This explanatory note gives a general overview of the
European Union’s (EU) proposal on the Transparency
chapter in the Free Trade Agreement (FTA) envisaged
between the EU and Indonesia. The text of the EU proposal
was presented to Indonesia shortly in advance of the sixth
negotiating round, and is now available on the website
of the Commission.

Why do we negotiate a chapter on
Transparency?

The chapter on Transparency proposed by the EU is rooted
in WTO obligations (Article X of the GATT). The chapter
targets measures of general application, such as laws,
regulations, judicial decisions, or administrative rulings that
may have an impact on trade in the field of the FTA. The
objective of this chapter is to ensure a predictable
regulatory environment, as well as efficient procedures for
economic operators, including small and medium-sized
enterprises (SMEs). The transparency provisions in this
chapter supplement the specific transparency rules set out
in different chapters of the FTA.

What do we negotiate?

The Transparency chapter facilitates access to information
for economic operators and the general public concerning
regulatory requirements and the responsible public
administrations. The main provisions are detailed below.

Publication: The chapter provides for the prompt
publication, when feasible, by electronic means, or
availability of measures of general application to enable
any person to become acquainted with them. Such
measures shall provide an explanation of their objective
and rationale. In particular, sufficient time shall be allowed
between publication and entry into force of laws and
regulations.

Enquiries: The Transparency chapter foresees two types
of mechanisms to provide information on laws and
regulations on the matters of the FTA: a mechanism by
each of the Parties to the FTA for responding to enquiries
from any person and a contact point between the Parties to
provide Party to Party information.

Administration of measures of general application: In
the area of enforcing measures of general application by
the competent authorities of the Party, the Transparency
chapter seeks to lay down general principles (such as
objectivity and impartiality) and provide for minimal
procedural guarantees for persons directly affected by
administrative procedures (e.g. reasonable notice,
opportunity to present supporting facts and arguments).

Review and appeal: The Transparency Chapter also seeks
to lay down minimum requirements as regards the
possibility of review and correction of administrative
decisions by requiring the Parties to establish non-
discriminatory and impartial judicial, arbitral or
administrative tribunals, as well as minimum procedural
rights in such procedures.

Transparency provisions are subject to the dispute
settlement provisions of the FTA.