

マレーシアとの経済連携協定

附属書七（第八章関係） 第百一条に関する最惠國待遇の免除に係る表

日本国の表

分野	概要	免除の期間	状況（注）
海上貨物利用運送サービス	海上貨物利用運送サービス（複合運送サービス（注）に關連するサービスを含む。）を提供するための営業許可又は政府による登録は、日本国の会社が当該サービスについて同様の許可を受け、又は同様の登録を行うことができる外国の会社に対してのみ与えられ、又は行われる。	この措置の廃止は、貿易の自由化に關する将来の交渉の結果に従って検討される。	免除の必要性を生じさせている注 この欄の記述は、明瞭性のための情報であり、約束の一部を構成するものではない。
海上貨物利用運送サービス	注 「複合運送サービス」とは、国際海上運送と道路運送又は鉄道運送との組合せによる貨物運送サービスであって、複合運送の事業者（日本国の特定の約束に係る表における海上運送サービス（補助的なサービスを含む。）の分野における特定の約束に關する注釈に定義するもの）が支配の形で提供するものをいう。	この措置の廃止は、貿易の自由化に關する将来の交渉の結果に従って検討される。	マレーシアにおいて、海上貨物利用運送サービス（複合運送サービスに關連するサービスを含む。）を提供するための十分なアクセスが日本国の者に与えられることを確保する必要がある。
国際海上運送サービス（旅客及び貨物の運送サービスを含む。）	日本国の船舶運航事業者が外国又は外国の公共団体若しくはこれに準ずるものによって不利益な取扱いを受けている場合において、対抗上の措置をとる旨の事前の通告にもかかわらず、当該不利益な取扱いが引き続き行われ、当該日本国の船舶運航事業者の利益が著しく害されているときは、対抗上の措置として、当該外国の船舶運航事業者に対して、一定の期間、次の事項を制限し、又は禁止することができる。	この措置の廃止は、貿易の自由化に關する将来の交渉の結果に従って検討される。	日本国の船舶運航事業者がマレーシアにおいて不利益な取扱いを受けないことを確保する必要がある。

Annex 7 referred to in Chapter 8
Lists of Most-Favoured-Nation Treatment Exemptions in relation to Article 101

Part 1
List of Japan

Sector or sub-sector	Description of measure indicating its inconsistency with Article 101	Intended duration	Conditions creating the need for the exemption ¹
Maritime freight forwarding services	An operation permit or governmental registration for maritime freight forwarding services (including services related to multimodal transport services ²) is granted only to those firms of the countries in which Japanese firms are eligible for such permit or qualified for such registration.	Termination of this measure shall be considered depending upon the outcome of future negotiations for trade liberalisation.	Need to ensure that Japanese persons have satisfactory access to the supply of maritime freight forwarding services (including services related to multimodal transport services) in Malaysia.
International shipping services (including passenger transportation and freight transportation services)	Restriction or prohibition of a) entry in Japanese ports and b) loading or unloading of cargoes in Japanese ports for a designated period may be imposed as a countermeasure on operators of vessels who belong to the country in which interests of Japanese operators continue to be substantially damaged, in spite of prior notification of taking such measure, under unfavourable treatment imposed on them by that country or by local authorities or similar entities of that country.	Termination of this measure shall be considered depending upon the outcome of future negotiations for trade liberalisation.	Need to ensure favourable treatment for Japanese vessels operators in Malaysia.
Energy Services	With respect to the supply of services in the Electricity Utility Industry, Gas Utility Industry and Nuclear Energy Industry, excluding services supplied under subparagraph (v)(iii) of Article 95, preferential treatment may be accorded to the service suppliers of a third State.	Indefinite	Need to secure an efficient and stable supply of energy.

1 Description in this column shall be construed as information provided for reference purposes that does not form a part of commitments.

2 "Multimodal transport services" means freight transport services combining international maritime transport and road/railroad transport, provided on 'door to door' basis by a multimodal transport operator (as defined in Note to the Specific Commitments in the Sectors of Maritime Transport Services and Maritime Auxiliary Transport Services in the Schedule of Specific Commitments of Japan).

エネルギー・サービス	(b) (a) 日本国の港への入港は取卸し 電気業、ガス業及び原子力産業に係るサービスの提供（第九十五条(v) (iii) に基づいて提供するサービスを除く。）について、第二国のサービス提供者に対して特恵的な待遇を与えることができる。	無期限	効率的かつ安定的なエネルギーの供給を確保する必要がある。

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<p>漁業に関連するサービス</p>	<p>日本国の領海、内水、排他的経済水域及び大陸棚における次の活動を含む漁業に関連するサービスの提供について、第三国のサービス提供者に対して特惠的な待遇を与えることができる。</p> <p>(a) 水産資源の採取を伴わない調査集魚</p> <p>(b) 漁獲物の保蔵及び加工</p> <p>(c) 漁獲物及びその製品の輸送</p> <p>(d) 漁業に使用される他の船舶への補給</p> <p>(e)</p>	<p>無期限</p>	<p>漁業資源の保存及び管理を確保する必要がある。</p>
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(マレーシアの表は省略)

<p>Fisheries related services</p>	<p>With respect to the supply of services in fisheries in the territorial sea, internal waters, exclusive economic zone and continental shelf of Japan, including the following fisheries related services, preferential treatment may be accorded to the service suppliers of a third States:</p> <p>(a) investigation of aquatic resources without taking such resources;</p> <p>(b) luring of aquatic resources;</p> <p>(c) preservation and processing of fish catches;</p> <p>(d) transportation of fish catches and fish products; and</p> <p>(e) provision of supplies to other vessels used for fisheries.</p>	<p>Indefinite</p>	<p>Need to ensure conservation and management of fishery resources.</p>
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Part 2
Schedule of Malaysia
Explanatory Notes

1. Alphabets indicated against individual sectors or sub-sectors and numbers in brackets are references to the Services Sectoral Classification List (SART Document MTN.GNS/W/120, dated 10 July 1991) and the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991). These alphabetical and numerical divisions are indicated to enhance the clarity in the description of specific commitments, but shall not be construed as being a part of the specific commitments.
2. The scheduling of specific commitments follows the Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001). The Guidelines shall not, however, be construed as being legally binding.
3. The modes of supply 1), 2), 3) and 4) indicated in this Schedule correspond respectively to the supply of services defined in subparagraphs (v)(i), (ii), (iii) and (iv) of Article 95.
4. The entry "Unbound*" means unbound due to lack of technical feasibility.
5. The use of "*" against individual CPC codes indicates that the specific commitment for that code does not extend to the total range of services covered under that code.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE UNLESS OTHERWISE INDICATED	<p>3) <u>Acquisition, Mergers and Take-overs</u></p> <p>The acquisition of assets or interests of Malaysian companies and businesses, mergers or take-overs requires approval and applies to the following:</p> <p>(a) the acquisition of the voting rights of a Malaysian corporation by any single foreign interest or associated group of 15 percent or more, or an aggregate foreign interest of 30 percent or more or exceeding RM5 million in value;</p> <p>(b) any proposed acquisition of any assets or interests by any means which will result in ownership or control passing to foreign interest; and</p> <p>(c) control of Malaysian corporations through any form of joint venture agreement, management agreement, technical assistance agreement or other arrangements.</p>	<p>3) <u>Land, Property and Real Estate</u></p> <p>Approval may be denied if the acquisition, disposal or dealing of land or any interest in land, property and real estate is undertaken for speculative or non-productive purpose or for purposes which may conflict with the interest of the State.</p> <p><u>Incentives/Preferences</u></p> <p>Incentives are limited to eligible Malaysian-owned corporations engaged in service sectors promoted by the Government.</p> <p>Any measure and special preference granted to Bumiputera, Bumiputera status companies, trust companies and institutions set up to meet the objectives of the New Economic Policy (NEP) and the National Development Policy (NDP) shall be unbound.</p>	

1 In this Schedule, the term "Malaysians" means natural persons who are nationals of Malaysia or have the right of permanent residence in Malaysia.

	<p>Approval is normally granted. However it may be denied in circumstances where the proposed investment conflicts with the interest of the State.</p>	<p>Corporations in which the Government has an interest shall, in acquiring services, give first consideration to service suppliers in which the Government has an interest. This requirement does not prevent the acquisition of services from other service suppliers where their services are competitive in terms of price, quality and delivery.</p>	
	<p>4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below:</p> <p>1. Intra-corporate Transferees</p> <p>(a) Senior managers being persons within an organisation having proprietary information of the organisation and who exercise wide latitude in decision making relating to the establishment, control and operation of the organisation being directly responsible to the CEO and receive only general supervision or direction from the board of directors or partners of the organisation; and</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p>	

	<p>(b) Two specialists or experts per organisation being persons within the organisation who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisation's new service products and technology, research equipment and techniques or management. Additional specialists or experts may be allowed subject to market test and the training of Malaysians¹ through an acceptable training programme in the relevant services sector or sub-sector,</p> <p>provided that such persons are employees of the foreign service supplier and have been in the employment of that foreign service supplier for a period of not less than one year immediately preceding the date of their application for a work permit and they are to serve in at least a similar capacity.</p>		
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	<p>2. Others</p> <p>(a) Specialists or experts being persons who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisation's products and services subject to market test and the employment of Malaysians as counterparts and/or training of Malaysians through acceptable training programmes in the relevant services sector or sub-sector;</p> <p>(b) Professionals being persons who possess necessary academic credentials, professional qualifications, experience and/or expertise which have been duly recognised by the professional bodies in Malaysia and registered with those respective professional bodies; and</p>		
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	<p>(c) Business visitors being persons not based within Malaysia, receiving no remuneration from a source located within Malaysia, who have been employed for at least one year by a foreign service supplier, whose entry and temporary stay is for the purposes of negotiating for the sale of services or entering into agreements to sell services for that service supplier and who will not engage in direct sales to the general public.</p> <p>3. Entry and stay of natural persons defined in categories 1(a) and (b) and 2(a) and (b) shall not exceed a total of five years. For category 2(c), the period of stay shall not exceed a total of 90 days.</p>		
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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons				
Sector or sub-sector	SS	Limitations on market access	Limitations on national treatment	Additional commitments
II. SECTOR-SPECIFIC COMMITMENTS				
1. BUSINESS SERVICES				
A. Professional Services				
a) Legal services covering advisory and consultancy services relating only to home country laws, international law and offshore corporation laws of Malaysia (CPC 8619**)		1) None 2) None 3) Only through a corporation incorporated in the Federal Territory of Labuan Legal services shall only be supplied to offshore corporations established in the Federal Territory of Labuan. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b) Accounting, auditing and bookkeeping services (CPC 862)		1) None 2) None	1) None for accounting and bookkeeping services for members of Malaysian Institute of Accountants (MIA) Auditing services must be authenticated by a licensed auditor in Malaysia. 2) None for accounting and bookkeeping services for members of MIA Auditing services must be authenticated by a licensed auditor in Malaysia.	

		3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 35 percent. 4) Five specialists/experts for each institution, subject to registration with MIA and fulfilment of residency requirements. Entry shall be limited to maximum period of two years, subject to domestic regulations.	3) None 4) Unbound except for the categories of natural persons referred to under market access column	4) The qualifying examination to determine the competence and ability to supply the service for the purpose of registration with the MIA will be conducted in the English language.
c) Taxation services (CPC 863)		1) None 2) None 3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests in the partnership shall not exceed 35 percent.	1) Taxation services must be authenticated by an authorised tax agent in Malaysia. 2) Taxation services must be authenticated by an authorised tax agent in Malaysia. 3) None	

		4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), residency is required for registration.	4) Unbound except for the categories of natural persons referred to under market access column	4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.
d) Architectural services (CPC 8671)	1) None 2) None 3) Architectural services may be supplied only by a natural person. 4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), only an architect who is a consultant to a project wholly-financed by a foreign government or implemented under a bilateral arrangement between governments subject to temporary registration for a period of one year per temporary registration or in collaboration with a Malaysian licensed professional architect for wholly foreign funded projects.	1) Architectural services must be authenticated by a licensed professional architect in Malaysia. 2) Architectural services must be authenticated by a licensed professional architect in Malaysia. 3) None 4) Unbound except for the categories of natural persons referred to under market access column	4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.	

e) Engineering services (CPC 8672)	1) None 2) None 3) (a) Engineering services may be supplied only by a natural person. (b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 10 percent for joint ventures by professionals who are registered in the country of origin. Foreign directorship is not allowed. 4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), subject to temporary registration for a period of one year per temporary registration	1) Engineering services must be authenticated by a registered professional engineer in Malaysia. 2) Engineering services must be authenticated by a registered professional engineer in Malaysia. 3) (a) None (b) Unbound 4) Unbound except for the categories of natural persons referred to under market access column	4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.
f) Integrated engineering services (CPC 8673)	1) None	1) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia.	

	<p>2) None</p> <p>3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both for the purpose of services contract awarded in Malaysia</p> <p>The aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.</p> <p>Establishment of such joint venture corporation is only for a duration necessary to complete the services contract.</p> <p>4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), for a period of up to one year or the duration necessary to complete the services contract</p>	<p>2) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia.</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	<p>4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.</p>
g) Landscaping services covering the provision of advisory, planning and designing services for the aesthetic landscaping of golf courses and theme parks (CPC 86/42**)	<p>1) None</p> <p>2) None</p>	<p>1) None</p> <p>2) None</p>	

	<p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
h) Medical speciality services covering forensic medicine, nuclear medicine, geriatrics, microvascular surgery, neurosurgery, cardiothoracic surgery, plastic surgery, clinical immunology and oncology, traumatology, anaesthesiology, intensive care specialist, child psychiatry and physical medicine (CPC 93122)	<p>1) None</p> <p>2) None</p> <p>3) Medical speciality services may be supplied only by a natural person.</p> <p>4) Unbound except as indicated in 2(a) in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None except that: practice to be only in private hospitals of at least 70 beds; practice to be only at a specified location and a change of location requires approval; and the setting up of individual or joint group practices is not permitted.</p>	<p>4) The qualifying examination to determine the competence and ability to supply the service will be conducted in the English language.</p>
B. Computer and Related Services			
a) Consultancy services related to the installation of computer hardware (CPC 841)	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

		4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
b)	Consultancy services related to software implementation covering advisory and implementation services for customised software (CPC 842)	1) None 2) None 3) None 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b)	Computer software development services covering development of new software for general application, including ready-made software packaged for general application (CPC 842**)	1) None 2) None 3) None 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
c)	Data Processing Services (CPC 843)	1) None 2) None 3) None 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
d)	Database services (CPC 8440)	1) None 2) None 3) None	1) None 2) None 3) None	

		4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
C. Research and Development Services				
a)	Research and experimental development services on medical sciences and pharmacy limited to clinical trials and study which involves any investigation in human subjects intended to discover or verify the clinical, pharmacological and/or other pharmacodynamic effects of an investigational product(s), and/or to identify any adverse reactions to an investigational product(s), and/or to study absorption, distribution, metabolism, and excretion of an investigational product(s) with the object of ascertaining its safety and/or efficacy (CPC 85105**)	1) Unbound 2) Unbound 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 49 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) Unbound 2) Unbound 3) Unbound 4) Unbound except for the categories of natural persons referred to under market access column	
b)	Research and experimental development services on social sciences and humanities (CPC 8520 except 85202, 85203 and 85204)	1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.	1) None 2) None 3) None	

		4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
b) Research and experimental development services on economics (CPC 85202)		1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 35 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
E. Rental and Leasing Services without Operators				
a) Rental and leasing services without operators, relating to ships excluding cabotage and offshore trades (CPC 83103)		1) None 2) None 3) Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b) Rental and leasing services without operators, relating to aircraft (CPC 83104)		1) None 2) None	1) None 2) None	

		3) Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4) Unbound except as indicated in the horizontal commitments	3) None 4) Unbound except as indicated in the categories of natural persons referred to under market access column	
d) Rental and leasing services without operators, relating to construction and mining equipment and industrial plant and equipment (CPC 83107**)		1) None 2) None 3) Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except as indicated in the categories of natural persons referred to under market access column	
d) Rental and leasing services without operators, relating to construction machinery and equipment (CPC 83107**) only for rental/leasing of construction machinery and equipment manufactured in Malaysia covering jacks, cranes and other lifting, handling, loading or unloading machinery and moving, grading, levelling, scraping, excavating machinery		1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 51 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) Unbound 2) Unbound 3) Unbound 4) Unbound except for the categories of natural persons referred to under market access column	

d) Rental and leasing services, without operators, relating to office machinery and equipment (CPC 83108**) only for rental/leasing of office machinery and equipment manufactured in Malaysia covering copying machines, facsimile and telephone sets	1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 51 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) Unbound 2) Unbound 3) Unbound 4) Unbound except for the categories of natural persons referred to under market access column	
d) Rental and leasing services, without operators, relating to other machinery and equipment (CPC 83109***) covering only medical machinery and equipment	1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 40 percent. 4) Two additional specialists/experts for each institution. Entry shall be limited to maximum period of two years, subject to domestic regulations	1) Unbound 2) Unbound 3) Unbound 4) Unbound except as indicated in the horizontal commitments	
F. Other Business Services			
a) Advertising services (CPC 8711, 8712, 8719)	1) Commercial presence is required. 2) None	1) Unbound 2) None	

	3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent. <u>Advertisement through electronic media</u> Advertisement must have at least 80 percent of local content and be made in Malaysia. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b) Market research services (CPC 86401)	1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both with foreign equity up to 35 percent 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b) Public opinion polling services (CPC 86402)	1) None 2) None	1) None 2) None	

		3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporation or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.	3) None	
		4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
c) Management consulting services covering advisory, guidance and operational assistance services concerning management of the transmission of non-conventional energy (CPC 8650**)		1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
c) Management consulting services covering advisory, guidance and operational assistance on environmental management services including risk assessment services (CPC 8650**)		1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.	1) None 2) None 3) None	

		4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
c) Management consulting services covering advisory and guidance in the field of pharmacy as follows: - Basic material manufacturing consultancy in the manufacture of drugs in raw material form; - New systems of drug delivery; - Biotechnology - new techniques for influencing the process and products of living cells; - New techniques in drug development and methods of producing drugs and vaccine; and - Vaccine production (CPC 8650**)		1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
c) Management consulting services covering advisory and guidance on International Value-Added Network Services, rural telecom development and human resource development in telecommunications (CPC 8650**)		1) None 2) None	1) None 2) None	

	<p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
e) Technical testing and analysis services (CPC 8676 except 86764)	<p>1) None</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
f), g) Services incidental to agriculture and fishing covering only specialised consultancy, advisory and operational assistance on crop and fisheries management, including value-added services such as preservation techniques, etc. (CPC 881**, 882**)	<p>1) None</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

	<p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
i) Services incidental to manufacturing (CPC 884, 885 except 88442)	<p>1) None</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
n) Maintenance and repair of equipment on a fee or contract basis (CPC 88620**) only for equipment and machinery manufactured in Malaysia covering: Boilers, Turbines, Furnaces and Ovens; Engines and Motors; Pumps, Fans; Compressors, Freezing equipment, Heat pumps; Jacks, Cranes and Other lifting, handling, loading or unloading machinery;	<p>1) None</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture rental/leasing corporation under CPC 83107**, 83108**, and 83109**, as set out in the sector-specific commitments, with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 51 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	

Moving, grading, leveling, scraping, excavating machinery; Machine for production of specific item, Lathes and Machine-tools; Switching or protecting electrical circuits, Electric control panels; Instrument and apparatus for physical or chemical analysis, measuring or checking (for example, Chromatographs, Instrument for checking the flow or pressure, Oscilloscopes)				
n) Maintenance and repair of office equipment on a fee or contract basis (CPC 84500**) only for office machinery and equipment manufactured in Malaysia covering copying machines, facsimile and telephone sets	1) None 2) None 3) Only through a locally incorporated joint venture rental/leasing corporation under CPC 83107**, 83108**, and 83109**, as set out in the sector-specific commitments, with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 51 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) Unbound 2) Unbound 3) Unbound 4) Unbound except for the categories of natural persons referred to under market access column		
s) Convention and exhibition management services	1) None 2) None	1) None 2) None		

covering the provision of planning, organisational, management and marketing services for conventions and other similar events (CPC 87909)	3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 50 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	3) None 4) Unbound except for the categories of natural persons referred to under market access column		
t) Translation and interpretation services (CPC 87905) excluding translation and/or interpretation from the English language to the Malay language or vice-versa	1) None 2) None 3) Translation and interpretation services may be supplied only by a natural person. 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column		
t) Student placement services covering promoting, recruiting and facilitating students for studies outside Malaysia (CPC 87909)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column		
Operational Headquarters (OHQ) Services	1) Unbound* 2) Unbound* 3) Only through a locally incorporated wholly foreign-owned company	1) Unbound* 2) Unbound* 3) None		

<p>covering general management and administration, business planning, procurement of raw materials, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and fund management services and research and development carried out by a company in Malaysia for its offices and related companies outside Malaysia.</p> <p>Services rendered by OHQ companies are limited to establishments engaged in business related to the following sectors or sub-sectors:</p> <p>Sea and air services, Communication services, Tourism services, Professional and Consulting services (CPC 87909)</p>		<p>A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia and a foreign-owned company which is already incorporated in Malaysia may seek to qualify as an OHQ.</p> <p>OHQ must operate in Malaysia and fulfil the following criteria:</p> <p>(a) carry out at least three of the OHQ service activities;</p> <p>(b) have a sizeable network of companies outside Malaysia which includes the parent company or its head office and related companies;</p> <p>(c) have a well established foreign-owned company which is sizeable in terms of assets and employees;</p> <p>(d) have a network of companies with substantial number of qualified executives, professionals, technical and other supporting personnel;</p> <p>(e) be able to make decisions independently without consultations with its head office or parent company located outside Malaysia; and</p> <p>(f) be able to contribute to the Malaysian economy by:</p>		
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		<p>(i) using services such as legal, accounting etc. provided by Malaysians;</p> <p>(ii) creating job opportunities for Malaysians; and</p> <p>(iii) enabling greater inflow of foreign funds.</p>		
		4) Unbound except as indicated in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
2. COMMUNICATION SERVICES				
C. Telecommunication Services		1) None	1) None	Pro-competition regulatory principle in respect of interconnection arrangement and competition (Refer to Appendix)
Basic Telecommunications		2) None	2) None	
Based on domestic regulations, Malaysia has reclassified its telecommunication services sector on the basis of provision of Network facilities service (NFP), provision of Network service (NSP) and provision of Applications service (ASP).		3) With respect to NFP and NSP components of the service, only through acquisition of shares of an existing licensed NFP(I) and NSP(I) operators/corporations	3) None	

Explanatory note for Licence Categories

- Network facilities provider individual licence (NFP(I)) enables the provision of network facilities services such as earth stations, fixed links and cables, public payphone facilities, radiocommunications transmitters and links, satellite hubs and towers, poles, ducts and pits used in conjunction with other network facilities.
- Network service provider individual licence (NSP(I)) enables the provision of network services such as bandwidth services, broadcasting transmission services, cellular mobile services, customer access services and mobile satellite services.
- Applications service provider individual licence (ASP(I)) enables the provision of applications services such as PSTN telephony, public cellular telephone telephony services, IP telephony, public payphone service and public switched data service.

<p>Basic local, inter-exchange and international services, supplied over public telecommunications transport networks using any network technology, facilities, regardless of whether the means of delivery of services are wired or wireless, are mapped into the aforementioned three categories.</p> <p>Individual licence</p> <p>1. NFP (I)³</p> <p>2. NSP (I)³</p> <p>3. ASP (I)⁴</p>	<p>With respect to ASP, through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations, or through acquisition of shares of an existing licensed ASP(I) operators/corporations</p> <ul style="list-style-type: none"> - For NFP(I) and NSP(I), foreign shareholding of up to 30 percent in the service providers is allowed. - For ASP(I), foreign shareholding of up to 49 percent in the service providers is allowed. <p>The management control of such companies shall be in the hands of Malaysians, and in the case of Telekom Malaysia, the foreign shareholding permitted shall not exceed 30 percent in aggregate with not one single country holding more than 5 percent of the equity at any one time.</p> <p>4) Unbound except as indicated in horizontal commitments</p>	<p>4) Unbound except as indicated in horizontal commitments</p>	
<p><u>Value-Added Services</u></p> <p>Telecommunication services of which enhanced value-added services must be provided from channels or lines obtained only from licensed NFP(I) and NSP(I) operators and are also mapped into the three categories below.</p>	<p>1) None</p> <p>2) None</p> <p>3) With respect to NFP and NSP components of the service, only through acquisition of shares of an existing licensed NFP(C) and NSP(C) operators/corporations</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

<p>Class licence</p> <p>1. NFP (C)⁵</p> <p>2. NSP (C)⁶</p> <p>3. ASP (C)⁷</p>	<p>With respect to ASP, through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations, or through acquisition of shares of an existing licensed ASP(C) operator/corporations</p> <ul style="list-style-type: none"> - For NFP(C) and NSP(C), foreign shareholding of up to 30 percent in the service providers is allowed. - For ASP(C), foreign shareholding of up to 49 percent in the service providers is allowed. <p>4) Unbound except as indicated in horizontal commitments</p>	<p>4) Unbound except as indicated in horizontal commitments</p>	
<p><u>Explanatory Note</u></p> <p>1) This sector is governed by the Communications and Multimedia Act 1998 and its subsidiary rules and regulations.</p> <p>2) Definitions as per Communications and Multimedia Act 1998</p> <p>a. Network facilities mean any element or combination of elements of physical infrastructure used principally for, or in connection with, the provision of network services, but does not include customer equipment.</p> <p>Network facilities provider means a person who is an owner of any network facilities.</p>			

- 5 Network facilities provider class licence (NFP(C)) enables the provision of niched or limited purpose network facilities such as radio communications transmitters for public mobile radio network services, radio communications transmitters for public radio paging network services, radio communications transmitters and links for public wireless data network services, for sole purpose of end users in buildings or a single clustered building complex.
- 6 Network service provider class licence (NSP(C)) enables the provision of niched customer access or niched connection services such as public mobile radio network service, one or two way radio paging network services, terrestrial wireless fixed/mobile data network services for the specific purposes of messaging, surveillance, ticketing or inventory management, offered for the sole purpose of connecting end users in a building or a single clustered building complex.
- 7 Applications service provider class licence (ASP(C)) enables the provision of applications services such as audiotext hosting services provided on an opt-in basis, directory services, messaging services.

<p>b. Network service means a service for carrying communications by means of guided and/or unguided electromagnetic radiation. Network service provider means a person who provides network services.</p> <p>c. Applications service means a service provided by means of, but not solely by means of, one or more network services. Applications service provider means a person who provides an applications service.</p> <p>3) Definitions as per Communications and Multimedia (Licensing) (Amendment) Regulations 2001</p> <p>a. Network facilities provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide a network facility in accordance with the provisions of the Act and the Regulations. Network facilities provider individual licence means an individual licence granted to a network facilities provider in accordance with the provisions of the Act and the Regulations.</p> <p>b. Network service provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide a network service in accordance with the provisions of the Act and the Regulations. Network service provider individual licence means an individual licence granted to a network service provider in accordance with the provisions of the Act and the Regulations.</p> <p>c. Applications service provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide an application service in accordance with the provisions of the Act and the Regulations. Applications service provider individual licence means an individual licence granted to an applications service provider in accordance with the provisions of the Act and the Regulations.</p>			
D. Audiovisual Services Motion picture, video tape and audio recording distribution services (CPC 96113)	1) Commercial presence is required. 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding shall not exceed 30 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) Unbound 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	

3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
Construction work (CPC 511, 512, 513, 514, 515, 516, 517)	1) Unbound* 2) None 3) (a) Only through a representative office, regional office, or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent. (b) Foreign construction companies that are not locally incorporated may carry out the following construction projects jointly with local contractors, on project-by-project basis: (i) construction projects wholly financed by foreign investment and/or grants; (ii) construction projects financed by loans of international tendering according to the terms of loans;	1) Unbound* 2) None 3) (a) None (b) Unbound	

		<p>(iii) construction projects with foreign investment equal to or more than 50 percent where local expertise is not available; and</p> <p>(iv) 100 percent Malaysian funded construction projects where local expertise is not available,</p> <p>subject to compulsory sub-contracting to local sub-contractors.</p>		
	4)	Unbound except as indicated in the horizontal commitments	4)	Unbound except for the categories of natural persons referred to under market access column
5. EDUCATIONAL SERVICES				
C. Higher Education Services Higher Education Services provided by privately funded higher education institutions excluding private higher education institutions with government equity or that receive government assistance (CPC 92390)	1)	Unbound except for franchise and twinning arrangements between foreign based institutions and Malaysian based educational institutions	1)	Unbound
	2)	Unbound except for students moving abroad	2)	Unbound
	3)	Only through a joint venture with foreign equity not exceeding 49 percent and subject to an economic needs test which includes location outside the territory of Kuala Lumpur and assessment of the reputation of the institution	3)	Unbound
	4)	Unbound except as indicated in the horizontal commitments	4)	Unbound
			3)	More than 49 percent foreign equity will be considered subject to additional criteria which include:

				<p>(a) courses offered which are critical to Malaysia e.g. Medicine and Health Sciences, Dentistry, Engineering, Business, Science and Technology, Agriculture and programmes supporting agro-based industries;</p> <p>(b) research-based post graduate programmes;</p> <p>(c) collaborative research with local institutions; and</p> <p>(d) share of foreign students.</p>
7. FINANCIAL SERVICES, INCLUDING INSURANCE				
<u>Horizontal Commitments Applicable to the Financial Services Sector</u>				
1. The commitments in the financial services sector are in accordance with the GATS, including the Annex on Financial Services.				
2. The limitations listed under the all-sector horizontal section shall not apply to financial services, unless otherwise indicated.				
3. In respect of offshore banks, offshore investment banks, commercial banks, merchant banks, offshore insurance and offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers, offshore insurance managers, insurance companies, and representative offices of commercial banks and merchant banks, the following conditions and limitations on market access, national treatment and movement of natural persons shall apply in addition to specific limitations to the activity of each financial service as specified for each activity in this Schedule.				

ALL FINANCIAL SERVICES		<p>3) Limitations on investments as contained in the all-sector horizontal section</p> <p>4) Limitations in the all-sector horizontal section will apply when indicated in each activity.</p>	<p>3) Limitations on land and other immovable property as contained in the all-sector horizontal section</p> <p>Unbound for measures affecting financial services accorded to any Bumiputera or to assist development of any Bumiputera financial institution to achieve objectives of the National Development Policy (NDP)</p> <p>4) Limitations in the all-sector horizontal section will apply when indicated in each activity.</p>	
1. Offshore banks, offshore investment banks, offshore direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers and offshore insurance managers		<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) Entry is confined to Labuan. Entry is limited to establishment of a branch registered or a subsidiary incorporated in Malaysia.</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) None</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	
2. Commercial banks and merchant banks		<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) The 13 wholly-foreign owned commercial banks are permitted to remain wholly-owned by their existing shareholders.</p> <p>Unbound for new licences</p>	<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) None except as indicated in the financial services sector horizontal section and in the respective activity listed below</p>	

		<p>Entry is limited to equity participation by foreign banks in Malaysian-owned or controlled commercial banks and merchant banks and aggregate foreign shareholding in a commercial bank or a merchant bank shall not exceed 30 percent. Shareholding by a single person individually or jointly with related persons is limited to a maximum of 20 percent.</p> <p>Acquisition by a foreign bank of an aggregate of 5 percent or more of shareholding in a Malaysian-owned or controlled commercial bank or merchant bank must meet the following criteria:</p> <p>(a) the foreign bank has the ability to facilitate trade and contribute to financial and economic development of Malaysia;</p> <p>(b) the country of the foreign bank has significant trade and investment interests in Malaysia; and</p> <p>(c) the country of the foreign bank does not have a significant representation in the Malaysian banking industry.</p> <p>A commercial bank is not allowed to acquire any share in another commercial bank but may acquire shares in one merchant bank.</p>		
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		<p>A merchant bank is not allowed to acquire any share in a commercial bank or another merchant bank.</p> <p>Other persons are not permitted to acquire 5 percent or more of shareholding in a commercial bank or merchant bank if the person already holds 5 percent or more of shareholding in another licensed financial institution.</p> <p>Introduction of new service products will be permitted subject to approval which will be based on prudential criteria.</p> <p>Entry is also permitted through the setting up of representative offices. Representative offices can only undertake research, exchange of information and liaison services.</p> <p>4) Unbound except the following:</p> <p>(a) Unless otherwise specified, temporary presence of natural persons is offered only in respect of supply through the mode of commercial presence.</p> <p>(b) For banks, two senior managers for each institution with an aggregate foreign shareholding exceeding 50 percent</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
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		<p>A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial service supplier.</p> <p>(c) Five specialists or experts for each institution for areas relating to:</p> <p>(i) trade financing;</p> <p>(ii) corporate finance;</p> <p>(iii) treasury management; and</p> <p>(iv) information technology.</p> <p>(d) For a representative office, two foreign nationals. Only one foreign national for the two top posts.</p> <p>(e) Entry shall be limited to a maximum period of five years.</p>		
3. Direct insurance companies		<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) Branches of foreign insurance companies are required to be locally incorporated in accordance with the Insurance Act 1996 and foreign shareholding not exceeding 51 percent is permitted.</p>	<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) None except as indicated in the financial services sector horizontal section and in the respective activity listed below</p>	

		<p>Foreign shareholding not exceeding 51 percent is also permitted for the existing foreign shareholders of locally incorporated insurance companies which were the original owners of these companies, provided that aggregate foreign shareholding in such companies does not exceed 51 percent.</p> <p>New entry is limited to equity participation by foreign insurance companies in locally incorporated insurance companies and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Unbound for new licences</p> <p>Acquisition by a foreign insurance company of an aggregate of more than 5 percent shareholding in a locally incorporated insurance company must meet at least one of the following criteria:</p> <ul style="list-style-type: none"> (a) the foreign insurance company has the ability to facilitate trade and contribute to financial and economic development of Malaysia; (b) the country of the foreign insurance company has significant trade and investment interests in Malaysia; 		
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		<ul style="list-style-type: none"> (c) the country of the foreign insurance company does not have a significant representation in the Malaysian insurance industry; or (d) the foreign insurance company has the ability to provide technical expertise and know-how to contribute to the financial and economic development of Malaysia. <p>An insurance company is not allowed to acquire more than 5 percent share:</p> <ul style="list-style-type: none"> (a) in another insurance company in Malaysia that carries on the same class of insurance business as that carried on by it; or (b) in an insurance broking company. <p>Other persons holding more than 5 percent of shareholding in an insurance company are not permitted to acquire more than 5 percent of shareholding in:</p> <ul style="list-style-type: none"> (a) another insurance company carrying on the same class of insurance business as that carried on by the insurance company in which the person is a shareholder; or (b) an insurance broking company. 		
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	<p>4) Unbound except the following:</p> <p>(a) Unless otherwise specified, temporary presence of natural persons is offered only in respect of supply through the mode of commercial presence.</p> <p>(b) One senior manager for branches of foreign insurance companies and locally incorporated insurance companies with aggregate foreign shareholding of 50 percent or more.</p> <p>A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial service supplier.</p> <p>(c) Three specialists or experts for each institution for areas relating to:</p> <p>(i) underwriting of specialised classes of general business;</p> <p>(ii) information technology; and</p> <p>(iii) actuarial functions.</p> <p>(d) Entry shall be limited to a maximum period of five years.</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
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SECTOR-SPECIFIC COMMITMENTS IN THE FINANCIAL SERVICES SECTOR			
A. INSURANCE SERVICES			
Direct insurance (non-life)	<p>1) Soliciting and advertising in Malaysia are not allowed.</p> <p>Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to a third party requires approval. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p> <p>2) Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to a third party requires approval. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p>	<p>1) None</p> <p>2) None</p>	

	<p>3) Only permitted through direct insurance companies</p> <p>Offshore direct insurance companies in Labuan are not permitted to accept direct insurance of Malaysian risks.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>3) Branching is permitted for direct insurance companies with aggregate foreign shareholding of less than 50 percent. Direct insurance companies are permitted to maintain their existing network of branches.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Direct insurance (life)	<p>1), 2) Unbound</p> <p>3) Only permitted through direct insurance companies</p> <p>Investment-linked insurance business and new life insurance products provided by direct insurance companies require approval, which will be based on prudential criteria.</p> <p>Offshore direct insurance companies in Labuan are not permitted to underwrite life insurance of residents. This limitation does not apply to ordinary life insurance of high net worth residents.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>1), 2) Unbound</p> <p>3) Branching is only permitted for direct insurance companies with aggregate foreign shareholding of less than 50 percent. Direct insurance companies are permitted to maintain their existing network of branches.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Reinsurance and retrocession (non-life)	<p>1), 2) Outward reinsurance is permitted only if local capacity is not available.</p>	<p>1), 2) Voluntary cession up to 30 percent of each class of non-life reinsurance business to the Malaysian National Reinsurance Berhad</p>	

	<p>3) Obligation on all insurers other than offshore direct insurance and offshore reinsurance companies to optimise national retention capacity before any outward reinsurance</p> <p>Unbound for new licences</p> <p>Aggregate foreign shareholding in the Malaysian National Reinsurance Berhad shall not exceed 30 percent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan.</p> <p>4) Unbound except that:</p> <p>(a) Two senior managers for each institution are permitted.</p> <p>A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial service supplier.</p> <p>(b) Three specialists or experts for each institution are permitted.</p>	<p>Unbound for fiscal incentives to promote reinsurance in Malaysia</p> <p>3) Unbound for measures granting special position to Malaysian National Reinsurance Berhad</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p> <p>For offshore reinsurance companies, unbound except as indicated in the financial services sector horizontal section</p>	
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	<p>Specialists or experts are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service supplier.</p> <p>(c) Entry shall be limited to a maximum period of five years.</p> <p>For offshore reinsurance companies, unbound except as indicated in the financial services sector horizontal section</p>		
Reinsurance and retrocession (life)	<p>1), 2) Outward reinsurance is permitted only if local capacity is not available.</p> <p>3) National retention capacity is required to be optimised before any outward reinsurance by:</p> <p>(a) direct life insurance and life reinsurance companies in Malaysia; and</p> <p>(b) offshore direct life insurance and offshore life reinsurance companies which are permitted to insure or reinsure life insurance of high net worth residents.</p> <p>Unbound for new licences</p> <p>Aggregate foreign shareholding in the Malaysian Life Reinsurance Group Berhad shall not exceed 30 percent.</p>	<p>1), 2) Unbound for fiscal incentives to promote reinsurance in Malaysia</p> <p>3) None</p>	

	<p>Entry as an offshore reinsurance company is confined to Labuan.</p> <p>4) Unbound except that:</p> <p>(a) Two senior managers for each institution are permitted.</p> <p>A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial service supplier.</p> <p>(b) Three specialists or experts for each institution are permitted.</p> <p>Specialists or experts are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service supplier.</p> <p>(c) Movement of a senior manager, specialist or expert can be through intra-corporate transfers or otherwise.</p> <p>(d) Entry shall be limited to a maximum period of five years.</p> <p>For offshore reinsurance companies, unbound except as indicated in the financial services sector horizontal section</p>	<p>4) Unbound except as indicated in the financial services sector horizontal section</p> <p>For offshore reinsurance companies, unbound except as indicated in the financial services sector horizontal section</p>	
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Insurance intermediation - insurance broking (excluding agency)	<p>1), 2) Direct insurance broking services can only be provided to offshore companies in Labuan.</p> <p>Reinsurance broking is permitted.</p> <p>3) Unbound for onshore insurance broking</p> <p>Broking of direct insurance of Malaysian risks by offshore insurance brokers is not permitted. This limitation does not apply to broking of reinsurance of Malaysian risks.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Insurance intermediation - insurance underwriting and insurance management	<p>1), 2) Insurance underwriting and insurance management are not permitted.</p> <p>3) Unbound for onshore insurance underwriting and insurance management</p> <p>An offshore insurance underwriting manager is not permitted to provide services to any person other than offshore insurance companies in Labuan.</p> <p>An offshore insurance manager is permitted to provide insurance management services to persons other than residents.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	

<p>Services auxiliary to insurance, as follows:</p> <p>(a) Consultancy (excludes insurance agency services to insurance industry)</p> <p>(b) Actuarial risk assessment</p> <p>(c) Risk management</p> <p>(d) Maritime loss adjusting</p>	<p>1) Actuarial services can only be provided to offshore insurance companies and offshore reinsurance companies in Labuan.</p> <p>2) None</p> <p>3) Limited to the establishment of:</p> <p>(a) locally incorporated companies;</p> <p>(b) branches; or</p> <p>(c) partnerships</p> <p>Offshore companies are not permitted to provide services to Malaysian residents.</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	
B. BANKING AND OTHER FINANCIAL SERVICES EXCLUDING INSURANCE			
Acceptance of deposits, and other repayable funds from the public, wholesale and retail	<p>1) Soliciting, advertising and acceptance of deposits in Malaysia are not allowed.</p> <p>2) Soliciting and advertising in Malaysia for acceptances of deposits are not allowed.</p> <p>3) Only permitted through a commercial bank, a merchant bank or an offshore bank</p> <p>Offshore banks in Labuan are permitted to accept foreign currency deposits only. Offshore investment banks in Labuan are not permitted to accept deposits.</p>	<p>1) None</p> <p>2) None</p> <p>3) For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia</p> <p>Branching is permitted for merchant banks with an aggregate foreign shareholding not exceeding 30 percent.</p>	

	<p>Merchant banks are only permitted to accept term deposits from non-individuals. The minimum amount of each term deposit shall be as specified by the Central Bank from time to time.</p> <p>Foreign-owned commercial banks are permitted to accept foreign currency deposits from residents subject to conditions imposed on designated banks.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions	<p>1), 2) Financial services associated with lending to residents in any currency in excess of an equivalent of RM25 million must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p> <p>3) Entry as a non-bank for scheduled businesses is limited to:</p> <p>(a) foreign financial institutions through the establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent; or</p> <p>(b) a representative office.</p>	<p>1), 2) None</p> <p>3) Foreign-controlled banking institutions in Malaysia are allowed to extend credit facilities (including factoring and leasing) up to a maximum of 50 percent of the total credit facilities obtained by non-resident controlled companies from banking institutions. For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia</p> <p>Branching is permitted for merchant banks with an aggregate foreign shareholding not exceeding 30 percent.</p>	

	<p>Provision of factoring services by a commercial bank requires the setting up of a separate entity and shareholding by a foreign-controlled commercial bank shall not exceed 30 percent.</p> <p>Merchant banks are not permitted to provide consumer credit and home mortgages.</p> <p>Only commercial banks are permitted to provide overdraft facilities.</p> <p>Offshore banks and offshore investment banks are permitted to lend in foreign currencies only.</p> <p>Representative offices can only undertake research and liaison services.</p> <p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except one foreign national for a management post which is not the CEO post, for each establishment</p> <p>For representative offices of scheduled businesses, two foreign nationals subject to only one foreign national for the two top posts</p> <p>Entry shall be limited to a maximum period of five years.</p>	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access column</p> <p>Residency requirements are required for lending of money.</p>	
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	<p>4) Unbound except two foreign nationals, one for management post which is not the CEO post and one technical post, for each establishment</p> <p>For representative offices, two foreign nationals subject to one foreign national for the two top posts</p> <p>Entry shall be limited to a maximum period of five years.</p> <p>For offshore leasing companies, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p> <p>For offshore leasing companies, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	
<p>All payment and money transmission services namely credit and debit cards, travellers cheques and bankers drafts</p>	<p>1), 2) Electronic fund transfer system requires approval.</p> <p>3) Offshore banks are permitted to extend payment and money transmission services to non-residents only.</p> <p>Only commercial banks are permitted to issue credit cards, debit cards or provide checking account services.</p> <p>Only Malaysian-controlled banks are permitted to issue, sell or purchase Ringgit travellers cheques.</p> <p>Sale or purchase of foreign currency travellers cheques other than by commercial banks requires a money changer's licence.</p>	<p>1), 2) None</p> <p>3) For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia</p> <p>Branching is permitted for merchant banks with an aggregate foreign shareholding not exceeding 30 percent.</p> <p>Sale or purchase of travellers cheques by individuals requires citizenship status.</p> <p>Branching (including dispensers) is permitted for travellers cheques companies with foreign shareholding not exceeding 30 percent.</p>	

	<p>Entry is limited to establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except one foreign national for a management post which is not the CEO post, for each establishment</p> <p>Entry shall be limited to a maximum period of five years.</p>	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access column</p>	
Charge cards	<p>1), 2) None</p> <p>3) Entry is limited to establishment of a company incorporated in Malaysia.</p> <p>Approval of the Central Bank is required. Approval will be granted based on prudential criteria.</p> <p>4) Unbound except two senior managers for each establishment</p> <p>Entry shall be limited to a maximum period of five years.</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
Guarantees and commitments	<p>1), 2) None except banks established in Malaysia may be given the right of first refusal.</p> <p>Guarantees and commitments undertaken by non-residents are governed by rules relating to exchange control.</p>	<p>1), 2) None</p>	

	<p>3) None</p> <p>4) Unbound except as indicated in the financial services sector and all-sector horizontal section</p>	<p>3) None</p> <p>4) Unbound except as indicated in the financial services sector and all-sector horizontal section</p>	
Money and foreign exchange broking services	<p>1), 2) Broking services, involving Ringgit Malaysia and financial instruments issued in Malaysia must be effected through authorised dealers and money and foreign exchange brokers incorporated in Malaysia.</p> <p>3) Entry is limited to:</p> <p>(a) equity participation in existing institutions and aggregate foreign shareholding in such institutions shall not exceed 30 percent; or</p> <p>(b) the establishment of a branch or subsidiary, by a money and foreign exchange broker, registered or incorporated in Labuan.</p> <p>Money and foreign exchange broking services by offshore entities are confined to foreign currencies only.</p> <p>4) Unbound</p> <p>For offshore money and foreign exchange brokers, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound</p> <p>For offshore money and foreign exchange brokers, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	

<p>Trading for own account or account of customers in the following:</p> <ul style="list-style-type: none"> - money market instruments - foreign exchange - transferable securities - exchange rate and interest rate instruments - derivative products, including futures and options - other negotiable instruments, including bullion 	<p>1) Dealing is limited to contracts traded on specified exchanges abroad.</p> <p>2) None</p> <p>3) Transactions by offshore banks and offshore investment banks in Labuan must be conducted in foreign currencies, except for the sale or purchase of currencies with authorised banks in Malaysia.</p> <p>Transactions by offshore banks and offshore investment banks in Labuan for own accounts are limited to instruments created and issued by offshore companies in Labuan and foreign companies abroad.</p> <p>Trading for accounts of customers by offshore banks, offshore investment banks and offshore companies in Labuan is confined to non-resident customers and in instruments created and issued by offshore companies in Labuan and foreign companies abroad.</p> <p>Trading in shares of Malaysian companies by offshore banks, offshore investment banks and offshore companies in Labuan is confined to non-resident customers who are not offshore companies registered or incorporated in Labuan.</p> <p>Only commercial banks, offshore banks and offshore investment banks are permitted to trade in foreign currency.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
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	<p>Trading and dealing in securities and financial futures and derivative products other than by designated financial institutions require establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Trades for own account and account of customers who are outside Malaysia may be routed to member companies of the stock exchange for execution by a foreign stock broking company that is incorporated in Malaysia subject to all terms and conditions which are being finalized.</p> <p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
<p>Services related to the issues of all kinds of securities and placement as agents (whether publicly or privately) (excluding issuing and rating houses)</p>	<p>1), 2) Participation in issues and services related to such issues requires authorisation.</p> <p>3) Participation by offshore banks and offshore investment banks in Labuan is limited to non-resident customers and for issues of securities outside Malaysia.</p> <p>Only merchant banks are permitted to make submissions to the Securities Commission for new issues.</p>	<p>1), 2) None</p> <p>3) None</p>	

		<p>Participation by non-banks requires establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Unbound for appointment as principal dealers</p> <p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
Underwriting		<p>1) Commercial presence is required.</p> <p>2) Authorisation is required.</p> <p>3) For non-banks, only licensed dealers are permitted to underwrite. Entry is limited to establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Commercial banks are permitted to underwrite private debt securities only.</p> <p>Offshore banks and offshore investment banks are permitted to underwrite foreign currency denominated securities created and issued by offshore companies in Labuan and foreign companies abroad.</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	

		<p>4) For commercial banks, merchant banks, offshore banks and offshore investment banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>4) For commercial banks, merchant banks, offshore banks and offshore investment banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
<p>Asset management as follows:</p> <ul style="list-style-type: none"> - cash or portfolio management - all forms of collective investment management - custodial and depository services 		<p>1) Commercial presence is required.</p> <p>2) None</p> <p>3) Custodial and depository services are limited to scrip based securities.</p> <p>Asset management by offshore banks, offshore investment banks and offshore companies is confined to non-resident customers and foreign currency assets.</p> <p>Asset management by offshore banks, offshore investment banks and offshore companies in Malaysian equities or equity-linked investments is confined to non-resident customers other than offshore companies incorporated in Labuan in which residents have shareholding.</p> <p>Entry as a non-bank, other than as a Foreign Fund Management Company (FFMC), is limited to establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

	<p>Provision of asset management services by a commercial bank requires establishment of a separate entity and foreign shareholding by a foreign-controlled commercial bank shall not exceed 30 percent.</p> <p>Entry as a FPMC is limited to the establishment of a company incorporated locally with more than 50 percent foreign shareholding in the company and requires the approval of the Securities Commission.</p> <p>Sourcing of local funds worth at least RM10 million is limited to FPMCs where the aggregate foreign shareholding is not more than 70 percent and the company is managing or has undertaken to manage funds sourced from outside Malaysia to the amount of at least USD100 million.</p> <p>Sourcing of local funds is limited to institutional funds and collective investment schemes other than unit trusts. Only 10 FPMCs which have a maximum of 70 percent foreign shareholding may manage the funds of a local unit trust subject to the approval of the Securities Commission.</p> <p>4) For commercial banks and merchant banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>4) For commercial banks and merchant banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>
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Advisory, intermediation and other auxiliary financial services, including credit reference and analysis, investment advice on acquisitions, corporate restructuring and strategy	<p>1) Provision of investment and portfolio advice requires commercial presence.</p> <p>Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p> <p>2) Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p> <p>3) Entry as a non-bank is limited to:</p> <p>(a) establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 percent; or</p> <p>(b) a representative office.</p> <p>Representative offices (including those of commercial banks, merchant banks and securities companies) are permitted to undertake research, information and liaison services only.</p> <p>Representative offices of securities companies are not permitted to publish and circulate research work in Malaysia.</p> <p>Offshore banks, offshore investment banks and offshore companies in Labuan can only provide services to non-resident customers.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>
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	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p> <p>For representative offices, two foreign nationals subject to only one foreign national for the two top posts. Entry shall be limited to a maximum period of five years.</p>	<p>4) For banks, unbound except as indicated in the financial services sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
Operational headquarters (OHQ) for financial sector (services to commercial and investment banking institutions in activities relating to work carried out in Malaysia for its offices and related companies outside Malaysia, pertaining to general management and administration, business planning, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and fund management services and research and development)	<p>1), 2) Unbound*</p> <p>3) Only through a locally incorporated wholly foreign-owned company</p> <p>A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia, and a foreign-owned company which is already incorporated in Malaysia, may seek to qualify as an OHQ.</p> <p>An OHQ must operate in Malaysia and fulfill the following criteria:</p> <p>(a) carry out at least three of the OHQ service activities;</p> <p>(b) have a sizeable network of companies outside Malaysia which includes the parent company or its head office and related companies;</p>	<p>1), 2) Unbound*</p> <p>3) None</p>	

	<p>(c) have a well established foreign-owned company which is sizeable in terms of assets and employment;</p> <p>(d) have a network of company with a substantial number of qualified executives, professionals, technical and other supporting personnel;</p> <p>(e) be able to make decisions independently without consultation with its head office or parent company located outside Malaysia; and</p> <p>(f) be able to contribute to the Malaysian economy by:</p> <p>(i) using services such as legal, accounting etc. provided by Malaysians;</p> <p>(ii) creating job opportunity for Malaysians; and</p> <p>(iii) enabling greater inflow of foreign funds.</p> <p>4) Unbound except as indicated in the all-sector horizontal section</p>	<p>4) None</p>	
Securities broking services comprising: - broking services;	<p>1) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are member companies of the exchange.</p>	<p>1) None</p>	

<ul style="list-style-type: none"> - credit reference and analysis; - investment portfolio management and advice; and - market research 		<p>Promotion in Malaysia of Malaysian stocks requires approval.</p> <p>Provision of investment advisory services and credit reference services to residents requires commercial presence.</p> <p>2) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are member companies of the exchange.</p> <p>3) Entry is limited to recognised foreign stock broking companies through:</p> <p>(a) equity participation in an existing stockbroking company; or</p> <p>(b) establishment of a locally incorporated joint venture company with a Malaysian stockbroking company,</p> <p>and aggregate foreign shareholding in such company shall not exceed 49 percent.</p> <p>A foreign stockbroking company is permitted to have shareholding in one stockbroking company only.</p> <p>Entry by recognised foreign stockbroking companies is also permitted through a representative office.</p>	<p>2) None</p> <p>3) None</p>	
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		<p>Representative offices are permitted to undertake research, information and liaison services only. Representative offices are not permitted to publish and circulate research work in Malaysia.</p> <p>New licences are subject to conditions, including geographical location, numerical quota and other conditions to be determined.</p> <p>4) Unbound for a stockbroking company, except as indicated in the all-sector horizontal section</p> <p>For representative offices, two foreign nationals subject to only one foreign national for the two top posts. Entry shall be limited to a maximum period of five years.</p>	<p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
Commodity futures broking services		<p>1), 2) Trades on any Malaysian commodity futures exchange must be conducted through companies incorporated in Malaysia which are member companies of the exchange.</p> <p>3) Entry is limited to:</p> <p>(a) establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company is limited to 30 percent or any higher percentage as determined by the relevant authorities; or</p> <p>(b) a representative office.</p>	<p>1), 2) None</p> <p>3) None</p>	

		Representative offices are permitted to undertake research, information and liaison services only. Total membership of the exchange will be based on economic needs.		
		4) Unbound except one foreign national for a management post per establishment, subject to market test	4) Unbound except for the categories of natural persons referred to under market access column	
8. HEALTH RELATED AND SOCIAL SERVICES				
A. Hospital Services Private hospital services (CPC 93110**)		1) None 2) None 3) Economic needs test Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 40 percent; and the joint venture corporation shall operate a hospital with a minimum of 100 beds. 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) Establishment of feeder outpatient clinics is not permitted. 4) Unbound except for the categories of natural persons referred to under market access column	
9. TOURISM AND TRAVEL RELATED SERVICES				
Hotel, tourist resort and restaurant services		1) Unbound* 2) None	1) Unbound* 2) None	

covering the management and operation of hotels or resorts, including outlets which may not necessarily include ownership of such properties 1. relating to hotel and other lodging services, food serving services and beverage serving services for consumption on the premises (CPC 641, 642, 643) 2. relating to other business services n.e.c. (CPC 87909)		3) Entry for service activities under CPC 641, 642 and 643 is permitted only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent; or entry for service activities under CPC 87909 is permitted only for the purposes of services contract awarded in Malaysia and implemented through a branch. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	3) None 4) Unbound except for the categories of natural persons referred to under market access column	
A. Hotel Lodging Services (CPC 64110)		1) None 2) None 3) Joint venture with Malaysian companies with equity not exceeding 35 percent for 4 and 5 star hotels is subject to domestic regulations. 4) Unbound	1) None 2) None 3) Unbound 4) Unbound	
B. Travel Agency and Tour Operator Services (CPC 7471)		1) Unbound* 2) None	1) Unbound* 2) None	

		<p>3) (a) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent; and establishment of another office requires additional licence.</p> <p>(b) Joint venture with Malaysian companies with equity not exceeding 35 percent for inbound only is subject to domestic regulations.</p> <p>4) Unbound except as indicated in 1(a) in the horizontal commitments</p>	<p>3) (a) None</p> <p>(b) Unbound</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES				
A. Other Entertainment Services (CPC 96191, 96192, 96194)		<p>1) Unbound*</p> <p>2) None</p> <p>3) Entertainment services may be supplied only by a natural person.</p> <p>4) Unbound except as indicated in 2(a) in the horizontal commitments</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p> <p>Participation of Malaysian entertainers/artistes may be required based on the guidelines of the Ministry of Culture, Arts and Heritage.</p>	

D. Sports Events Management Services (CPC 96411, 96412)		<p>1) Unbound*</p> <p>2) None</p> <p>3) Only through a Malaysian-controlled corporation acting as the local sponsor</p> <p>4) Unbound except as indicated in 2(a) in the horizontal commitments</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
11. TRANSPORT SERVICES				
A. Maritime Transport Services a), b) International Maritime Transport Services excluding cabotage and government cargo (CPC 7211, 7212)		<p>1) None</p> <p>2) None</p> <p>3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.</p> <p><u>Malaysian registered vessels</u></p> <p>To register a vessel in Malaysia, the following conditions must be met:</p> <p>(a) Owner of that vessel must be a Malaysian citizen or a corporation incorporated in Malaysia;</p> <p>(b) Majority shareholding to be held by Malaysians;</p> <p>(c) Majority of the board of directors to be Malaysians; and</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <p>a) Pilotage;</p> <p>b) Towing and tug assistance;</p> <p>c) Provisioning, fuelling and watering;</p> <p>d) Garbage collection and ballast waste disposal;</p> <p>e) Port captain's services;</p> <p>f) Navigation aids;</p>

	(d) Principal place of business to be in Malaysia. 4) Unbound except as indicated in 1(a) and (b) and 2(c) in the horizontal commitments. For manning vessels, ratings are permitted up to 25 percent. Ship crew is permitted to disembark only for duration of berth.	4) Unbound except for the categories of natural persons referred to under market access column	g) Shore-based operational services essential to ship operations, including communications, water and electrical supplies; h) Emergency repair facilities; and i) Anchorage, berth and berthing services.
c) Rental of cargo vessel with crew charter for international shipping Rental of cargo vessel without crew (Bareboat Charter) for international shipping	1) None 2) None 3) Unbound 4) Unbound. Ship crew is permitted to disembark only for duration of berth subject to applicable domestic regulations.	1) None 2) None 3) Unbound 4) Unbound	
f) Maritime agency services covering marketing and sales of maritime transport and related services and acting on behalf of the companies organising the call of the ship or taking over cargoes when required	1) None 2) None 3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	

f) Vessel salvage and refloating services except on inland waters (CPC 74510)	1) None 2) None 3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
12. OTHER SERVICES			
Skills training services covering the provision of training for technical, supervisory and production related functional levels in new and emerging technologies as follows: (a) automated manufacturing technology; (b) advanced materials technology; (c) biotechnology; (d) electronics; (e) information technology; and (f) avionics/aviation technology (CPC 97090)	1) None 2) None 3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent; and establishment of local branches requires additional licences. 4) Unbound except as indicated in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	

Appendix
Additional Commitments in the Telecommunication Services Sector
in the Schedule of Malaysia

Principles	Procedural Requirements
1. Competition safeguards	The regulatory body must take measures to: (a) maintain fair competition among network operators; and (b) safeguards the interest of consumers.
2. Universal Service	Malaysia has the right to define the kind of universal service and the obligations of universal service providers, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by Malaysia.
3. Public availability of licensing criteria	Where a licence is required, the following will be made publicly available: (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and (b) the terms and conditions of individual licences. The reasons for the denial of a licence will be made known to the applicant upon request.
4. Independent regulator	The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services.
5. Interconnection arrangements	To ensure that the following principles pertaining to interconnection arrangements are adhered to: (a) interconnection and access between network operators shall be on an equitable and non-discriminatory basis; (b) charges for interconnection facilities and services provided by network operators shall be fair and equitable; (c) the technical qualities of interconnect facilities and services provided by network operators shall be of no less quality than that provided by them within their own networks; (d) a domestic network operator in any of the market segments shall not abuse its market power to discriminate against other operators only for interconnection; (e) the network operator that provides the access connection to the customer should be allowed to tell him (the customer); and (f) no cross-subsidies should be allowed between carriers whereby one carrier has to bear an inequitable share of the Universal Service Obligation burden where the said share is not proportional to its market share.
6. Allocation and use of scarce resources	Any procedures for the allocation and use of scarce resources including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

1 The provision about procedures of numbers shall come into effect within three years after the date of entry into force of this Agreement.

Part 2
List of Malaysia

Sector or sub-sector	Description of measure indicating its inconsistency with Article 101	Intended duration	Conditions creating the need for the exemption ¹
<p>All Sectors except:</p> <p>Rental and leasing services without operators, relating to construction machinery and equipment (CPC 83107**)</p> <p>only for rental and leasing of construction machinery and equipment manufactured in Malaysia covering jacks, cranes and other lifting, handling, loading or unloading machinery and moving, grading, levelling, scraping, excavating machinery</p> <p>Rental and leasing services, without operators, relating to office machinery and equipment (CPC 83108**)</p>	All measures affecting trade in services in all modes of supply	Indefinite	The measure is required to take into account the different trade and development circumstances among different countries.

¹ Description in this column shall be construed as information provided for reference purposes that does not form a part of commitments.

<p>only for rental and leasing of office machinery and equipment manufactured in Malaysia covering copying machines, facsimile and telephone sets</p> <p>Maintenance and repair of equipment on a fee or contract basis (CPC 88620**)</p> <p>only for equipment and machinery manufactured in Malaysia covering:</p> <p>Boilers, Turbines, Furnaces and Ovens;</p> <p>Engines and Motors;</p> <p>Pumps, Fans;</p> <p>Compressors, Freezing equipment, Heat pumps;</p> <p>Jacks, Cranes and Other lifting, handling, loading or unloading machinery;</p> <p>Moving, grading, levelling, scraping, excavating machinery;</p>			
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<p>Machine for production of specific item, Lathes and Machine-tools;</p> <p>Switching or protecting electrical circuits, Electric control panels;</p> <p>Instrument and apparatus for physical or chemical analysis, measuring or checking (for example, Chromatographs, Instrument for checking the flow or pressure, Oscilloscopes)</p> <p>Maintenance and repair of office equipment on a fee or contract basis (CPC 84500**)</p> <p>only for equipment and machinery manufactured in Malaysia covering copying machines, facsimile and telephone sets</p>			
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