

**Information on Non-Conforming Measures  
referred to in paragraph 4 of Article 64 of the  
Agreement between Japan and the Republic of  
Indonesia for an Economic Partnership**

**July 1, 2008**

**Japan**

The Sectors or Matters specified in Annex 5

1. Aerospace Industry
2. Arms and Explosives Industry
3. Broadcasting Industry
4. Energy
5. Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf
6. Land Transaction
- (7. Maintenance, Designation or Elimination (including privatization) of a Public Monopoly)
- (8. Maintenance, Establishment or Disposal (including privatization) of a State Enterprise)
- (9. Public Law Enforcement and Correctional Services and Social Services)
- (10. Subsidies)

Note: For the purposes of this Information, the term "JSIC" means Japan Standard Industrial Classification set out by the Ministry of Internal Affairs and Communications, and revised on November 6, 2007.

1	Sector or Matter:	Aerospace Industry
	Industry Classification Codes:	
	Obligations under this Agreement:	National Treatment (Article 59) Prohibition of Performance Requirements (Article 63)
	Legal Source of the Measure:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30  Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5
	Succinct Description of the Measure:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in aircraft industry and space industry in Japan.  Making contracts with non-residents regarding the introduction of technology, etc. may also be subject to the prior notification requirement under the Foreign Exchange and Foreign Trade Law.  Japan reserves the right to adopt or maintain any measure relating to investments in aircraft industry and space industry.

2	Sector or Matter:	Arms and Explosives Industry
	Industry Classification Codes:	
	Obligations under this Agreement:	National Treatment (Article 59) Prohibition of Performance Requirements (Article 63)
	Legal Source of the Measure:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Articles 27 and 30  Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Articles 3 and 5
	Succinct Description of the Measure:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in arms industry and explosives manufacturing industry in Japan.  Making contracts with non-residents regarding the introduction of technology, etc. may also be subject to the prior notification requirement under the Foreign Exchange and Foreign Trade Law.  Japan reserves the right to adopt or maintain any measure relating to investments in arms industry and explosives manufacturing industry.

3	Sector or Matter:	Broadcasting Industry	
	Industry Classification Codes:	JSIC 380	Establishments engaged in administrative or ancillary economic activities
		JSIC 381	Public broadcasting, except cablecasting
		JSIC 382	Private-sector broadcasting, except cablecasting
		JSIC 383	Cablecasting
	Obligations under this Agreement:	National Treatment (Article 59)	
		Prohibition of Performance Requirements (Article 63)	
	Legal Source of the Measure:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27	
		Cabinet Order on Foreign Direct Investment (Cabinet Order No.261 of 1980), Article 3	
		Radio Law (Law No.131 of 1950), Article 5	
		Broadcast Law (Law No. 132 of 1950), Articles 52-8, 52-13, 52-30 and 52-32	
	Succinct Description of the Measure:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in broadcasting industry in Japan.	
		Japan reserves the right to adopt or maintain any measure relating to investments in broadcasting industry.	

4	Sector or Matter:	Energy
	Industry Classification Codes:	
	Obligations under this Agreement:	National Treatment (Article 59) Prohibition of Performance Requirements (Article 63)
	Legal Source of the Measure:	Foreign Exchange and Foreign Trade Law (Law No.228 of 1949), Articles 27 and 30  Cabinet Order on Foreign Direct Investment (Cabinet Order No.261 of 1980), Articles 3 and 5
	Succinct Description of the Measure:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in energy industry in Japan.  Making contracts with non-residents regarding the introduction of technology, etc. may also be subject to the prior notification requirement under the Foreign Exchange and Foreign Trade Law.  Japan reserves the right to adopt or maintain any measure relating to investments in the energy industry.

5	Sector or Matter:	Fisheries within the Territorial Sea, Internal Waters, Exclusive Economic Zone and Continental Shelf
	Industry Classification Codes:	JSIC 031 Marine fisheries JSIC 032 Inland water fisheries JSIC 041 Marine aquaculture JSIC 042 Inland water aquaculture JSIC 8093 Recreational fishing guide business
	Obligations under this Agreement:	National Treatment (Article 59) Most-Favoured-Nation Treatment (Article 60) Prohibition of Performance Requirements (Article 63)
	Legal Source of the Measure:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27 Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3 Law for Regulation of Fishing Operation by Foreign Nationals (Law No. 60 of 1967), Articles 3, 4 and 6 Law concerning the Exercise of Sovereign Rights concerning Fisheries in the Exclusive Economic Zones (Law No.76 of 1996), Articles 4, 5, 7 through 12 and 14
	Succinct Description of the Measure:	The prior notification requirement under the Foreign Exchange and Foreign Trade Law applies to foreign investors who intend to make investments in fisheries in the territorial sea, internal waters, exclusive economic zone and continental shelf of Japan. Japan reserves the right to adopt or maintain any measure relating to investments in fisheries in the territorial sea, internal waters, exclusive economic zone and continental

shelf of Japan.

For the purposes of this reservation, the term "fisheries" means the work of taking and cultivation of aquatic resources, including the following fisheries related activities:

- (a) investigation of aquatic resources without taking such resources;
- (b) luring of aquatic resources;
- (c) preservation and processing of fish catches;
- (d) transportation of fish catches and fish products; and
- (e) provision of supplies to other vessels used for fisheries.



6	Sector or Matter:	Land Transaction
	Industry Classification Codes:	
	Obligations under this Agreement:	National Treatment (Article 59) Most-Favoured-Nation Treatment (Article 60)
	Legal Source of the Measure:	Alien Land Law (Law No. 42 of 1925), Article 1
	Succinct Description of the Measure:	With respect to the acquisition or lease of land properties in Japan, prohibitions or restrictions may be imposed by Cabinet Order on the Indonesian nationals or legal persons, where Japanese nationals or legal persons are placed under identical or similar prohibitions or restrictions in Indonesia.

End.