

## TABLE OF CONTENTS

<b>ENDORSEMENT .....</b>	<b>ii</b>
<b>APPROVAL.....</b>	<b>iii</b>
<b>STATEMENT OF AUTHENTICITY .....</b>	<b>iv</b>
<b>PREFACE .....</b>	<b>v</b>
<b>ABSTRACT .....</b>	<b>ix</b>
<b><i>INTISARI</i> .....</b>	<b>x</b>
<b>CHAPTER I.....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
A. Underlying Background.....	1
B. Research Question .....	8
C. Objectives of The Research .....	9
D. Originality of Research.....	9
E. Benefit of The Research.....	11
<b>CHAPTER II .....</b>	<b>12</b>
<b>THEORETICAL REVIEW .....</b>	<b>12</b>
A. A. General Overview Regarding Local Content.....	12
A.1. Definition of Local Content .....	12
A.2. Sources of Law regarding Local Content Requirement.....	13
B. General Overview Regarding Upstream Oil and Gas Business Activity ..	14
B.1. Overview on Upstream Oil and Gas Business Activity .....	14
B.2. History of Upstream Oil and Gas Business Activity.....	16

C. General Overview Regarding The World Trade Organization and Indonesia Membership.....	27
D. General Overview Regarding Subsidies and Countervailing Measures Agreement and Prohibited Subsidies .....	30
D.1. Subsidies and Countervailing Measures (SCM Agreements).....	30
D.2. Prohibited Subsidies Under SCM Agreements .....	31
D.3. Actionable Subsidies Under SCM Agreements .....	34
D.4. Non-actionable Subsidies Under SCM Agreements .....	35
D.5. Countervailing Measures under SCM Agreement .....	35
E. General Overview Regarding Trade Related Investment Measures .....	36
<b>CHAPTER III.....</b>	<b>39</b>
<b>RESEARCH METHOD .....</b>	<b>39</b>
A. Type of Research .....	39
B. Type of Data .....	40
C. Data Collection.....	40
D.Data Analysis .....	42
E. Overcome The Challenge.....	43
<b>CHAPTER IV.....</b>	<b>44</b>
<b>RESEARCH RESULTS AND ANALYSIS .....</b>	<b>44</b>
A. Implementation Of The Regulation Of Minister Energy And Mineral Resources No.8 Of 2017 In Applying Local Content Subsidies.....	44
A.1. The Purpose of Implementing Local Content Subsidies in Indonesia ..	44

A.2 Implementation of Additional Split by Government for Contractors That Use More Local Content in Regulation of Minister Energy and Mineral Resources No. 8 of 2017 .....	55
B. The Regulation Of Minister Energy And Mineral Resources No. 8 Of 2017 Seen from Subsidies And Countervailing Measures Agreement.....	62
B.1. Local Content Subsidy Measures under SCM Agreement.....	62
B.2. Examination on Regulation of Minister Energy and Mineral Resources No. 8 of 2017 Towards Article 3.1.b of SCM Agreement: Possible Violation of Article 3.1.B of WTO SCM Agreement .....	68
B.3 Exception Available in SCM Agreement Towards the Annex of Regulation of Minister Energy and Mineral Resources No. 8 of 2017.....	94
<b>CHAPTER V .....</b>	<b>98</b>
<b>CLOSURE .....</b>	<b>98</b>
1. Conclusion.....	98
2. Recommendation.....	99
<b>BIBLIOGRAPHY.....</b>	<b>100</b>