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.
<table>
<thead>
<tr>
<th></th>
<th>Sector or Matter:</th>
<th>Aerospace Industry</th>
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<tbody>
<tr>
<td></td>
<td>Industry Classification Codes:</td>
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</table>
|   | 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. |
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.
<table>
<thead>
<tr>
<th>Sector or Matter:</th>
<th>Energy</th>
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<tr>
<td>Industry Classification</td>
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<tr>
<td>Codes:</td>
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<tr>
<td>Obligations under this</td>
<td>National Treatment (Article 59)</td>
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<tr>
<td>Agreement:</td>
<td>Prohibition of Performance Requirements (Article 63)</td>
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<tr>
<td>Legal Source of the Measure:</td>
<td>Foreign Exchange and Foreign Trade Law (Law No.228 of 1949), Articles 27 and 30</td>
</tr>
<tr>
<td></td>
<td>Cabinet Order on Foreign Direct Investment (Cabinet Order No.261 of 1980), Articles 3 and 5</td>
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<tr>
<td>Succinct Description of</td>
<td>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.</td>
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<tr>
<td>the Measure:</td>
<td>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.</td>
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<td></td>
<td>Japan reserves the right to adopt or maintain any measure relating to investments in the energy industry.</td>
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<td>5</td>
<td>Sector or Matter:</td>
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|   | 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. |
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.
<table>
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<tr>
<th>Sector or Matter:</th>
<th>Land Transaction</th>
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<tr>
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<td>Most-Favoured-Nation Treatment (Article 60)</td>
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<tr>
<td>Legal Source of the Measure:</td>
<td>Alien Land Law (Law No. 42 of 1925), Article 1</td>
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<tr>
<td>Succinct Description of the Measure:</td>
<td>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.</td>
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