferring or disposing interests in, or the assets of, a state-controlled enterprise or a governmental entity Scope for notification requirements, examination or authorisation for foreign participation in Swiss companies
Extraction of crude petroleum and natural gas	Foreign ownership limits for oil prospection and exploitation at cantonal level Registration and management presence requirements for pipelines
Other mining and quarrying	Unbound for the extraction of salt (ISIC Rev. 4: 0893)
Food products	Unbound for manufacture of salt into food-grade salt (ISIC Rev. 4: 1079)
Chemicals and chemical products	Unbound for the enrichment of uranium and thorium ores and production of fuel elements for nuclear reactors (ISIC Rev. 4: 2011)
Fabricated metal products (except machinery and equipment)	Unbound for manufacture of nuclear reactors (ISIC Rev. 4: 2513)
Electricity, Gas, Steam and Air Conditioning Supply	No commitment under the Agreement for ISIC Rev. 4 Section D.

* Plasma is a form of partnership, in which commercial presence is required to foster and develop SMEs.

Source: The Agreement.

4.113. Article 4.6 provides for consultations between the Parties to consider modification or withdrawal of a specific commitment.

4.114. Article 4.7 provides that each Party shall, subject to its domestic laws and regulations, grant natural persons of another Party, and key personnel who are employed by natural or juridical persons of another Party, entry and temporary stay in its territory in order to engage in activities connected with commercial presence, including the provision of advice or key technical services.

4.115. A Party may, on a non-discriminatory basis, adopt, maintain or enforce any measure that is in the public interest, such as measures to meet health, safety or environmental concerns or reasonable measures for prudential purposes (Article 4.8). Moreover, a Party should not waive or otherwise derogate from such measures as an encouragement for the establishment, acquisition, expansion or retention in its territory of a commercial presence of persons of another Party or a non-party.

5 GENERAL PROVISIONS OF THE AGREEMENT

5.1 Transparency

5.1. Article 1.7 covers transparency and confidential information. Laws, regulations, judicial decisions, administrative rulings of general application of the Parties, as well as their respective international agreements, which may affect the operation of the Agreement, shall be published. Moreover, nothing in the Agreement shall require any Party to disclose confidential information that would impede law enforcement, or otherwise be contrary to the public interest or that would prejudice the legitimate commercial interests of any economic operator.

5.2. Chapter-specific transparency provisions are described in the relevant sections of this factual presentation.

5.3. Contact points to facilitate communications between the Parties on any matter relating to the Agreement shall be designated (Article 10.2). For EFTA, the contact point is the EFTA Secretariat while for Indonesia it is the Ministry of Trade.

5.2 Current payments and capital movements

5.4. Restrictions on current payments and capital movements relating to commercial presence in non-services sectors are prohibited (Article 4.9), except for restrictions to safeguard the balance-of-payments (for this purpose, Article XII para. 1-3 of the GATS have been incorporated *mutatis mutandis*). Moreover, nothing in Chapter 4 shall affect the rights and obligations of the Parties under the Articles of Agreement of the IMF provided that a Party shall not impose restrictions on capital transactions inconsistent with its obligations under Chapter 4.

5.3 Exceptions

5.5. For trade in goods, Article XX of the GATT 1994 shall apply to and is incorporated into and made part of the Agreement (Article 2.19). For trade in services Article 3.16 replicates Article XIV of the GATS *mutatis mutandis* while for investment, Article XIV of the GATS applies and is incorporated into the Agreement, *mutatis mutandis* (Article 4.11).

5.6. With respect to trade in goods, Article XXI of the GATT 1994 shall apply to and is incorporated into and made part of the Agreement (Article 2.20). With respect to trade in services Article 3.7 replicates Article XIV *mutatis mutandis* while for investment, Article XIV of the GATS applies and is incorporated into the Agreement, *mutatis mutandis* (Article 4.12).

5.7. Article 1.8 contains an exception for taxation measures and tax conventions, subject to i) Article 2.9 and other provisions of the Agreement as are necessary to give effect to Article 2.9 to the same extent as does Article III of the GATT and ii) Articles 3.16 and 4.11 to the same extent as does Article XIV of the GATS.

5.4 Accession and Withdrawal

5.8. Any State joining EFTA may accede to the Agreement (Article 12.3).

5.9. Withdrawal is allowed under Article 12.4 through written notification to the Depositary (Norway) and takes effect six months following the notification. Any EFTA State which withdraws from the Convention establishing the EFTA shall, *ipso facto*, cease to be a Party to the Agreement.

5.5 Institutional framework

5.10. The EFTA-Indonesia Joint Committee (Joint Committee), *inter alia*, oversees implementation of the Agreement (Article 10.1). The first meeting of the Joint Committee shall be within one year from the entry into force of the Agreement and, thereafter, shall meet whenever necessary but normally every two years. A first Joint Committee meeting took place on 7 December 2022 in Jakarta, Indonesia. The Joint Committee shall take decisions and make recommendations by consensus.

5.11. A Sub-Committee on Trade in Goods, whose mandate is in Annex VII to the Agreement, is established in Article 2.23. The Joint Committee may decide to set up other sub-committees and working groups as it considers necessary to assist it in accomplishing its tasks. The Sub-Committee on Trade in Goods met on 6 December 2022. A meeting of the Sub-Committee on Cooperation and Capacity Building took place on 6 December 2022.

5.6 Dispute settlement

5.12. Chapter 11 of the Agreement establishes a dispute settlement mechanism between the Parties on the interpretation and application of the Agreement. The Agreement provides for the choice of forum for the settlement of disputes (Article 11.1). Once the forum (either the Agreement's or the WTO) is selected, it shall be used to the exclusion of the other in respect of the matter under dispute.

5.13. Good offices, conciliation and mediation are procedures that are undertaken voluntarily if the Parties so agree (Article 11.2). They may begin and be terminated at any time and may continue while proceedings of an arbitration panel established under Chapter 11 are in progress. These proceedings shall be confidential and without prejudice to the Parties' rights in any further proceedings.

5.14. Article 11.3 provides for consultations between the Parties to reach a mutually acceptable solution on any dispute raised with respect to any measure a Party considers in breach of the Agreement. Requests for consultations shall be made in writing and consultations shall commence within 30 days from the date of receipt of the request or 20 days in cases of urgency.

5.15. An Arbitration Panel may be requested and established, if the dispute is not resolved through consultations within 60 days or 45 days for urgent matters (Article 11.4). A copy of the request should also be made available to other Parties to the Agreement not involved in the dispute so that they may determine whether to participate in the arbitration process.²⁶ The panel must present its initial report within 90 days from the date of its establishment (Article 11.6). Its ruling is final and binding on the parties to the dispute. Suspension or termination of arbitration panel proceedings is regulated in Article 11.7.

5.16. The Party complained against shall promptly comply with the ruling in the final report or, if it is impracticable to comply immediately, within a reasonable period of time that may be agreed upon by the Parties which are parties to the dispute (Article 11.8). In the absence of an agreement within 45 days from the date of the issuance of the final report, either party to the dispute may request the original panel to determine the length of the reasonable period of time and must make a ruling within 60 days from the date of receipt of that request. The Party complained against shall notify the other party to the dispute of the measure adopted to comply with the ruling. In case of disagreement on the implementation of the final report, such disagreement shall be decided by the original arbitration panel before compensation can be sought, or suspension of benefits can be applied.

5.17. Compensation and suspension of benefits shall be temporary and only applied by the complaining Party until the measure or other matter found to be inconsistent with the Agreement has been withdrawn or amended so as to bring it into conformity with the Agreement, or until the parties to the dispute have resolved the dispute otherwise (Article 11.9). At the request of a party to the dispute, the original panel shall rule on the conformity with the final report of any implementing measures adopted after the suspension of benefits and, in light of such ruling, whether the suspension of benefits should be terminated or modified. The ruling of the arbitration panel shall be made within 30 days from receipt of that request.

5.7 Relationship with other agreements concluded by the Parties

5.18. The Parties reaffirm their rights and obligations under the WTO Agreement and the other agreements negotiated thereunder, and any other international agreement to which they are party (Article 1.5). If a Party considers that the maintenance or establishment of customs unions, free trade areas, arrangements for frontier trade or other preferential agreements by another Party has the effect of altering the trade regime provided for by the Agreement, it may request discussions with the Party concluding such agreement. That Party shall afford an opportunity for such discussions with the requesting Party.

5.19. Table 5.1 below shows the Parties' participation in RTAs, notified and non-notified, other than the Agreement.

Table 5.1 EFTA States and Indonesia: Participation in other RTAs (notified and non-notified in force), as of 24 August 2023

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EFTA States - Collectively				
EFTA - Türkiye	01-Oct-21	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
EFTA - Ecuador	01-Nov-20	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
EFTA - Philippines	01-Jun-18	Goods & Services	2018	GATT Art. XXIV & GATS Art. V

²⁶ The Panel shall consist of three members appointed in accordance with the Optional Rules for Arbitrating Disputes between Two States of the Permanent Court of Arbitration, which shall also govern the procedures of the panel (Article 11.5).

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EFTA - Georgia	01-Sep-17	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
EFTA - Bosnia and Herzegovina	01-Jan-15	Goods	2015	GATT Art. XXIV
EFTA - Central America (Costa Rica and Panama)	19-Aug-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
EFTA - Gulf Cooperation Council (GCC)	01-Jul-14	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
EFTA - Hong Kong, China	01-Oct-12	Goods & Services	2012	GATT Art. XXIV & GATS Art. V
EFTA - Montenegro	01-Sep-12	Goods	2012	GATT Art. XXIV
EFTA - Ukraine	01-Jun-12	Goods & Services	2012	GATT Art. XXIV & GATS Art. V
EFTA - Colombia	01-Jul-11	Goods & Services	2011	GATT Art. XXIV & GATS Art. V
EFTA - Peru	01-Jul-11	Goods	2011	GATT Art. XXIV
EFTA - Albania	01-Nov-10	Goods	2011	GATT Art. XXIV
EFTA - Serbia	01-Oct-10	Goods	2010	GATT Art. XXIV
EFTA - Canada	01-Jul-09	Goods	2009	GATT Art. XXIV
EFTA - SACU	01-May-08	Goods	2008	GATT Art. XXIV
EFTA - Egypt	01-Aug-07	Goods	2007	GATT Art. XXIV
EFTA - Lebanon	01-Jan-07	Goods	2006	GATT Art. XXIV
EFTA - Republic of Korea	01-Sep-06	Goods & Services	2006	GATT Art. XXIV & GATS Art. V
EFTA - Tunisia	01-Jun-05	Goods	2005	GATT Art. XXIV
EFTA - Chile	01-Dec-04	Goods & Services	2004	GATT Art. XXIV & GATS Art. V
EFTA - Singapore	01-Jan-03	Goods & Services	2003	GATT Art. XXIV & GATS Art. V
EFTA - Jordan	01-Sep-02	Goods	2002	GATT Art. XXIV
EFTA - North Macedonia	01-May-02	Goods	2000	GATT Art. XXIV
EFTA - Mexico	01-Jul-01	Goods & Services	2001	GATT Art. XXIV & GATS Art. V
EFTA - Morocco	01-Dec-99	Goods	2000	GATT Art. XXIV
EFTA - Palestine	01-Jul-99	Goods	1999	GATT Art. XXIV
EFTA - Israel	01-Jan-93	Goods	1992	GATT Art. XXIV
European Free Trade Association (EFTA)	03-May-60	Goods	1959	GATT Art. XXIV
	01-Jun-02	Services	2002	GATS Art. V
• EFTA - Accession of Iceland	01-Mar-70	Goods	1970	GATT Art. XXIV
Individual EFTA States				
United Kingdom - Iceland, Liechtenstein and Norway	01-Dec-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Switzerland - Liechtenstein	01-Jan-21	Goods	2020	GATT Art. XXIV
Iceland - China	01-Jul-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Switzerland - China	01-Jul-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Japan - Switzerland	01-Sep-09	Goods & Services	2009	GATT Art. XXIV & GATS Art. V
Iceland - Faroe Islands	01-Nov-06	Goods & Services	2008	GATT Art. XXIV & GATS Art. V
Faroe Islands - Switzerland	01-Mar-95	Goods	1996	GATT Art. XXIV
European Economic Area (EEA)	01-Jan-94	Services	1996	GATS Art. V
Faroe Islands - Norway	01-Jul-93	Goods	1996	GATT Art. XXIV
EU - Norway	01-Jul-73	Goods	1973	GATT Art. XXIV
EU - Iceland	01-Apr-73	Goods	1972	GATT Art. XXIV
EU - Switzerland - Liechtenstein	01-Jan-73	Goods	1972	GATT Art. XXIV

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
INDONESIA				
Indonesia – Republic of Korea	01-Jan-23	Goods & Services	2023	GATT Art. XXIV & GATS Art. V
Indonesia – Australia	05-Jul-20	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
Chile - Indonesia	10-Aug-19	Goods	2020	GATT Art. XXIV
ASEAN - Hong Kong, China	11-Jun-19	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
Indonesia - Pakistan	01-Sep-13	Goods	2019	Enabling Clause
ASEAN - Republic of Korea	01-Jan-10 14-Oct-10	Goods Services	2010	GATT Art. XXIV, Enabling Clause & GATS Art. V
ASEAN – Australia and New Zealand	01-Jan-10	Goods & Services	2010	GATT Art. XXIV & GATS Art. V
ASEAN - India	01-Jan-10 01-Jul-15	Goods Services	2010 2015	Enabling Clause GATS Art. V
ASEAN - Japan	01-Dec-08 01-Aug-20	Goods Services	2009 2022	GATT Art. XXIV GATS Art. V
Japan - Indonesia	01-Jul-08	Goods & Services	2008	GATT Art. XXIV & GATS Art. V
ASEAN - China	01-Jan-05 01-Jul-07	Goods Services	2005 2008	Enabling Clause GATS Art. V
ASEAN Free Trade Area (AFTA)				
• ATIGA	17-May-10	Goods	2021	GATT Art. XXIV
• AFAS	12-Aug-98	Services	2022	GATS Art. V
• ATISA	n.a.	Services		Not notified
Global System of Trade Preferences among Developing Countries (GSTP)	19-Apr-89	Goods	1989	Enabling Clause
Regional Comprehensive Economic Partnership (RCEP) Agreement	01-Jan-22	Goods & Services	Not notified	
Developing-8 PTA ^b	2016	Goods	Not notified	

a Dates of the first entry into force/provisional application for at least one of the Parties. Where dates of provisional application have been provided by the Parties, further notifications to confirm the dates of entry into force are awaited.

b Developing-8 is an organization for development cooperation among the following countries: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Türkiye.

Source: WTO Secretariat. Further information on these Agreements and on specific dates of entry into force/provisional applications may be found in the WTO Database on RTAs: <http://rtais.wto.org>.

5.8 Government procurement

5.20. Chapter 6 of the Agreement contains rules on Government procurement.

5.21. The Parties shall promptly notify each other if they enter into an agreement granting market access for government procurement with a non-party and shall, upon request, enter into negotiation on market access on government procurement (Article 6.2).

5.22. No Party may have recourse to the Agreement's dispute settlement for any matter arising under Chapter 6 but they reserve the right to negotiate the application of mechanism to any new articles in the context of Article 6.2.

5.23. Article 6.1 provides for transparency while Articles 6.3 establishes contact points.²⁷

5.24. All the EFTA States are parties to the plurilateral WTO 1994 Agreement on Government Procurement (GPA) and/or the revised GPA while Indonesia is an observer.

²⁷ The EFTA Secretariat for EFTA members and the National Public Procurement Agency for Indonesia.

5.9 Intellectual property rights

5.25. Chapter 5, Annex XVII to the Agreement and the Record of Understanding regarding Patents cover protection of intellectual property rights (IPRs).

5.26. The Parties reaffirm their commitments to accord each other national treatment on IPRs but also to grant to each other national treatment no less favourable than that accorded to nationals of a third-party (Article 5).²⁸ If a Party concludes a trade agreement containing provisions on the protection of IPRs with a third-party, that has to be notified under Article XXIV of the GATT 1994, it shall notify it and accord to the other Parties treatment no less favourable than that provided under such agreement. Upon request by a Party, negotiations to incorporate into the Agreement provisions of the agreement with third-parties granting such preferential treatment shall take place. Article 5 also includes a review clause (upon request by a Party) of the Agreement's IPR provisions.

5.27. Article 1 of Annex XVII defines intellectual property in particular as copyright, including the protection of computer programmes and compilations of data, as well as related rights, trademarks for goods and services, geographical indications including appellations of origin, where applicable, for goods, indications of source for goods and services, industrial designs, patents, plant varieties, topographies of integrated circuits, as well as undisclosed information. In Article 2 of Annex XVII, the Parties reaffirm their obligations under a number of multilateral agreements²⁹ and commit to either comply with the substantive provisions of, apply, or endeavour to accede to a number of other agreements.³⁰

5.28. Section II of Annex XVII contains standards concerning the availability, scope and use of IPRs. With respect to copyright, the terms of protection granted are at least i) 50 years from the end of the year in which the performance was fixed for performers, ii) 50 years from the year in which the audio-visual fixation was published or from the year in which the fixation was made for producers of audio-visual fixations, and iii) 20 years from the end of the year in which the broadcast took place for broadcasting organizations (Article 3 of Annex XVII).

5.29. With respect to trademarks, the Parties shall grant adequate and effective protection to trademark holders of goods and services (Article 4 of Annex XVII). The Parties also reaffirm the importance of, and shall be guided by, the principles contained in the WIPO Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the WIPO in 1999.

5.30. With respect to patents, the level of protection corresponds to that in Article 27.1 of the TRIPS Agreement (Article 5 of Annex XVII). However, in addition to that provided for in Article 27.2 of the TRIPS Agreement the Parties may exclude from patentability diagnostic, therapeutic and surgical methods for the treatment of humans or animals; and plant or animal varieties or essentially biological processes for the production of plants or animals (excluding microbiological processes or the products thereof).

5.31. The Parties shall ensure in their domestic laws and regulations adequate and effective protection for industrial designs by providing a period of protection of at least 10 years in total (Article 7 of Annex XVII).³¹

²⁸ Exemptions to these principles must be in accordance with the respective substantive provisions of the WTO TRIPS Agreement.

²⁹ The TRIPS Agreement, the 1883 Paris Convention (revised by the 1967 Stockholm Act), the 1886 Berne Convention (revised by the 1971 Paris Act), the 1970 Patent Cooperation Treaty (revised by the 2001 Washington Act), and the 1989 Protocol relating to the Madrid Agreement on international registration of marks.

³⁰ The 1999 Geneva Act of the Hague Agreement concerning the international registration of industrial designs, the 1996 WIPO Copyright Treaty; the 1996 WIPO Performances and Phonogram Treaty (WPPT), the WIPO Copyright Treaty of 20 December 1996, the International Convention of 26 October 1961 for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, the Budapest Treaty of 28 April 1977 on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, the 1957 Nice Agreement (revised by the 1979 Geneva Act) and the 2012 Beijing Treaty on Audio-visual Performances.

³¹ The protection may be renewed for one or more periods of five years each, up to the maximum term of protection established in each Party's domestic laws and regulations.

5.32. With respect to geographical indications (GIs),³² without prejudice to Article 23 of the TRIPS Agreement, the Parties shall provide the legal means for interested parties to prevent the use of a GI in a manner which mislead the public or which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (Article 8 of Annex XVII). For indications of source and country names,³³ similarly, the Parties shall provide the legal means for interested parties to prevent the use of an indication of source in a manner which misleads the public or which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention, and also to prevent any incorrect or misleading registration as trademarks or other protected titles (Article 9 of Annex XVII).

5.33. With respect to genetic resources and traditional knowledge, the Parties reaffirm their sovereign rights over their natural resources and recognise their rights and obligations under the Convention on Biological Diversity, the International Treaty on Plant Genetic Resources for Food and Agriculture and other relevant international agreements to which they are a party (Article 10 of Annex XVII). The Parties also agree to exchange views and information on their domestic and international practices and policies affecting transfer of technology (Article 11 of Annex XVII).

5.34. Article 6 of Annex XVII covers undisclosed information with regard to agricultural chemical products and pharmaceutical products.

5.35. Article 12 of Annex XVII provides for transparency in the administration of intellectual property protection systems.

5.36. Article 13 of Annex XVII confirms that the provisions in the TRIPS Agreement, in particular Article 62, set the minimum standards between the Parties in terms of acquisition and maintenance of an intellectual property right.

5.37. With respect to enforcement of IPRs, Section IV of Annex XVII to the Agreement builds on the TRIPS Agreement (in particular Article 41 through 61) in particular on suspension of release, right of inspection, liability declaration, security or equivalent assurance, injunctions, civil remedies and criminal remedies (Articles 14 through 20 of Annex XVII).

5.38. Article 21 provides for cooperation between the Parties in the field of intellectual property rights.

5.10 Competition

5.39. Chapter 7 addresses competition. Anti-competitive practices of undertakings identified under Article 7.1 are incompatible with the proper functioning of the Agreement as far as they may affect trade between the Parties. The Parties shall apply their respective domestic competition laws and regulations with a view to proscribe anti-competitive practices in conformity with the principles of transparency, non-discrimination and procedural fairness.

5.40. The Parties are allowed to establish or maintain state enterprises, enterprises with special or exclusive rights or designated monopolies but they shall ensure that they do not adopt or maintain anti-competitive practices affecting trade between the Parties (Article 7.2).

5.41. Articles 7.3 and 7.4 provide for cooperation between the Parties and consultations.

5.42. No Party may have recourse to the Agreement's dispute settlement under Chapter 11 for any matter arising under Chapter 7.

5.43. Chapter 3 includes provisions on monopolies and exclusive service suppliers. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Party's obligations under Article 3.3 (Most-Favoured-Nation Treatment) and specific commitments (Article 3.11). If a Party's

³² GIs are defined as indications identifying goods as originating in the territory of a Party, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to their geographical origin.

³³ Indications of source are defined as direct or indirect references to the geographical origin of goods or services.

monopoly supplier competes in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments, that Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.³⁴

5.44. The Parties recognise that certain business practices of service suppliers, other than monopolies and exclusive service suppliers, may restrain competition and thereby restrict trade in services (Article 3.12). Each Party shall, at the request of another Party, enter into consultations with a view to eliminating such practices.

5.11 Sustainable development, environment and labour

5.45. Chapter 8 covers trade and sustainable development and applies to measures adopted or maintained by the Parties affecting trade-related and investment-related aspects of labour and environmental issues.

5.46. The Parties reaffirm their commitment to promote the development of international trade in such a way as to contribute to the objective of sustainable development and to ensure that this objective is integrated with and reflected in the Parties' trade relations (Article 8.1). Moreover, a number of global declarations, principles and plans of actions developed internationally are recalled.

5.47. Article 8.2 recognises each Party's right to regulate and to establish its own levels of environmental and labour protection consistent with the international standards, principles and agreements which they are committed or a Party to. Article 8.3 covers upholding levels of protection in the application and enforcement of the Parties' laws, regulations or standards. Parties shall not weaken or reduce environmental and labour protection provided in its laws, rules, regulations and standards with the sole intention to attract investments or seek to enhance competitive trade advantage of producers in its territory.

5.48. The Parties shall strive to facilitate and promote investment, trade in, and dissemination of, goods and services beneficial for sustainable development (Article 8.4). They recall the obligations deriving from the international human rights instruments to which they are a party (Article 8.5).

5.49. The Parties recall their obligations deriving from their membership of the ILO and particularly to respect, promote and realise fundamental rights (Article 8.6). They also reaffirm their commitment to effective implementation in their laws, regulation and practices of the multilateral environmental agreements to which they are party (Article 8.7).

5.50. Articles 8.8, 8.9 and 8.10 respectively provide for i) sustainable forest management and associated trade, ii) sustainable management of fisheries and aquaculture and associated trade, and iii) sustainable management of the vegetable oils sector and associated trade. The EFTA States' schedules on tariff commitments for goods specify that products of HS Headings 15.11 and 15.13 (palm oil, stearin, palm kernel oil) imported into the EFTA States under the Agreement shall meet the sustainability objectives as set out in Article 8.10.

5.51. The Parties agree to strengthen their cooperation in the relevant bilateral, regional and multilateral for a (Article 8.11).

5.52. The Parties shall designate contact points for implementing Chapter 8 (Article 8.12). No Party may have recourse to arbitration under the Agreement's dispute settlement Chapter for any matter arising under Chapter 8.

5.53. Article 8.13 provides for periodical review of the progress achieved in pursuing the objectives of the Agreement with respect to sustainable development and consider relevant international developments in order to identify areas where further action could promote the Agreements' objectives.

³⁴ Article 3.11 also applies to cases of exclusive service suppliers, where a Party, formally or in effect authorises or establishes a small number of service suppliers and substantially prevents competition among those suppliers in its territory.

5.12 Electronic commerce

5.54. The Agreement does not contain any specific disciplines on electronic commerce.

5.13 Small and medium-sized enterprises

5.55. Articles 4.3 and 9.5 mention SMEs as a field of cooperation and capacity building between the Parties.

5.14 Gender

5.56. The Agreement does not contain any specific disciplines on gender. However, Article 8.5 states that the Parties underline the need to protect the welfare and improve the livelihoods of vulnerable groups including women.

5.15 Cooperation and capacity building

5.57. Chapter 9 sets out a framework for cooperation and capacity building (Article 9.1). The aim of cooperation and capacity building is to foster competitiveness of goods and services, to enhance the fulfilment of applicable international standards, and to achieve sustainable development, in particular by strengthening human and institutional capacities. The Chapter is implemented on the basis of the Memorandum of Understanding on Cooperation and Capacity Building between the EFTA States and Indonesia (Article 9.4).

5.58. Cooperation under Chapter 9 aims at facilitating the implementation of the overall objectives of the Agreement and supporting Indonesia's efforts to achieve sustainable economic and social development, including by strengthening human and institutional capacities (Article 9.2). Cooperation and capacity building shall cover sectors affected by the process of liberalisation and restructuring of the Indonesian economy as well as sectors with the potential to benefit from the Agreement. Article 9.5 includes a non-exhaustive list of fields for cooperation and capacity building. Cooperation and capacity building by the EFTA States to Indonesia shall be provided bilaterally through EFTA programmes, multilaterally or in a combination thereof (Article 9.3). Article 9.6 covers financial arrangement.

5.59. Article 9.7 establishes a Sub-Committee on Cooperation and Capacity Building whose functions include discussing and identifying detailed proposals for the implementation of the Chapter, cooperating with other Sub-Committee and undertaking a periodic review and monitoring the implementation of Chapter 9.

5.60. No Party may have recourse to the Agreement's dispute settlement for any matter arising under Chapter 9 and any dispute concerning interpretation and implementation of the Chapter shall be settled amicably (Article 9.8).

ANNEX 1

The EFTA Market

Iceland

1. In 2022, 88.9% of Iceland's tariff was duty free on an MFN basis (Table A1.1). All industrial products were duty free while 63.7% of agricultural products were duty free. The average MFN tariff was 2.6% and 63.7% for agricultural products. As a result of the Agreement, 95.1% of Iceland's tariff became duty free for imports from Indonesia, of which all industrial products and 84% for agriculture. The average tariff for exports from Indonesia to Iceland fell to 1.3% overall and 4.2% for agricultural products. This gave Indonesia's exporters to Iceland a 50% relative margin of preference overall, 52% in agriculture and 100% for non-agricultural products.

Table A1.1 Iceland: Indicators of MFN and preferential rates for imports from Indonesia

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2022	2.6	24.9	88.9	8.7	24.9	63.7	0.0	0.0	100.0
Indonesia	2022	1.3	28.7	95.1	4.2	28.7	84.0	0.0	0.0	100.0

Note: For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

2. Table A1.2 shows additional market access in Iceland from the entry into force of the Agreement for Indonesia' top 25 global exports. These corresponded to 43 lines in the Icelandic tariff at the HS six-digit level. 42 of these tariff lines were duty-free at the MFN level and one line became duty free under the Agreement.

Table A1.2 Iceland: Market access opportunities under the agreement for Indonesia's top 25 exports to the world

Indonesia's top export products in 2018 - 2020			Access Conditions to Iceland's import markets				
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	dutiable		
270119	Coal, whether or not pulverised, non-agglomerated	7.5	0.0	1			
151190	Palm oil and its fractions, whether or not refined	7.2	0.0	2			
271111	Natural gas, liquefied	3.1	0.0	1			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	3.0	0.0	1			
151110	Crude palm oil	2.3	0.0	2			
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	2.2	0.0	1			
400122	Technically specified natural rubber	2.0	0.0	1			
720260	Ferro-nickel	1.7	0.0	1			
271121	Natural gas in gaseous state	1.7	0.0	1			

Indonesia's top export products in 2018 - 2020		Access Conditions to Iceland's import markets					
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti-able		
270900	Petroleum oils and oils obtained from bituminous minerals, crude	1.6	0.0	1			
270210	Lignite, whether or not pulverised, non-agglomerated	1.6	0.0	1			
260300	Copper ores and concentrates	1.5	0.0	1			
470329	Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate	1.4	0.0	1			
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal	1.0	0.0	1			
382319	Fatty acids, industrial, monocarboxylic; acid oils from refining	0.9	0.0	1			
870322	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	0.0	5			
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	0.0	4			
640319	Sports footwear, with outer soles of rubber, plastics, leather or composition leather and uppers of leather	0.8	0.0	2			
030617	Frozen shrimps and prawns, even smoked, whether in shell or not	0.8	2.0	4	1	1	
640411	Sports footwear, incl. tennis shoes, basketball shoes, gym shoes, training shoes and the like	0.8	0.0	2			
441231	Plywood consisting solely of sheets of wood <= 6 mm thick, with at least one outer ply of tropical wood	0.8	0.0	4			
800110	Unwrought tin, not alloyed	0.8	0.0	1			
401110	New pneumatic tyres, of rubber, of a kind used for motor cars	0.8	0.0	1			
480256	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, and non-perforated punch cards and punch-tape paper	0.7	0.0	1			
721913	Flat-rolled products of stainless steel, of a width of >= 600 mm, not further worked than hot-rolled, in coils, of a thickness of >= 3 mm and < 4,75 mm	0.7	0.0	1			
Total of above		46.5		42	1	1	0

Note: For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included.
Based on the HS 2022 nomenclature.

Source: WTO estimates based on the data from the WTO-IDB and the UNSD, Comtrade database.

Norway

3. In 2022, 85.4% of Norway's tariff was duty free on an MFN basis (Table A1.3). For agricultural and industrial products, 54.6% and 95.2% of tariff lines respectively were duty-free at the MFN level. The average MFN tariff was 2.3% overall, 11.7% for agricultural products and 0.5% for industrial products. As a result of the Agreement, 90.4% of Norway's tariff became duty free for imports from Indonesia, of which 84% for agriculture and 99.7% for industrial products. The average tariff for exports from Indonesia to Norway fell to 1.7% overall, 9.6% for agricultural products and 0.1% for industrial products. This gave Indonesia's exporters to Iceland a 26% relative margin of preference overall, 18% in agriculture and 80% for industrial products.

Table A1.3 Norway: Indicators of MFN and preferential rates for imports from Indonesia

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2022	2.3	42.9	85.4	11.7	116.4	54.6	0.5	11.2	95.2
Indonesia	2022	1.7	199.8	90.4	9.6	204.3	61.4	0.1	138.1	99.7

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

4. Table A1.4 shows additional market access in Norway from the entry into force of the Agreement for Indonesia' top 25 global exports. These corresponded to 33 lines in the Norwegian tariff at the six-digit level. 29 of these tariff lines were duty-free at the MFN level, one line became duty free under the Agreement while 3 (palm oil and fatty acids) remain dutiable with applied MFN duties in 2022 at 7.2% for palm oil and for fatty acids.

Table A1.4 Norway: Market access opportunities under the agreement for Indonesia's top 25 exports to the world

Indonesia's top export products in 2018-2020			Access Conditions to Norway's import markets				
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement 2022	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	dutiable		
270119	Coal, whether or not pulverised, non-agglomerated	7.5	0.0	1			
151190	Palm oil and its fractions, whether or not refined	7.2	7.2	1	2	1	1
271111	Natural gas, liquefied	3.1	0.0	1			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	3.0	0.0	1			
151110	Crude palm oil	2.3	-	1	1		1
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	2.2	0.0	1			
400122	Technically specified natural rubber	2.0	0.0	1			
720260	Ferro-nickel	1.7	0.0	1			
271121	Natural gas in gaseous state	1.7	0.0	1			
270900	Petroleum oils and oils obtained from bituminous minerals, crude	1.6	0.0	2			
270210	Lignite, whether or not pulverised, non-agglomerated	1.6	0.0	1			
260300	Copper ores and concentrates	1.5	0.0	1			
470329	Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate	1.4	0.0	1			
711319	Articles of jewellery and parts thereof, of precious metal other than silver	1.0	0.0	1			
382319	Fatty acids, industrial, monocarboxylic; acid oils from refining	0.9	-	1	1		1
870322	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	0.0	2			

Indonesia's top export products in 2018-2020		Access Conditions to Norway's import markets					
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement 2022	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti-able		
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	0.0	2			
640319	Sports footwear, with outer soles of rubber, plastics, leather or composition leather and uppers of leather	0.8	0.0	1			
030617	Frozen shrimps and prawns, even smoked, whether in shell or not	0.8	0.0	1			
640411	Sports footwear, incl. tennis shoes, basketball shoes, gym shoes, training shoes and the like	0.8	0.0	1			
441231	Plywood consisting solely of sheets of wood <= 6 mm thick, with at least one outer ply of tropical wood	0.8	0.0	2			
800110	Unwrought tin, not alloyed	0.8	0.0	1			
401110	New pneumatic tyres, of rubber, of a kind used for motor cars	0.8	0.0	1			
480256	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, and non-perforated punch cards and punch-tape paper	0.7	0.0	1			
721913	Flat-rolled products of stainless steel, of a width of >= 600 mm, not further worked than hot-rolled, in coils, of a thickness of >= 3 mm and < 4,75 mm	0.7	0.0	1			
Total of above		46.5		29	4	1	3

- contains specific duties only.

Note: For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included.
Based on the HS 2022 nomenclature.

Source: WTO estimates based on the data from the WTO-IDB and the UNSD, Comtrade database.

Switzerland¹

5. In 2022, 27.4% of Switzerland's tariff was duty free on an MFN basis (Table A1.5). For agricultural and industrial products, 27.5% and 27.3% of tariff lines respectively were duty-free at the MFN level. As a result of the Agreement, 86% of Switzerland's tariff became duty free for imports from Indonesia, of which 49% for agriculture and 99.9% for industrial products. Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents are not available.

¹ As a result of the Treaty between Switzerland and Liechtenstein forming a Customs Union on 29 March 1923, Liechtenstein is represented by Switzerland in matters covered thereby (Article 2). Due to the Customs Union, products originating in Liechtenstein are considered as originating in Switzerland.

Table A1.5 Switzerland: Indicators of MFN tariff rates and preferential rates for imports from Indonesia

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2022	...	...	27.4	...	...	27.5	...	...	27.3
Indonesia	2022	...	...	86.0	...	...	49.0	...	...	99.9

... Not available: Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents are not available.

Note: Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB.

6. Table A1.6 shows additional market access in Switzerland from the entry into force of the Agreement for Indonesia' top 25 global exports. These corresponded to 40 lines in the Swiss tariff at the six-digit level. 16 of these tariff lines were duty-free at the MFN level; 19 lines became duty free under the Agreement while 5 (palm oil) remain dutiable, all at specific rates.

Table A1.6 Switzerland: Market access opportunities under the agreement for Indonesia's top 25 exports to the world

Indonesia's top export products in 2018-2020		Access Conditions to Switzerland's import markets					
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement (2022)	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	dutiable		
270119	Coal, whether or not pulverised, non-agglomerated	7.5	...	1	1		
151190	Palm oil and its fractions, whether or not refined	7.2	...	2	4	4	
271111	Natural gas, liquefied	3.1	0.0	2			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	3.0	...	1	1		
151110	Crude palm oil	2.3	...	1	1	1	
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	2.2	0.0	1			
400122	Technically specified natural rubber	2.0	0.0	1			
720260	Ferro-nickel	1.7	0.0	1			
271121	Natural gas in gaseous state	1.7	0.0	2			
270900	Petroleum oils and oils obtained from bituminous minerals, crude	1.6	0.0	2			
270210	Lignite, whether or not pulverised, non-agglomerated	1.6	...	1	1		
260300	Copper ores and concentrates	1.5	0.0	1			
470329	Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate	1.4	...	1	1		
711319	Articles of jewellery and parts thereof, of precious metal other than silver	1.0	...	1	1		
382319	Fatty acids, industrial, monocarboxylic; acid oils from refining	0.9	...	1	1	1	
870322	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	...	1	1		

Indonesia's top export products in 2018-2020		Access Conditions to Switzerland's import markets					
HS number and description of the product		Share in global exports (%)	MFN (2022)			Duty-free under the Agreement (2022)	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti-able		
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons	0.8	...		3	3	
640319	Sports footwear, with outer soles of rubber, plastics, leather or composition leather and uppers of leather	0.8	...		1	1	
030617	Frozen shrimps and prawns, even smoked, whether in shell or not	0.8	0.0	1			
640411	Sports footwear, incl. tennis shoes, basketball shoes, gym shoes, training shoes and the like	0.8	...		1	1	
441231	Plywood consisting solely of sheets of wood <= 6 mm thick, with at least one outer ply of tropical wood	0.8	...		1	1	
800110	Unwrought tin, not alloyed	0.8	...		1	1	
401110	New pneumatic tyres, of rubber, of a kind used for motor cars, incl. station wagons and racing cars	0.8	...		1	1	
480256	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, and non-perforated punch cards and punch-tape paper	0.7	...	1	2	2	
721913	Flat-rolled products of stainless steel, of a width of >= 600 mm, not further worked than hot-rolled, in coils, of a thickness of >= 3 mm and < 4,75 mm	0.7	...		2	2	
Total of above		46.5		16	24	19	5

... Not available: Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents are not available.

Note: Based on the HS 2022 nomenclature.

Source: WTO estimates based on the WTO-IDB and UNSD, Comtrade database.

Indonesia's market

7. In 2021, 12% of Indonesia's tariff was duty free on an MFN basis (Table A1.7). 13% of industrial products were duty free while 7% of agricultural products were duty free. The average MFN tariff is 10.1%. As a result of the Agreement, 38% (47% for agricultural products and 36% for industrial products) of Indonesia's tariff became duty free on entry into force for imports from EFTA States. At the end of implementation in 2034, 84% of Indonesia's tariff will be duty-free (83% of agricultural products and 84% of industrial products). The average tariff for exports from EFTA States to Indonesia will fall to 4.2% overall, 4.9% for agricultural products and 4.1% for industrial products. This will give EFTA States' exporters to Indonesia a 58% relative margin of preference overall, 51% in agriculture and 59% for non-agricultural products.

Table A1.7 Indonesia: Indicators of MFN and preferential rates for imports from EFTA

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	10.1	11.4	12.0	10.1	10.9	7.0	10.1	11.6	13.0
EFTA	2021	7.7	12.4	37.7	7.4	14.0	46.6	7.8	12.2	36.0
	2022	7.4	11.8	37.7	7.1	13.4	46.6	7.4	11.6	36.0
	2023	6.7	10.7	37.7	6.7	12.6	46.6	6.7	10.4	36.0
	2024	6.2	9.9	37.7	6.2	11.8	46.6	6.2	9.7	36.0
	2025	5.5	15.3	64.1	5.8	18.3	67.2	5.4	14.8	63.5
	2026	5.4	15.2	64.1	5.8	18.1	67.2	5.4	14.7	63.5
	2027	4.9	13.8	64.1	5.5	17.2	67.2	4.8	13.3	63.5
	2028	4.9	13.7	64.1	5.4	17.0	67.2	4.8	13.2	63.5
	2029	4.5	23.1	80.3	5.2	21.4	74.6	4.4	23.6	81.4
	2030	4.4	22.4	80.3	5.1	20.7	74.6	4.2	22.8	81.4
	2031	4.4	22.6	80.3	5.0	20.4	74.6	4.3	23.1	81.4
	2032	4.3	27.3	84.2	4.9	31.5	83.4	4.1	26.5	84.3
	2033-2034	4.2	26.9	84.2	4.9	31.2	83.4	4.1	26.0	84.3

Note: Tariff lines subject to in-quota rates are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities.

8. Table A1.8 shows additional market access in Indonesia from the entry into force of the Agreement for Iceland's top 25 global exports. These corresponded to 62 lines in the Indonesian tariff at the HS six-digit level. 20 of these tariff lines were duty-free at the MFN level and 38 lines will become duty free under the Agreement at the end of implementation leaving only 4 dutiable lines.

Table A1.8 Indonesia: Market access opportunities under the agreement for Iceland's top 25 exports to the world

Iceland's top export products in 2018-2020			Access Conditions to Indonesia's import markets								
HS number and description of the product		Share in global exports (%)	MFN (2021)				Duty-free under the Agreement				Remain dutiable
			Avg. MFN applied rate (%)	Number of lines		2021	2025	2029	2032		
				Duty-free	Dutiable						
760110	Aluminium, not alloyed, unwrought	26.7	0.0	1							
030444	Fresh or chilled fillets	7.7	10.0		1			1			
030471	Frozen fillets of cod	5.6	10.0		1			1			
230120	Flours, meals and pellets of fish or crustaceans	3.1	0.0	3							
760511	Wire of non-alloy aluminium, with a maximum cross-sectional dimension of > 7 mm	3.0	10.0		1					1	
760120	Unwrought aluminium alloys	2.8	0.0	1							
720221	Ferro-silicon, containing by weight > 55% of silicon	2.7	0.0	1							

Iceland's top export products in 2018-2020		Access Conditions to Indonesia's import markets								
HS number and description of the product		Share in global exports (%)	MFN (2021)		Duty-free under the Agreement				Remain dutiable	
			Avg. MFN applied rate (%)	Number of lines		2021	2025	2029		2032
				Duty-free	Duti-able					
760429	Bars, rods and solid profiles, of aluminium alloys, n.e.s.	2.5	11.7		3		1	1	1	
030562	Cod	2.4	5.0		1				1	
030354	Frozen mackerel	2.2	5.0		2			1		1
030214	Fresh or chilled atlantic salmon	2.1	5.0		1			1		
150420	Fats and oils of fish and their fractions	1.6	5.0		2				1	1
030532	Fillets, dried, salted or in brine, but not smoked	1.6	5.0		1			1		
760719	Aluminium foil, not backed, rolled and further worked	1.6	10.0		1			1		
271019	Medium oils and preparations	1.5	1.3	12	4	4				
160521	Shrimps and prawns, prepared or preserved, not in airtight containers	1.4	5.0		1			1		
030473	Frozen fillets of coalfish	1.3	10.0		1				1	
030472	Frozen fillets of haddock	1.3	10.0		1				1	
030331	Frozen lesser or greenland halibut	1.2	5.0		1				1	
030572	Fish heads, tails and maws, smoked, dried, salted or in brine	1.1	5.0		4				2	2
030389	Frozen fish, n.e.s.	1.1	5.4		13		9	1	3	
880240	Aeroplanes and other powered aircraft	1.0	0.0	2						
030391	Frozen fish livers, roes and milt	1.0	5.0		1			1		
902131	Artificial joints for orthopaedic purposes	1.0	5.0		1	1				
030251	Fresh or chilled cod	0.9	5.0		1			1		
Total of above		78.4		20	42	5	10	11	12	4

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities and the UNSD, Comtrade database.

9. Table A1.9 shows additional market access in Indonesia from the entry into force of the Agreement for Norway's top 25 global exports. These corresponded to 112 lines in the Indonesian tariff at the HS six-digit level. 46 of these tariff lines were duty-free at the MFN level and 64 lines will become duty free under the Agreement at the end of implementation leaving only 2 dutiable lines.

Table A1.9 Indonesia: Market access opportunities under the agreement for Norway's top 25 exports to the world

Norway's top export products in 2018-2020			Access Conditions to Indonesia's import markets								
HS number and description of the product		Share in global exports (%)	MFN (2021)				Duty-free under the Agreement				Remain dutiable
			Avg. MFN applied rate (%)	Number of lines		2021	2025	2029	2032		
				Duty-free	Dutiable						
270900	Petroleum oils and oils obtained from bituminous minerals, crude	27.4	0.0	3							
271121	Natural gas in gaseous state	20.2	5.0		2	2					
030214	Fresh or chilled atlantic salmon	6.0	5.0		1			1			
271012	Light oils and preparations, of petroleum or bituminous minerals	2.9	0.0	22							
760120	Unwrought aluminium alloys	2.7	0.0	1							
271019	Medium oils and preparations	2.5	1.3	12	4	4					
750210	Nickel, not alloyed, unwrought	1.2	5.0		1		1				
271112	Propane, liquefied	1.1	5.0		1	1					
292429	Cyclic amides, incl. cyclic carbamates, and their derivatives; salts thereof	1.1	7.5		4	2	1			1	
030441	Fresh or chilled fillets of pacific salmon	1.0	10.0		1					1	
271111	Natural gas, liquefied	0.9	5.0		1	1					
271113	Butanes, liquefied	0.8	5.0		1	1					
271600	Electrical energy	0.6	0.0	1							
030481	Frozen fillets of pacific salmon	0.5	10.0		1					1	
030354	Frozen mackerel	0.4	5.0		2			1		1	
280469	Silicon containing < 99,99% by weight of silicon	0.4	5.0		1		1				
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	0.4	4.5	3	26	21	5				
030551	Dried cod	0.4	5.0		1					1	
890110	Cruise ships, excursion boats and similar vessels principally designed for the transport of persons; ferry-boats of all kinds	0.4	5.0		6		6				
880330	Parts of aeroplanes or helicopters, n.e.s.	0.3	0.0	1							
711021	Palladium, unwrought or in powder form	0.3	5.0	1	1	1					
720230	Ferro-silico-manganese	0.3	0.0	1							
843143	Parts for boring or sinking machinery of subheading 8430.41 or 8430.49, n.e.s.	0.3	5.0		1	1					
790111	Unwrought zinc, not alloyed, containing by weight >= 99,99% of zinc	0.3	0.0	1							
841370	Centrifugal pumps, power-driven	0.3	5.0		11	6	5				
	Total of above	72.6		46	66	40	19	2	3	2	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities and the UNSD, Comtrade database.

10. Table A1.10 shows additional market access in Indonesia from the entry into force of the Agreement for Switzerland's top 25 global exports. These corresponded to 77 lines in the Indonesian tariff at the HS six-digit level. 11 of these tariff lines were duty-free at the MFN level and 66 lines will become duty free under the Agreement by the end of implementation.

Table A1.10 Indonesia: Market access opportunities under the agreement for Switzerland's top 25 exports to the world

Switzerland's top export products in 2018 - 2020		Access Conditions to Indonesia's import markets							
HS number and description of the product		Share in global exports (%)	MFN (2021)			Duty-free under the Agreement			
			Avg. MFN applied rate (%)	Number of lines		2021	2025	2029	2032
				Duty-free	Duti-able				
710812	Gold for non-monetary purposes (excl. gold in powder form)	18.6	2.5	1	1	1			
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	13.3	4.5	3	26	21	5		
300215	Immunological products, put up in measured doses or in forms or packings for retail sale	9.4	0.0	1					
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal	3.3	15.0		2				2
910221	Wrist-watches (excl. of precious metal or of metal clad with precious metal)	3.2	10.0		1	1			
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	2.4	5.0		1		1		
293399	Heterocyclic compounds with nitrogen hetero-atom[s] only	1.5	2.5	1	1	1			
910121	Wrist-watches of precious metal or of metal clad with precious metal	1.4	10.0		1		1		
293359	Heterocyclic compounds with nitrogen hetero-atom[s] only, containing a pyrimidine ring, whether or not hydrogenated, or piperazine ring in the structure	1.1	5.0		2	2			
300439	Medicaments containing hormones or steroids used as hormones but not antibiotics	0.9	5.0		1	1			
300212	Antisera and other blood fractions	0.8	0.0	2					
293719	Polypeptide hormones, protein hormones and glycoprotein hormones	0.8	5.0		1	1			
902110	Orthopaedic or fracture appliances	0.8	5.0		1		1		
090121	Roasted coffee (excl. decaffeinated)	0.7	20.0		2				2
910211	Wrist-watches, with mechanical display only (excl. of precious metal or of metal clad with precious metal)	0.7	10.0		1	1			
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	0.6	5.0		3	3			
271600	Electrical energy	0.6	0.0	1					
220299	Non-alcoholic beverages	0.6	16.0		5			2	3
710239	Diamonds, worked, but not mounted or set (excl. industrial diamonds)	0.5	0.0	1					
300420	Medicaments containing antibiotics, put up in measured doses	0.5	5.0		8	8			

Switzerland's top export products in 2018 - 2020		Access Conditions to Indonesia's import markets							
HS number and description of the product		Share in global exports (%)	MFN (2021)			Duty-free under the Agreement			
			Avg. MFN applied rate (%)	Number of lines		2021	2025	2029	2032
				Duty-free	Duti-able				
294190	Antibiotics (excl. penicillins and their derivatives)	0.5	0.0	1					
330499	Beauty or make-up preparations and preparations for the care of the skin	0.4	15.0		3			3	
910129	Wrist-watches of precious metal or of metal clad with precious metal with hand winding only	0.4	10.0		1			1	
292429	Cyclic amides, incl. cyclic carbamates, and their derivatives; salts thereof	0.4	7.5		4	2	1		1
330290	Mixtures of odoriferous substances and mixtures	0.4	5.0		1	1			
Total of above		63.9		11	66	43	9	6	8

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data provided by the Indonesian authorities and the UNSD, Comtrade database.

ANNEX 2

Table A2.1 Switzerland: Tariff rate quotas under the Agreement

Tariff line	Description	Quota*	In quota duties	Out of quota duties/MFN
ex1511.1090	other	A	79.35 CHF/100 kg gross	116.05 CHF/100 kg gross
ex1511.1090	other	D	0%	116.05 CHF/100 kg gross
ex1511.9018	in tanks or metal drums	B1	91.45 CHF/100 kg gross	157.25 CHF/100 kg gross
ex1511.9018	in tanks or metal drums	B2	124.35 CHF/100 kg gross	157.25 CHF/100 kg gross
ex1511.9019	other	A	115.3 CHF/100 kg gross	168.1 CHF/100 kg gross
ex1511.9019	other	D	0%	168.1 CHF/100 kg gross
ex1511.9098	in tanks or metal drums	A	94.55 CHF/100 kg gross	138.25 CHF/100 kg gross
ex1511.9098	in tanks or metal drums	D	0%	138.25 CHF/100 kg gross
ex1511.9099	other	A	102 CHF/100 kg gross	149.1 CHF/100 kg gross
ex1511.9099	other	D	0%	149.1 CHF/100 kg gross
ex1513.2190	other	C1	70.3 CHF/100 kg gross	121.6 CHF/100 kg gross
ex1513.2190	other	C2	96 CHF/100 kg gross	121.6 CHF/100 kg gross
ex1513.2918	in tanks or metal drums	C1	91.45 CHF/100 kg gross	157.25 CHF/100 kg gross
ex1513.2918	in tanks or metal drums	C2	124.35 CHF/100 kg gross	157.25 CHF/100 kg gross
ex1513.2919	other	C1	97.7 CHF/100 kg gross	168.1 CHF/100 kg gross
ex1513.2919	other	C2	132.9 CHF/100 kg gross	168.1 CHF/100 kg gross
ex1513.2998	in tanks or metal drums	C1	84.25 CHF/ 100 kg gross	145.25 CHF/100 kg gross
ex1513.2998	in tanks or metal drums	C2	114.75 CHF/100 kg gross	145.25 CHF/100 kg gross
ex1513.2999	other	C1	90.5 CHF/100 kg gross	156.1 CHF/100 kg gross
ex1513.2999	other	C2	123.3 CHF/100 kg gross	156.1 CHF/100 kg gross

Note: A: quantity increasing in equal steps from 1,000 metric tonnes (MT) at entry into force to 1,250 MT from year 6 onwards.
 B1: quantity increasing in equal steps from 5,000 MT at entry into force to 6,250 MT from year 6 onwards.
 B2: quantity increasing in equal steps from 1,000 MT at entry into force to 1,250 MT from year 6 onwards.
 C1: quantity increasing in equal steps from 2,000 MT at entry into force to 2,500 MT from year 6 onwards.
 C2: quantity increasing in equal steps from 1,000 MT at entry into force to 1,250 MT from year 6 onwards.
 D: 100 MT for products imported for human nutrition, in bottles of no more than 2 litres and ready for consumption.
 *: Products of HS Headings 15.11 and 15.13 imported into Switzerland under the Agreement shall meet the sustainability objectives as set out in Article 8.10 of the Agreement.

Source: WTO-IDB and the Agreement.

Table A2.2 Norway: Tariff rate quotas under the Agreement

Tariff line	Description	In quota duties	Out of quota duties
02031109, 02031209, 02031909, 02032109, 02032209, 02032909	Of other swine	Duty free within the annual global WTO quota for other meat and edible meat offal, fresh, chilled or frozen, game quota of 250 tonnes.	MFN

Tariff line	Description	In quota duties	Out of quota duties
02081000	Of rabbits or hares	Duty free within the annual global WTO quota for other meat and edible meat offal, fresh, chilled or frozen, game quota of 250 tonnes.	MFN
02089030	Of wood birds or grouses, except tongues	Duty free within the annual global WTO quota for other meat and edible meat offal, fresh, chilled or frozen, game quota of 250 tonnes.	382.5% plus 43.56 NOK/kg
02089043	Carcasses and half-carcasses	Duty free within the annual global WTO quota for elk meat of 100 tonnes.	MFN
02089044	Other cuts with bone in	Duty free within the annual global WTO quota for elk meat of 100 tonnes.	MFN
02089045	Boneless; meat offal	Duty free within the annual global WTO quota for elk meat of 100 tonnes.	MFN
02089046	Carcasses and half-carcasses	Duty free within the annual global WTO quota for deer meat of 200 tonnes.	MFN
02089047	Other cuts with bone in	Duty free within the annual global WTO quota for deer meat of 200 tonnes.	MFN
02089048	Boneless; meat offal	Duty free within the annual global WTO quota for deer meat of 200 tonnes.	MFN
02089094	Of ostrich	Duty free within the annual global WTO quota for other meat and edible meat offal, fresh, chilled or frozen, game quota of 250 tonnes.	309.6% plus 107.10 NOK/kg
02089099	Other	Duty free within the annual global WTO quota for other meat and edible meat offal, fresh, chilled or frozen, game quota of 250 tonnes.	MFN
04051000	Butter	30% reduction in the in quota duty of the annual global WTO quota for butter of 575 tonnes.	MFN
04090000	Natural honey	Duty free within the annual quota for honey of 192 tonnes.	302.6 % plus 20.80 NOK
07049013	From 1 October to 31 May	25% reduction in the in-quota duties of the annual WTO global quota for white cabbage of 134 tonnes.	MFN
07049020	From 1 June to 31 July	25% reduction in the in-quota duties of the annual WTO global quota for white cabbage of 134 tonnes.	MFN
07049040	From 1 October to 31 July	25% reduction in the in-quota duties of the annual WTO global quota for white cabbage of 134 tonnes.	MFN

Source: The Agreement.

Table A2.3 Indonesia: Tariff rate quotas under the Agreement

TL	Description	Rate of Duty (%)		
		MFN	In-Quota	Out-Quota
03021300	Pacific salmon	5	2.5	3
03031100	Sockeye salmon (red salmon)	5	2.5	3
03031200	Other Pacific salmon	5	2.5	3

Source: The Agreement.