



FIRST PROTOCOL TO AMEND THE FREE TRADE AGREEMENT BETWEEN THE GOVERNMENT OF MALAYSIA AND THE GOVERNMENT OF THE REPUBLIC OF TÜRKİYE

The Government of Malaysia and the Government of the Republic of Türkiye (hereinafter referred to as "the Parties"):

RECALLING the Free Trade Agreement between the Government of Malaysia and the Government of the Republic of Türkiye (Free Trade Agreement) signed in Ankara, Türkiye on the 17 April 2014;

FURTHER RECALLING Article 1.2(e) of the Free Trade Agreement, which reflects their commitment covering trade in services and bilateral investment;

CONSIDERING Article 14.3 Evolutionary Clause of the Agreement, which allows the Parties to mutually agree to extend the Agreement with the aim of broadening and supplementing its scope;

HAVING REGARD to Article 14.5 Amendments of the Agreement, which empower the Parties to amend the Agreement; and

RECOGNISING the role of electronic commerce in the development of trade;

Have agreed as follows:

Article 1 References to Turkey

All references to Turkey are amended as Türkiye.

Article 2 Incorporation of New Annexes and Amendment to the Table of Contents of the Free Trade Agreement

1. Appendices 1 through 13 of this Protocol shall constitute an integral part of this Protocol.
2. The table of contents of the Free Trade Agreement shall be replaced by the new table of contents as set out in Appendix 1 of this Protocol.

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Article 3
New Chapter 15 (Trade in Services) of the Free Trade Agreement

Chapter 15 of the Free Trade Agreement shall be inserted as follows:

“CHAPTER 15
TRADE IN SERVICES

Article 15.1
Objective and Scope

1. The objectives of this Chapter are to liberalise and facilitate trade in services between the Parties in conformity with Article V of GATS.
2. This Agreement applies to measures by Parties affecting trade in services adopted or maintained by central, regional or local governments and authorities, and by non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities.
3. Parties reaffirm their rights and obligations arising from GATS under this Agreement.
4. This Chapter shall not apply to measures affecting:
 - (a) national maritime cabotage;
 - (b) government procurement; and
 - (c) subsidies or grants provided by a Party, including government-supported loans, guarantees and insurance.
5. With respect to air transport services, this Chapter shall not apply to measures affecting air traffic rights or measures affecting services directly related to the exercise of air traffic rights, except:
 - (a) aircraft repair and maintenance services;
 - (b) selling and marketing of air transport services;
 - (c) computer reservation system (CRS) services;
 - (d) ground-handling services; and
 - (e) airport operation and management services.

Article 15.2 Definitions

For the purposes of this Chapter:

- (a) **aircraft repair and maintenance services** means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;
- (b) **airport operation and management services** means the supply of air terminal, airfield and other airport infrastructure operation services on a fee or contract basis. Airport operation services do not include air navigation services;
- (c) **commercial presence** means any type of business or professional establishment, including through:
 - (i) the constitution, acquisition or maintenance of a juridical person; or
 - (ii) the creation or maintenance of a branch or a representative office, within the territory of a Party for the purpose of supplying a service;
- (d) **computer reservation systems (CRS) services** means services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;
- (e) **direct taxes** comprise all taxes on total income, on total capital or on elements of income or of capital, including taxes on gains from the alienation of property, taxes on estates, inheritances and gifts, and taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation;
- (f) **economic integration agreement** means an agreement substantially liberalizing trade in services pursuant to the WTO Agreement, in particular Articles V and V *bis* of *General Agreement on Trade in Services* (GATS);
- (g) **Free Trade Agreement** means the Free Trade Agreement between the Government of the Republic of Türkiye and the Government of Malaysia;
- (h) **GATS** means the *General Agreement on Trade in Services*, in Annex 1B to the WTO Agreement;
- (i) **ground handling services** means the supply at an airport, on a fee or contract basis, of the following: airline representation, administration and supervision; passenger handling; baggage handling; ramp services; catering (except the preparation of the food); air cargo and mail handling; fueling of an aircraft; aircraft servicing and cleaning; surface transport; and flight operations, crew administration and flight planning. Ground handling services do not include self-handling; security; line maintenance; aircraft repair and maintenance; or management or operation of essential

centralised airport infrastructure such as de-icing facilities, fuel distribution systems, baggage handling systems, and fixed intra-airport transport systems;

- (j) **juridical person** means any legal entity duly constituted or otherwise organized under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;
- (k) **juridical person of a Party** means:
 - (i) a juridical person set up in accordance with the laws of either Party respectively, and having its registered office, central administration¹ or principal place of business in the respective territories of the Parties. Should the juridical person have only its registered office or central administration in the territory of either Party, it shall not be considered as a juridical person of either Party respectively, unless it engages in substantive business operations in the respective territory of the Parties; or
 - (ii) in the case of the supply of a service through commercial presence, a juridical person owned or controlled by natural persons of either Party, or by a juridical person of either Party identified under subparagraph (i) respectively.

A juridical person is:

- (i) owned by persons of either Party if more than 50 per cent of the equity interest in it is beneficially owned by persons of either Party respectively;
 - (ii) controlled by persons of either Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;
 - (iii) affiliated with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person;
- (l) **measure** means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form;
 - (m) **measures by Parties affecting trade in services** include measures relating to:
 - (i) the purchase, payment or use of a service;
 - (ii) the access to and use of, in connection with the supply of a service, services which are required by the Parties to be offered to the public generally; and

¹ Central administration means the head office where ultimate decision-making takes place.

- (iii) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of the other Party;
- (n) **natural person** means a national of either Party according to its respective legislation;
- (o) **person means** either a natural person or a juridical person;
- (p) **selling and marketing of air transport services** means opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services, nor the applicable conditions;
- (q) **services** includes any service in any sector except a service supplied in the exercise of governmental authority;
- (r) **service consumer** means any person that receives or uses a service;
- (s) **service of the other Party** means a service which is supplied:
 - (i) from or in the territory of that other Party, or in the case of maritime transport, by a vessel registered under the laws of that other Party, or by a person of that other Party which supplies the service through the operation of a vessel or its use in whole or in part; or
 - (ii) in the case of the supply of a service through commercial presence or the presence of natural persons, by a service supplier of that other Party;
- (t) **service supplied in the exercise of governmental authority** means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;
- (u) **service supplier** means any person that supplies or seeks to supply a service;
- (v) **supply of a service** includes the production, distribution, marketing, sale and delivery of a service;
- (w) **trade in services** is defined as the supply of a service:
 - (i) from the territory of a Party into the territory of the other Party;
 - (ii) in the territory of a Party to a service consumer of the other Party;
 - (iii) by a service supplier of a Party, through commercial presence in the territory of the other Party; and
 - (iv) by a service supplier of a Party through presence of natural persons of that Party in the territory of the other Party; and

- (x) **traffic rights** mean the right for scheduled and non-scheduled services to operate and/or to carry passengers, cargo and mail for remuneration or hire from, to, within, or over the territory of a Party, including points to be served, routes to be operated, types of traffic to be carried, capacity to be provided, tariffs to be charged and their conditions, and criteria for designation of airlines, including such criteria as number, ownership and control.

Article 15.3

Market Access

1. With respect to market access through the modes of supply identified in subparagraph (w) of Article 15.2 (Definitions), each Party shall accord services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in the specific commitments contained in Annex 15-5 and Annex 15-6 (Schedule of Specific Commitments).

2. In sectors where market access commitments are undertaken, the measures which a Party shall not adopt or maintain either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in Annex 15-5 and Annex 15-6 (Schedule of Specific Commitments), are defined as:

- (a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirement of an economic needs test;
- (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;
- (c) limitations on the total number of service operations or on the total quantity of service output expressed in the terms of designated numerical units in the form of quotas or the requirement of an economic needs test;²
- (d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;
- (e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and
- (f) limitations on the participation of foreign capital in terms of maximum percentages limit on foreign shareholding or the total value of individual or aggregate foreign investment.

² This subparagraph does not cover measures of a Party which limit inputs for the supply of services.

Article 15.4

National Treatment

1. In the sectors where market access commitments are inscribed in Annex 15-5 and Annex 15-6 (Schedule of Specific Commitments), and subject to any conditions and qualifications set out therein, each Party shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers³.
2. A Party may meet the requirement of paragraph 1 by according to services and service suppliers of the other Party, either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.
3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of a Party compared to like services or service suppliers of the other Party.

Article 15.5

Additional Commitments

Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 15.3 (Market Access) and 15.4 (National Treatment), including those regarding qualifications, standards and licensing matters. Such commitments shall be inscribed in a Party's Schedule of Specific Commitments.

Article 15.6

Schedule of Specific Commitments

1. Each Party shall set out in a schedule the specific commitments it undertakes under Articles 15.3 (Market Access), 15.4 (National Treatment) and 15.5 (Additional Commitments). With respect to sectors where specific commitments are undertaken, the schedule of each Party shall specify:
 - (a) terms, limitations and conditions on market access;
 - (b) conditions and qualifications on national treatment;
 - (c) undertakings relating to additional commitments;
 - (d) where appropriate, the time-frame for implementation of such commitments; and
 - (e) the date of entry into force of such commitments.

³ Specific commitments assumed under this Article shall not be construed to require any Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

2. Measures inconsistent with both Articles 15.3 (Market Access) and 15.4 (National Treatment) shall be inscribed in the column relating to Article 15.3 (Market Access). In this case, the inscription will be considered to provide a condition or qualification to Article 15.4 (National Treatment) as well.

3. The Parties' Schedules of Specific Commitments are set out in Annex 15-5 and Annex 15-6 (Schedules of Specific Commitments).

Article 15.7 **Most-Favoured-Nation Treatment**

1. Without prejudice to measures taken in accordance with Article VII of GATS, and except as provided for in its List of Most-Favoured-Nation Exemptions contained in Annex 15-7 and Annex 15-8 (List of Most-Favoured-Nation Exemptions), each Party shall accord immediately and unconditionally, to services and service suppliers of the other Party treatment no less favourable than the treatment it accords to like services and service suppliers of any non-party.

2. Treatment granted under other existing or future agreements concluded by a Party and notified under Article V or Article *Vbis* of GATS shall not be subject to paragraph 1.

3. Notwithstanding paragraph 2, if a Party enters into an agreement of the type referred in the paragraph 2 it shall, upon request from the other Party, afford adequate opportunity to that Party to negotiate the benefits granted therein.

4. The provisions of this Chapter shall not be so construed as to prevent a Party from conferring or according advantages to adjacent countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.

Article 15.8 **Monopolies and Exclusive Service Suppliers**

1. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Party's obligations under Article 15.7 (Most-Favoured-Nation Treatment) and its specific commitments.

2. Where a Party's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments, the Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.

3. The provisions of this Article shall also apply to cases of exclusive service suppliers, where a Party, formally or in effect, authorises or establishes a small number of service suppliers and substantially prevents competition among those suppliers in its territory.

Article 15.9
Business Practices

1. Parties recognize that certain business practices of service suppliers, other than those falling under Article 15.8 (Monopolies and Exclusive Service Suppliers), may restrain competition and thereby restrict trade in services.
2. Each Party shall, at the request of the other Party, enter into consultations with a view to eliminating practices referred to in paragraph 1. The Party addressed shall accord full and sympathetic consideration to such a request and shall cooperate through the supply of publicly available non-confidential information of relevance to the matter in question. The Party addressed shall also provide other information available to the requesting Party, subject to its domestic law and to the conclusion of satisfactory agreement concerning the safeguarding of its confidentiality by the requesting Party.

Article 15.10
Transparency and Confidential Information

1. Each Party shall publish promptly and, except in emergency situations, at the latest by the time of their entry into force, all relevant measures of general application which pertain to or affect the operation of this Chapter. International agreements pertaining to or affecting trade in services to which a Party is a signatory shall also be published.
2. Where publication as referred to in paragraph 1 is not practicable, such information shall be made otherwise publicly available.
3. Each Party shall exert its best efforts to publish the measures referred to in paragraph 1, wherever possible, in electronic form.
4. Chapter 10 (Transparency) of this Agreement shall not apply to this Chapter.
5. The Parties, shall respond promptly to all requests by the other Party for specific information:
 - (a) on international agreements or arrangements, including on mutual recognition, which pertain to or affect matters falling under this Chapter; and
 - (b) on standards and criteria for licensing and certification of service suppliers, including information concerning the appropriate regulatory or other body to consult regarding such standards and criteria.
6. Nothing in this Chapter shall require any Party to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interests, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

Article 15.11
Payments and Transfers

1. Except under the circumstances envisaged in Article 15.12 (Restrictions to Safeguard the Balance of Payments), a Party shall not apply restrictions on international transfers and payments for current transactions with the other Party relating to its specific commitments.
2. Nothing in this Agreement shall affect the rights and obligations of the members of the International Monetary Fund under the Articles of Agreement of the Fund, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article 15.12 or at the request of the Fund.

Article 15.12
Restrictions to Safeguard the Balance of Payments

1. In the case of trade in services, where a Party is in serious balance of payments and external financial difficulties or under threat thereof, it may adopt or maintain restrictions on trade in services on which it has undertaken commitments, including on payments or transfers for transactions related to such specific commitments.
2. Restrictions adopted or maintained under paragraph 1 shall:
 - (a) be consistent with the IMF Articles of Agreement as may be amended;
 - (b) avoid unnecessary damage to the commercial, economic, and financial interests of the other Party;
 - (c) not exceed those necessary to deal with the circumstances described in paragraph 1;
 - (d) be temporary and be phased out progressively as the situation specified in paragraph 1 improves; and
 - (e) be applied on a non-discriminatory basis such that no Party is treated less favourably than the other Party or a non-Party.
3. With respect to trade in services:
 - (a) it is recognised that particular pressures on the balance of payments of a Party in the process of economic development or economic transition may necessitate the use of restrictions to ensure, inter alia, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development or economic transition; and
 - (b) in determining the incidence of such restrictions, a Party may give priority to economic sectors which are more essential to its economic or development programmes. However, such restrictions shall not be adopted or maintained for the purposes of protecting a particular sector.

4. Any restriction adopted or maintained by a Party under paragraph 1, or any change thereto, shall be notified promptly to the other Party.

5. A Party adopting or maintaining any restriction under paragraph 1 shall promptly commence consultations with the other Party that requests consultations in relation to the restrictions adopted by it, if such consultations are not taking place at the WTO.

Article 15.13

Emergency Safeguard Measures

The Parties take note of the multilateral negotiations on the question of emergency safeguard measures based on the principle of non-discrimination pursuant to Article X of GATS. Upon conclusion of such multilateral negotiations, the Parties shall conduct a review for the purpose of discussing appropriate amendments to this Chapter based on the results of such multilateral negotiations.

Article 15.14

Modification of Commitments

The Parties shall, upon written request by a Party, hold consultations to consider any modification or withdrawal of a specific commitment in the requesting Party's Schedule of Specific Commitments. The consultations shall be held within three months after the requesting Party made its request. In the consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments no less favourable to trade than that provided for in the Schedule of Specific Commitments prior to such consultations is maintained. Modifications of schedules are subject to the procedures set out in Articles 11.4 (Joint Committee) and 14.5 (Amendments) of the Free Trade Agreement.

Article 15.15

Review of Commitments

With the objective of further liberalisation of trade in services between them, the Parties commit themselves to review every five years, or otherwise as the Parties agree, their Schedules of Specific Commitments. The first review shall take place no later than six years after the entry into force of this Agreement. The Joint Committee shall adopt the results of the reviews.

Article 15.16

General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between Parties where like conditions prevail, or a disguised restriction on supply of services, nothing in this Chapter shall be construed to prevent the adoption or enforcement by either Party of measures:

- (a) necessary to protect public morals or to maintain public order⁴;
- (b) necessary to protect human, animal or plant life or health⁵;
- (c) necessary to secure compliance with laws or regulations which are not inconsistent with this Chapter including those relating to:
 - (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on contracts;
 - (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts; or
 - (iii) safety;
- (d) inconsistent with Article 15.4 (National Treatment), provided that the difference in treatment is aimed at ensuring the equitable or effective⁶ imposition or collection of direct taxes in respect of services or service suppliers of the other Party;
- (e) inconsistent with Article 15.5 (Most-Favoured-Nation Treatment), provided that the difference in treatment is the result of an agreement on the avoidance of double taxation or provisions on the avoidance of double taxation in any other international agreement or arrangement by which the Party is bound.

⁴ The public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

⁵ The Parties understand that the measures referred to in Article XIV(b) of GATS include environmental measures necessary to protect human, animal, or plant life or health.

⁶ Measures that are aimed at ensuring the equitable or effective imposition or collection of direct taxes include measures taken by a Party under its taxation system which:

- (a) apply to non-resident service suppliers in recognition of the fact that the tax obligation of non-residents is determined with respect to taxable items sourced or located in the Party's territory;
- (b) apply to non-residents in order to ensure the imposition or collection of taxes in the Party's territory;
- (c) apply to non-residents or residents in order to prevent the avoidance or evasion of taxes, including compliance measures;
- (d) apply to consumers of services supplied in or from the territory of the other Party in order to ensure the imposition or collection of taxes on such consumers derived from sources in the Party's territory;
- (e) distinguish service suppliers subject to tax on worldwide taxable items from other service suppliers, in recognition of the difference in the nature of the tax base between them; or
- (f) determine, allocate or apportion income, profit, gain, loss, deduction or credit of resident persons or branches, or between related persons or branches of the same person, in order to safeguard the Party's tax base.

Tax terms or concepts in this paragraph and this footnote are determined according to tax definitions and concepts, or equivalent or similar definitions and concepts, under the law of the Party taking the measure.

Article 15.17 Security Exceptions

Nothing in this Chapter shall be construed:

- (a) to require a Party to furnish any information, the disclosure of which it considers contrary to its essential security interests; or
- (b) to prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;
 - (ii) relating to fissionable and fusionable materials or the materials from which they are derived;
 - (iii) taken in time of war or other emergency in international relations; or
- (c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

Article 15.18 Denial of Benefits

A Party may deny the benefits of this Agreement:

- (a) to a service or service supplier of the other Party if the service supplier is a juridical person, where denying Party establishes that the juridical person is owned or controlled by persons of a non-Party and the denying Party;
 - (i) does not maintain diplomatic relations with the non-Party; or
 - (ii) adopts or maintains measures with respect to the non-Party or a person of the non-Party that prohibits transactions with the juridical person or that would be violated or circumvented if the benefits of this Agreement were accorded to the juridical person.
- (b) in the case of maritime transport, if it establishes that the service is supplied by a vessel registered under the laws of a non-Party and the denying Party does not maintain diplomatic relations with the non-Party; or by a person which supplies the service through the operation of a vessel and/or its use in whole or in part and that person is a person of a non-Party which the denying Party does not maintain diplomatic relations with the non-Party.

Article 15.19 Cooperation

The Parties shall strengthen cooperation efforts in sectors, including sectors which are not covered by current cooperation arrangements. The Parties shall discuss and agree in accordance with Article 11.4 (Joint Committee) on the sectors for cooperation and develop cooperation programme in these sectors in order to improve their domestic services as well as operations in third markets capacity and their efficiency and competitiveness.

Article 15.20 Telecommunications

1. The Parties reaffirm their commitments arising from GATS Annex on Telecommunications.
2. The Parties agree for the provisions of GATS Telecommunications Reference Paper to be an integral part of this Chapter.
3. The Parties shall, upon written request by a Party, hold consultations to consider the revision of telecommunications provisions under Article 11.4 (Joint Committee)."

Article 4
New Chapter 16 (Movement of Business Persons) of the Free Trade Agreement

Chapter 16 of the Free Trade Agreement shall be inserted as follows:

“CHAPTER 16
MOVEMENT OF BUSINESS PERSONS

Article 16.1
Scope and General Provisions

1. This Chapter shall apply to measures that affect the entry and temporary stay of business persons of a Party in the territory of the other Party.

2. For the purposes of this Chapter,

business person of a Party means a natural person of a Party who is engaged in trade in goods, the supply of services or the conduct of investment activities.

3. The Agreement shall not apply to measures affecting natural persons seeking access to the employment market of a Party, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

4. The Agreement shall not prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to the other Party under the terms inscribed in its Schedule of Specific Commitments.

5. The Parties shall ensure that all measures affecting the entry and temporary stay of business persons covered by this Chapter are administered in a reasonable, objective and impartial manner consistent with Article 6.1 of the WTO General Agreement on Trade in Services (“GATS”).

6. The sole fact that a Party grants entry and temporary stay to a natural person of the other Party shall not be construed to exempt that person from meeting any applicable licensing or other requirements, including qualification requirements and any mandatory codes of conduct, to practice a profession.

Article 16.2
Provision of Information

1. For the purposes of this Chapter, each Party shall ensure that its competent authorities make publicly available the information necessary to apply for authorisations for the entry into and temporary stay in its territory. Such information shall be made electronically available and kept updated.

2. Information referred to in paragraph 1 shall include, among others:

- (a) categories of visas and work permits or any similar type of authorization regarding entry and temporary stay;
- (b) documentation and evidence required and conditions to be met;
- (c) method of filing and options on where to file, such as consular offices or online;
- (d) processing time;
- (e) application fees;
- (f) period of validity of the visas and work permits;
- (g) conditions for extensions or renewal;
- (h) available review and/or appeal procedures;
- (i) reference to relevant laws of general application; and
- (j) respective requirements referred to in paragraph 9 of Article 16.3 (Entry and Temporary Stay Related Requirements and Procedures).

3. Each Party shall provide the other Party with details of relevant publications or websites where information referred to in paragraph 2 is made available.

Article 16.3

Entry and Temporary Stay Related Requirements and Procedures

1. Documents required for the processing of application for entry and temporary stay of business persons covered by this Chapter shall be relevant and commensurate with the purpose for which they are collected.
2. Fees for processing applications for entry and temporary stay for the business persons covered by this Chapter shall be reasonable and determined with regard to the administrative costs involved.
3. Complete applications shall be processed as expeditiously as possible. The competent authorities of each Party shall notify the applicant of the outcome of its application promptly after a decision has been taken. The notification shall include, if applicable, the period of stay and any other terms and conditions.
4. Upon the applicant's request, the competent authorities of the Party concerned shall, without undue delay and to the extent possible, provide information concerning the status of the applicant's application. This information shall normally be provided free of charge.

5. If a Party requires additional information from an applicant in order to process the application for temporary stay or in case of an incomplete application, the authority shall notify the applicant without undue delay and provide the applicant with the opportunity to supply that additional or missing information or to correct any deficiencies within a reasonable period of time or submit a new application.⁷

6. If an application is refused, the Party concerned shall inform the applicant, in writing⁸ and without undue delay, about the reasons for such refusal. The applicant shall be given an opportunity to appeal against that decision and/or to submit a new application.

7. If a Party requires separate applications for entry and temporary stay it shall ensure that the respective time periods for entry and temporary stay, if granted, are compatible.

8. Applicants shall be given an opportunity to apply for renewal or extension of authorisation for temporary stay. Each Party shall ensure that the procedures for application for the renewal or extension of authorization for temporary stay are pre-established and clearly specified.

9. When a Party decides to grant entry and temporary stay to a business person of the other Party and when the respective requirements for multiple entry visas are fulfilled, the granting Party shall issue multiple entry visas.

10. Parties shall endeavour to accept and process applications in electronic format.

Article 16.4 **Relationship with other Agreements**

In case of an inconsistency between the provisions of this Chapter and a provision of an international agreement to which the Parties are party, the provision most favourable to the business person covered by this Chapter shall apply."

⁷ For greater certainty, incomplete applications are not admitted for processing.

⁸ For greater certainty, "in writing" may include in electronic form.

Article 5
New Chapter 17 (E-Commerce) of the Free Trade Agreement

Chapter 17 of the Free Trade Agreement shall be inserted as follows:

“CHAPTER 17
E-COMMERCE

SECTION 17-A
GENERAL PROVISIONS

Article 17.1
Objectives

1. The objectives of this Chapter are to:
 - (a) promote electronic commerce among the Parties;
 - (b) facilitate electronic commerce between businesses of Parties;
 - (c) contribute to creating an environment of trust and confidence in the use of electronic commerce; and
 - (d) enhance cooperation among the Parties regarding development of electronic commerce.

Article 17.2
Scope

1. This Chapter shall apply to measures adopted or maintained by a Party that affect trade in goods and services by electronic means.
2. The Parties affirm that measures affecting the supply of a service delivered or performed electronically are subject to the obligations contained in the relevant provisions of Chapter 15 (Trade in services) which are subject to any exceptions or limitations and restrictions set out in Annex 15-5 and Annex 15-6 (Schedules of Specific Commitments) that are applicable to such obligations.
3. This Chapter shall not apply to:
 - (a) government procurement; and
 - (b) subsidies or grants provided by a Party including government-supported loans, guarantees, and insurance.

Article 17.3
Definitions

For purposes of this Chapter:

- (a) **consumer** means consumer as defined in each Party's national laws;

- (b) **electronic invoicing** or **e-invoicing** means the automated creation, exchange and processing of a request for payment between a supplier and a buyer using a structured digital format;
- (c) **electronic authentication** means the process or act of verifying the identity of a party to an electronic communication or transaction and ensuring the integrity of an electronic communication;
- (d) **electronic signature** means data in electronic form that is in, affixed to, or logically associated with an electronic data message that may be used to identify the signatory in relation to the data message and indicate the signatory's approval of the information contained in the data message;⁹
- (e) **personal data** means any information relating to an identified or identifiable natural person; and
- (f) **unsolicited commercial electronic message** means an electronic message which is sent for commercial or marketing purposes to an electronic address without the consent of the recipient or against the explicit rejection of the recipient, using an internet access service supplier and, to the extent provided for under the domestic laws and regulations of each Party, other telecommunications service.

SECTION 17-B BUSINESS AND TRADE FACILITATION

Article 17.4 Paperless Trading

1. With a view to creating a paperless border environment for trade in goods by electronic means, each Party recognises the importance of eliminating paper forms and documents required for import, export and transit of goods.
2. Each Party shall make any form issued or controlled by its customs authority for import, export and transit of goods through its territory available to the public in electronic format.
3. Each Party shall endeavour to make any form issued or controlled by any government agency other than its customs authority for import, export and transit of goods through its territory available to the public in electronic format.
4. Each Party shall endeavour to accept any form issued or controlled by customs authorities and, as appropriate, supporting documentation, required by customs authorities for import, export, or transit of goods through its territory submitted in electronic format as the legal equivalent of the paper version of those documents.

⁹ For greater certainty, nothing in this provision prevents a Party from according greater legal effect to an electronic signature that satisfies certain requirements, such as indicating that the electronic data messages has not been altered or verifying the identity of the signatory.

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5. Each Party shall endeavour to accept any form issued or controlled by any government agency other than customs authorities and, as appropriate, supporting documentation, required by any government agency other than customs authorities for import, export, or transit of goods through its territory submitted in electronic format as the legal equivalent of the paper version of those forms.

6. No Party shall be required to apply paragraphs 4 and 5 if:

- (a) there is a domestic or an international legal requirement to the contrary; or
- (b) doing so would reduce the effectiveness of the customs or other trade procedures required for import, export, or transit of goods through its territory.

7. Each Party shall establish or maintain a national single window that enables persons to submit documentation or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies.

8. In cases where documentation and/or data requirements have already been received through the single window, the same documentation and/or data requirements shall not be requested by participating authorities or agencies except in circumstances as determined by the Parties under the Joint Committee.

9. The Parties shall endeavour to establish or maintain a seamless, trusted, high availability¹⁰ and secure interconnection of their respective single windows to facilitate the exchange of data relating to forms and documents required for import, export and transit of goods through its territory as determined by the Parties under the Joint Committee.

10. The type of data and documents referred to in paragraph 9 shall be jointly determined by the Parties under the Joint Committee, and upon reaching mutual consensus, Parties shall publish a list of such documents online.

11. The Parties recognize the role of internationally recognized and, if available, open standards in the development and governance of the data exchange systems.¹¹

12. The Parties shall endeavour to cooperate and collaborate on new initiatives which promote and advance the use and adoption of systems that facilitate the data exchange referred to in paragraph 9, including but not limited to, through:

- (a) sharing of information, experiences and best practices in the area of development and governance of the data exchange systems; and
- (b) collaboration on pilot projects in the development and governance of data exchange systems.

¹⁰ For greater certainty, "high availability" refers to the ability of a single window to continuously operate. It does not prescribe a specific standard of availability.

¹¹ The Parties recognize that the data exchange systems referred to in this paragraph may refer to interconnection of the single windows referred to in paragraph 9.

Article 17.5 Electronic Invoicing

1. Unless otherwise provided for under its laws or regulations, a Party shall not deny any legal effect of an electronic invoice solely on the basis that the invoice is in electronic form.
2. The Parties recognize the importance of e-invoicing which increases the efficiency, accuracy and reliability of transactions. The Parties also recognize the benefits of ensuring that the systems used for e-invoicing within their respective jurisdictions are interoperable with the systems used for e-invoicing in the other Parties' jurisdictions.
3. Each Party shall endeavour to ensure that the implementation of measures related to e-invoicing in its jurisdiction is designed to support cross-border interoperability. For that purpose, each Party shall endeavour to take into account international standards, guidelines or recommendations, where they exist.
4. The Parties recognize the economic importance of promoting the global adoption of interoperable e-invoicing systems. To this end, the Parties shall endeavour to, where appropriate, share best practices, discuss technical standards for interoperability and collaborate on promoting the adoption of interoperable systems for e-invoicing.

Article 17.6 Transparency

1. Each Party shall publish as promptly as possible or, where that is not practicable, otherwise make publicly available, including on the internet where feasible, all relevant measures of general application pertaining to or affecting the operation of this Chapter.
2. Each Party shall respond as promptly as possible to a relevant request from another Party for specific information on any of its measures of general application pertaining to or affecting the operation of this Chapter.
3. Chapter 10 (Transparency) of this Agreement shall not apply to this Chapter.

SECTION 17-C ESTABLISHING BUSINESS AND CONSUMER TRUST

Article 17.7 Electronic Signatures and Electronic Authentication

1. Except in circumstances otherwise provided for under its law, a Party shall not deny the legal effect, legal validity, or admissibility as evidence in legal proceedings of an electronic signature solely on the basis that the signature is in electronic form.
2. Neither Party shall adopt or maintain measures for electronic authentication that would:
 - (a) prohibit parties to an electronic transaction from mutually determining the appropriate electronic authentication methods, or electronic signature for that transaction; or

- (b) prevent parties to an electronic transaction from having the opportunity to establish before judicial or administrative authorities that their electronic transaction complies with any legal requirements with respect to electronic authentication or electronic signatures.

3. Notwithstanding paragraph 2, a Party may require that, for a particular category of electronic transactions the method of authentication or the electronic signature meets certain performance standards certified by an accredited authority in accordance with the Party's laws and regulations.

4. Each Party shall endeavour to facilitate the use of interoperable electronic authentication and mutual recognition of electronic signatures.

Article 17.8 **Unsolicited Commercial Electronic Messages**

1. Parties recognize the importance of promoting confidence and trust in electronic commerce, including through transparent and effective measures that limit unsolicited commercial electronic messages.

2. Each Party shall adopt or maintain measures regarding unsolicited commercial electronic messages that:

- (a) require suppliers of unsolicited commercial electronic messages to facilitate the ability of recipients to prevent ongoing reception of those messages;
- (b) require the consent, as specified according to the laws and regulations of each Party, of recipients to receive commercial electronic messages; or
- (c) otherwise provide for the minimization of unsolicited commercial electronic messages.

3. Each Party shall provide recourse against suppliers of unsolicited commercial electronic messages that do not comply with the measures adopted or maintained pursuant to paragraph 2.

4. Parties shall endeavour to ensure that commercial electronic messages are clearly identifiable as such, clearly disclose on whose behalf they are made, and contain the necessary information to enable recipients to request cessation free of charge and at any time.

5. The Parties shall endeavour to cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages.

Article 17.9 **Online Consumer Protection**

1. The Parties recognize the importance of adopting and maintaining transparent and effective consumer protection measures for electronic commerce as well as other measures conducive to the development of consumer confidence.

2. Each Party shall provide protection for consumers using electronic commerce that affords a level of protection which is not lower than that provided for consumers of other forms of commerce under its relevant laws and regulations.
3. Each Party shall adopt or maintain laws or regulations to proscribe fraudulent, misleading or deceptive conduct that causes harm, or is likely to cause harm, to consumers engaged in electronic commerce.
4. Each Party shall adopt or maintain laws or regulations that:
 - (a) require, at the time of delivery, goods and services provided to be of acceptable and satisfactory quality, consistent with the supplier's claims regarding the quality of the goods and services; and
 - (b) in circumstances where requirements in subparagraph (a) are not met, provide consumers with appropriate redress.
5. Each Party shall make publicly available and easily accessible its consumer protection laws and regulations.
6. The Parties recognize the importance of improving awareness of, and access to, policies and procedures related to consumer protection, including consumer redress mechanisms, including for consumers engaged in electronic commerce.
7. The Parties recognize the importance of cooperation between their respective national consumer protection agencies or other relevant bodies on matters related to electronic commerce in order to enhance consumer confidence.
8. The Parties shall promote, as appropriate and subject to the respective laws and regulations of each Party, cooperation on matters of mutual interest related to fraudulent, misleading and deceptive conduct, including in the enforcement of their relevant laws and regulations.
9. The Parties recognize the importance of, and shall encourage service suppliers to inform consumers about their rights and obligations for e-commerce.

Article 17.10 **Personal Data Protection**

1. The Parties recognize the economic and social benefits of protecting the personal data of users of electronic commerce and its contribution to enhancing consumer confidence in electronic commerce.
2. Each Party shall, in a manner it considers appropriate, protect the personal data of the users of electronic commerce. Personal data of the users of electronic commerce can only be shared with the other Party with the consent of the users or in accordance with the conditions provided under its legislation.

3. Each Party shall:
- (a) adopt or maintain a domestic legal framework that provides for the protection of the personal data of the users of electronic commerce;
 - (b) exchange information on their experiences in protecting personal data; and
 - (c) ensure that service providers and intermediary service providers take all necessary technical and administrative measures for the protection of personal data.
4. Each Party shall publish information on the personal data protections it provides to users of electronic commerce, including how:
- (a) individuals can pursue remedies; and
 - (b) business can comply with any legal requirements.
5. Each Party shall encourage enterprises in its territory to publish, including on the internet, their policies and procedures related to protection of personal data.
6. Recognising that the Parties may take different legal approaches to protecting personal data, each Party should encourage the development of mechanisms to promote compatibility between these different regimes. These mechanisms may include the recognition of regulatory outcomes, whether accorded autonomously or by mutual arrangement, or broader international frameworks. To this end, the Parties shall endeavour to exchange information on any such mechanisms applied in their jurisdictions and explore ways to extend these or other suitable arrangements to promote compatibility between them.

Article 17.11 **Cooperation on Electronic Commerce**

1. Recognising the global and inter-connected nature of electronic commerce, the Parties shall endeavour to:
- (a) work together to assist small and medium enterprises to overcome obstacles encountered in the use of electronic commerce;
 - (b) exchange information and share experiences on regulations, policies, enforcement and compliance regarding electronic commerce, including:
 - (i) personal data protection;
 - (ii) consumer protection;
 - (iii) the treatment of unsolicited commercial electronic messages;
 - (iv) exchanges between private sectors of the Parties regarding business models and practices in electronic commerce used in their territories;

- (v) cybersecurity; and
- (vi) any other issues relevant for the development of electronic commerce.
- (c) encourage cooperation in the area of transport and logistics services for the express delivery of goods supplied by e-commerce, including through:
 - (i) promoting and facilitating partnerships among e-retailers and logistics players; and
 - (ii) exchanging information, where possible and practicable including rates, on express delivery services provided in and from its territory; and
- (d) explore ways to enhance cooperation between the national postal services of Parties."

Article 6
New Chapter 18 (Investment) of the Free Trade Agreement

Chapter 18 of the Free Trade Agreement shall be inserted as follows:

"CHAPTER 18
INVESTMENT

SECTION 18-A

Article 18.1
Scope and Coverage

1. This Chapter shall apply to measures adopted or maintained by a Party relating to:
 - (a) investors of the other Party;
 - (b) covered investments; and
 - (c) with respect to Article 18.8 (Performance Requirements), all investments in the territory of the Party.
2. This Chapter shall not apply to:
 - (a) any taxation measure unless otherwise provided;
 - (b) services supplied in the exercise of governmental authority within the territory of the respective Party. For purposes of this Chapter, a service supplied in the exercise of governmental authority means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;
 - (c) subsidies or grants provided by a Party, or to any conditions attached to the receipt or continued receipt of such subsidies or grants, whether or not such subsidies or grants are offered exclusively to investors of the Party or investments of investors of the Party, including government-supported loans, guarantees and insurance; and
 - (d) government procurement.

Article 18.2
Definitions

For the purposes of this Chapter:

- (a) **claimant** means an investor of a Party that is a party to an investment dispute with the other Party;

- (b) **covered investment** means, with respect to a Party, an investment in its territory, of an investor of the other Party that is in existence as of the date of entry into force of this Agreement or established, acquired, or expanded thereafter;
- (c) **disputing parties** means the claimant and the respondent;
- (d) **disputing party** means either the claimant or the respondent;
- (e) **enterprise of a Party** means an enterprise constituted or organised under the law of a Party, and a branch¹² located in the territory of a Party and carrying out substantive business activities there;
- (f) **freely useable currency** means any currency as determined by the *International Monetary Fund (IMF)* under the *Articles of Agreement of the International Monetary Fund* and any amendments thereto;
- (g) **ICSID Arbitration Rules** means the *Rules of Procedure for Arbitration Proceedings (Arbitration Rules)* as amended and in effect on 10 April 2006;
- (h) **ICSID Convention** means the *Convention on the Settlement of Investment Disputes between States and Nationals of Other States*, done at Washington, on 18 March 1965;
- (i) **investment** ^{13, 14} means every kind of asset, owned or controlled, by an investor of a Party, in the territory of the other Party and invested in accordance with the laws, regulations and national policies of the other Party, including:
 - (i) movable and immovable property and any other property rights such as mortgages, liens or pledges ¹⁵;
 - (ii) bonds, debentures, loans and other forms of debt of an enterprise, including rights derived therefrom^{16,17};

¹² For greater certainty, a branch of a legal entity of a non-Party shall not be considered as an enterprise of a Party.

¹³ When an asset lacks the characteristics of an investment, that asset is not an investment regardless of the form it may take. The characteristics of an investment include the commitment of capital, the expectation of gain or profit, the assumption of risk, and certain duration.

¹⁴ The term "investment" also includes amounts yielded by investments, in particular, profits, interest, capital gains, dividend, royalties and fees. Any alteration of the form in which assets are invested or reinvested shall not affect their classification as investment.

¹⁵ For greater certainty, market share, access to market, expected gains, and opportunities for profit-making are not, by themselves, investments.

¹⁶ Some forms of debt, such as bonds, debentures, and long-term notes, are more likely to have the characteristics of an investment, while other forms of debt such as claims to payment that are immediately due and result from the sale of goods or services, are less likely to have such characteristics.

¹⁷ For the purpose of this Agreement, "loans and other debt instruments" and "claims to money or claims to any performance under a written contract having financial value" refer to assets which relate to a business activity associated with an investment and do not refer to assets which are of a personal nature, unrelated to any business activity associated with an investment.

- (iii) shares, stocks or other forms of equity participations in an enterprise, including rights derived therefrom;
 - (iv) claims to money¹⁸ or claims to any performance under a written contract having financial value;
 - (v) intellectual property rights, means copyright and related rights, patent rights, trademark rights, rights in geographical indications, rights in industrial designs, rights in layout designs (topographies) of integrated circuits, rights in relation to protection of undisclosed information, plant breeders' rights, which are conferred pursuant to laws and regulations of each Party and goodwill;
 - (vi) concessions conferred by law or under contract, including concessions to search for, cultivate, extract, or exploit natural resources;
 - (vii) turnkey, construction, management, production, concession, revenue-sharing, and other similar contracts;
 - (viii) an enterprise.
- (j) An **enterprise** is considered:
- “owned” by an investor if more than 50 percent of the equity interests in it is beneficially owned by the investor; and
- “controlled” by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions.
- (k) **investor of a Party** means a natural person of a Party or an enterprise of a Party, that attempts to make, is making, or has made an investment in the territory of the other Party which is located in the territory of the Party;
- (i) the term “natural person of a Party” means:
- In respect of Malaysia, person who under the laws, regulation and national policies of Malaysia is a citizen of Malaysia or has the right of permanent residence in Malaysia; and
- In respect of the Republic of Türkiye, any natural person possessing the nationality of Türkiye in accordance with its laws.
- (ii) the term “enterprise of a Party” means any entity duly constituted or organised under the law of a Party and engaged in substantive business operations in that Party. Such entity may either be for profit or otherwise, privately-owned or controlled, or governmentally-owned or controlled, and includes any corporation, trust, partnership, joint

¹⁸ For greater certainty, investment does not mean claims to money that arise solely from:

- (a) commercial contracts for sale of goods or services; or
- (b) the extension of credit in connection with such commercial contracts.

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venture, sole proprietorship, association, organisation, company or branch¹⁹.

- (l) **investor of a non-Party** means, with respect to a Party, an investor that attempts to make, is making, or has made an investment in the territory of that Party, that is not an investor of either Party;
- (m) **measure** means any measure by a Party, whether in the form of a law, regulation, rule, procedure, practice, decision, administrative actions or any other form, adopted or maintained by:
 - (i) central, regional, or local governments and authorities; and
 - (ii) non-governmental bodies in the exercise of powers delegated by central, regional, or local governments or authorities.
- (n) **New York Convention** means the *Convention on the Recognition and Enforcement of Foreign Arbitral Awards*, adopted at the United Nations in New York on 10 June 1958;
- (o) **respondent** means the Party that is a party to an investment dispute;
- (p) **return** means an amount yielded by or derived from an investment, including profits, dividends, interest, capital gains, royalty payments, payments in connection with intellectual property rights, and all other lawful income. For the purposes of the definition of "investment", returns that are invested shall be treated as investments and any alteration of the form in which assets are invested or reinvested shall not affect their character as investments.
- (q) **TRIPS Agreement** means the Agreement on Trade-Related Aspects of Intellectual Property Rights, contained in Annex 1C to the WTO Agreement. For greater certainty, "TRIPS Agreement" includes any waiver in force between the Parties of any provisions of the TRIPS Agreement granted by WTO Members in accordance with the WTO Agreement.
- (r) **UNCITRAL Arbitration Rules** means the arbitration rules of the *United Nations Commission on International Trade Law*, as adopted by the *United Nations General Assembly* on 15 December 1976, as revised in 2010.
- (s) **WTO Agreement** means the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994.

Article 18.3 Relation to Other Chapters

1. This Chapter does not apply to measures adopted or maintained by a Party to the extent that they are covered by Chapters 15 (Trade in Services).

¹⁹ For greater certainty, a branch of a legal entity of a non-Party shall not be considered as an enterprise of a Party.

2. Notwithstanding paragraph 1 of this Article, Article 18.4 (Minimum Standard of Treatment), Article 18.7 (Compensation for Losses), Article 18.12 (Expropriation), Article 18.13 (Transfers), Article 18.15 (Subrogation) and Section 18-B (Investor – State Dispute Settlement) of this Chapter shall apply, mutatis mutandis, to any measure affecting the supply of service by a service supplier of a Party through commercial presence in the territory of the other Party pursuant to the provisions of Chapter 15 (Trade in Services), but only to the extent that they relate to a covered investment and an obligation under this Chapter.

Article 18.4

Minimum Standard of Treatment

1. Each Party shall accord to covered investments treatment in accordance with customary international law minimum standard of treatment of aliens²⁰, including “fair and equitable treatment” and “full protection and security”.

2. For greater certainty, paragraph 1 prescribes the customary international law minimum standard of treatment of aliens as the minimum standard of treatment to be afforded to covered investments. The concepts of “fair and equitable treatment” and “full protection and security” do not require treatment in addition to or beyond that which is required by that standard, and do not create additional substantive rights. The obligation to provide:

- (a) “fair and equitable treatment” requires each party not to deny justice in criminal, civil or administrative adjudicatory proceedings in accordance with the principle of due process of law; and
- (b) “full protection and security” requires each Party to provide the level of police protection required under customary international law.

3. A determination that there has been a breach of another provision of this Agreement, or of a separate international agreement, does not establish that there has been a breach of this Article.

4. For greater certainty, the mere fact that a Party takes or fails to take an action that may be inconsistent with an investor’s expectations does not constitute a breach of this Article, even if there is loss or damage to the covered investment as a result.

Article 18.5

National Treatment

1. Each Party shall accord to investors of the other Party treatment no less favourable than that it accords, in like circumstances, to its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments in its territory.

²⁰ Customary international law results from a general and consistent practice of States that they follow from a sense of legal obligation. With regard to this Article, the customary international law minimum standard of treatment of aliens refers to all customary international law principles that protect the economic rights and interests of aliens.

2. Each Party shall accord to covered investments treatment no less favourable than that it accords, in like circumstances, to investments in its territory of its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments.

Article 18.6 **Most-Favoured-Nation Treatment**

1. Each Party shall accord to investors of the other Party and to their investments treatment no less favourable than that it accords, in like circumstances, to investors of a non-Party and to their investments, with respect to establishment, acquisition, expansion, management, conduct, operation, liquidation, sale, transfer or other disposition of investments.
2. The treatment, as set forth in paragraph 1, shall not include:
 - (a) any preferential treatment accorded to investors and their investments under any existing bilateral, regional or international agreements, or any forms of economic or regional cooperation with any non-Party; and
 - (b) any existing or future preferential treatment accorded to investors and their investments in any agreement or arrangement between or among ASEAN Member States.
3. Notwithstanding paragraphs 1 and 2, if a Party accords more favourable treatment to investors of non-Party and their investments by virtue of any future agreements or arrangements to which that Party is a party, it shall not be obliged to accord such treatment to investors of the other Party and their investments. However, upon request from the other Party, it shall accord adequate opportunity to negotiate the benefits granted therein.
4. For greater certainty, the treatment referred to in this Article does not encompass international dispute resolution procedures or mechanisms.

Article 18.7 **Compensation for Losses**

1. Investors of one Party whose investments in the territory of the other Party suffer losses owing to war or other armed conflict, revolution, a state of national emergency, insurrection, riot, or any other similar event in the territory of the latter Party shall be accorded by the latter Party treatment, as regards restitution, indemnification, compensation or other settlement, no less favorable than that which the latter Party accords to investors of any non-Party.
2. Notwithstanding paragraph 1, each Party shall accord to investors of another Party and to covered investments non-discriminatory treatment with respect to measures it adopts or maintains relating to losses suffered by investments in its territory owing to the situations referred in paragraph 1.
3. Notwithstanding paragraph 1, if an investor of a Party, in a situation referred to in paragraph 1, suffers a loss in the territory of another Party resulting from:

- (a) requisitioning of its covered investment or part thereof by the latter's forces or authorities; or
- (b) destruction of its covered investment or part thereof by the latter's forces or authorities, which was not required by the necessity of the situation,

the latter Party shall provide the investor restitution, compensation or both, as appropriate, for that loss.

Article 18.8 **Performance Requirements**

The Parties reaffirm their commitments to the Agreement on Trade-Related Investment Measures in Annex 1A to the WTO Agreement.

Article 18.9 **Senior Management and Boards of Directors**

1. Neither Party may require that an enterprise of that Party that is a covered investment appoint to senior management positions natural persons of any particular nationality.
2. A Party may require that a majority of the board of directors, or any committee thereof, of an enterprise of that Party that is a covered investment, be of a particular nationality, or resident in the territory of the Party, provided that the requirement does not materially impair the ability of the investor of the other Party to exercise control over its investment.

Article 18.10 **Non-Conforming Measures**

1. Articles 18.5 (National Treatment), 18.6 (Most-Favoured-Nation Treatment), 18.8 (Performance Requirements) and 18.9 (Senior Management and Boards of Directors) do not apply to:
 - (a) any existing non-conforming measure that is maintained by a Party at the central, regional or local levels of government as set out in its Schedule to List I under Annex 18-A/18-B (Schedules of Reservations and Non-Conforming Measures for Investment).
 - (b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a); or
 - (c) an amendment to any non-conforming measure referred to in subparagraph (a) to the extent that the amendment does not decrease the conformity of the measure, as it existed at the date of the entry into force of this Agreement, with Articles 18.5 (National Treatment), 18.6 (Most-Favoured-Nation Treatment), 18.8 (Performance Requirements) and 18.9 (Senior Management and Boards of Directors).

2. Articles 18.5 (National Treatment), 18.6 (Most-Favoured-Nation Treatment), 18.8 (Performance Requirements) and 18.9 (Senior Management and Boards of Directors) do not apply to any measure that a Party adopts or maintains with respect to sectors, subsectors, or activities at the central, regional or local levels of government, as set out in its Schedule to List II under Annex 18-A/18-B (Schedules of Reservations and Non-Conforming Measures for Investment).

3. Neither Party may, under any measure adopted after the date of entry into force of this Agreement and covered by its Schedule to List II under Annex 18-A/18-B (Schedules of Reservations and Non-Conforming Measures for Investment), require an investor of the other Party, by reason of its nationality, to sell or otherwise dispose of an investment existing at the time the measure becomes effective.

4. Article 18.5 (National Treatment) and Article 18.6 (Most-Favoured-Nation Treatment) shall not apply to any measure that falls within Article 5 of the TRIPS Agreement, and any measure that is covered by an exception to, or derogation from, the obligations under Article 3 or Article 4 of the TRIPS Agreement.

Article 18.11

Special Formalities and Treatment of Information

1. Nothing in Article 18.5 (National Treatment) shall be construed to prevent a Party from adopting or maintaining a measure that prescribes special formalities in connection with covered investments, such as residency requirements for registration or a requirement that covered investments be legally constituted under its laws or regulations, provided that such formalities do not materially impair the protections afforded by the Party to investors of the other Party and covered investments pursuant to this Chapter.

2. Notwithstanding Article 18.5 (National Treatment) and Article 18.6 (Most-Favoured-Nation Treatment), a Party may require an investor of the other Party or its covered investment to provide information concerning that investment solely for informational or statistical purposes. The Party shall protect such business information that is confidential from any disclosure that would prejudice the competitive position of the investor or the covered investment. Nothing in this paragraph shall be construed to prevent a Party from otherwise obtaining or disclosing information in connection with the equitable and good faith application of its law.

Article 18.12 Expropriation²¹

1. A Party shall not expropriate or nationalise an investment of an investor of the other Party, either directly or indirectly, except under the following conditions:

- (a) the measures are taken for a lawful or public purpose^{22, 23}; and
- (b) the measures are non-discriminatory; and
- (c) the measures are accompanied by the payment of prompt, adequate and effective compensation; and
- (d) under due process of law.

2. Such compensation shall be equivalent to the fair market value of the expropriated investments:

- (a) at the time when or immediately before the expropriation was publicly announced; or
- (b) when the expropriation occurred,

whichever is the earlier.

3. The fair market value shall not reflect any change in market value occurring because the expropriation had become publicly known earlier.

4. The compensation shall be paid without unreasonable delay and it shall be:

- (a) effectively realisable;
- (b) freely transferable; and
- (c) freely convertible into any freely usable currency.

5. In the event of delay, payment of compensation shall include interest, which shall be determined by taking into account any applicable rates prescribed by the laws, regulations and policies of the expropriating Party.

²¹ Article 18.12 shall be interpreted in accordance with Annex 18-1 (Expropriation).

²² For greater certainty, for the purposes of this Article, the term "public purpose" refers to a concept in customary international law. Domestic law may express this or a similar concept by using different terms, such as "public necessity", "public interest" or "public use".

²³ For the avoidance of doubt, if Malaysia is the expropriating Party, any measure of direct expropriation relating to land shall be for the purposes as set out in the Land Acquisitions Act 1960, Land Acquisition Ordinance 1950 of the State of Sabah and the Land Code 1958 of the State of Sarawak, as of the date of entry into force of this Agreement for it.

6. For the avoidance of doubt, any measure of expropriation relating to land shall be defined as in the Parties' respective existing domestic laws, regulations and policies, and any amendments thereto, and shall be for the purposes of and upon payment of compensation in accordance with the aforesaid laws, regulations and policies.

7. This Article shall not apply to the issuance of compulsory licences granted in relation to intellectual property rights, or to the creation, limitation or revocation of intellectual property rights, to the extent such issuance, revocation, limitation or creation is consistent with the TRIPS Agreement.²⁴

Article 18.13 **Transfers**

1. Each Party shall allow all transfers relating to a covered investment to be made freely and without unreasonable delay into and out of its territory in any freely usable currency. Such transfers include:

- (a) contributions to capital, including the initial contribution;
- (b) profits, dividends, royalties, technical fees, interest and other current income, accruing from any investment of investors of the other Party;
- (c) proceeds from the total or partial sale or liquidation of any covered investment made by investors of the other Party;
- (d) payments made under a contract including loan payments in connection with covered investments;
- (e) earnings and other remuneration of personnel employed and allowed to work in connection with that investment in its territory;
- (f) payments made pursuant to Article 18.7 (Compensation for Losses) and Article 18.12 (Expropriation); and
- (g) payments arising out of the settlement of a dispute by any means.

2. The exchange rates applicable to such transfer in paragraph 1 of this Article shall be the rate of exchange prevailing at the time of transfer.

3. Notwithstanding paragraphs 1 and 2 of this Article, a Party may delay or prevent a transfer referred to paragraph 1 through the equitable, non-discriminatory, and good faith application of its laws relating to:

- (a) bankruptcy, insolvency, or the protection of the rights of creditors;
- (b) issuing, trading, or dealing in securities, futures, options, or derivatives;

²⁴ For greater certainty, the Parties recognize that, for the purposes of this Article, the term "revocation" of the intellectual property rights includes the cancellation or nullification of those rights, and the term "limitation" of intellectual property rights includes exceptions to those rights.

- (c) financial reporting or record keeping of transfers to assist law enforcement or financial regulatory authorities;
- (d) criminal or penal offences;
- (e) ensuring compliance with orders or judgments in judicial or administrative proceedings;
- (f) obligations of investors arising from social security, public retirement or compulsory savings schemes;
- (g) taxation; or
- (h) requirements to register and satisfy other transfer formalities imposed by the Central Bank and other relevant authorities of that Party.

4. Nothing in this Chapter shall affect the rights and obligations of each Party as a member of the International Monetary Fund under the Articles of Agreement of the International Monetary Fund, including the use of exchange actions which are in conformity with the Articles of Agreement of the International Monetary Fund.

Article 18.14 **Restrictions to Safeguard the Balance-of Payments**

1. Where a Party is in serious balance of payments and external financial difficulties or under threat thereof, or where, in exceptional circumstances, payments or transfers relating to capital movements cause or threaten to cause serious difficulties for macroeconomic management, it may adopt or maintain restrictions on payments or transfers related to covered investments as defined in Article 18.2 (Definitions).
2. Restrictions adopted or maintained under paragraph 1 shall:
 - (a) be consistent with the IMF Articles of Agreement as may be amended;
 - (b) avoid unnecessary damage to the commercial, economic, and financial interests of the other Party;
 - (c) not exceed those necessary to deal with the circumstances described in paragraph 1;
 - (d) be temporary and be phased out progressively as the situation specified in paragraph 1 improves; and
 - (e) be applied on a non-discriminatory basis such that no Party is treated less favourably than any other Party or a non-Party.

3. With respect to investment:

- (a) it is recognised that particular pressures on the balance of payments of a Party in the process of economic development or economic transition may necessitate the use of restrictions to ensure, *inter alia*, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development or economic transition; and
- (b) in determining the incidence of such restrictions, a Party may give priority to economic sectors which are more essential to its economic or development programmes. However, such restrictions shall not be adopted or maintained for the purposes of protecting a particular sector.

4. Any restriction adopted or maintained by a Party under paragraph 1, or any change thereto, shall be notified promptly to the other Parties.

5. A Party adopting or maintaining any restriction under paragraph 1 shall, in the case of investments, respond to any other Party that requests consultations in relation to the restrictions adopted by it, if such consultations are not otherwise taking place outside this Agreement.

Article 18.15 Subrogation

1. If a Party, or any agency, institution, statutory body or corporation designated by the Party, makes a payment to any of its investors under a guarantee, a contract of insurance or other form of indemnity it has granted in respect of a covered investment, against non-commercial risks, the other Party shall recognise the subrogation or transfer of any right or title in respect of such covered investment.

2. The Party or its designated agency is entitled by virtue of subrogation to exercise the rights and enforce the claims of that investor. The subrogated or transferred right or claim shall not be greater than the original right or claim of the investor.

3. Where a Party, or any agency, institution, statutory body or corporation designated by the Party, has made a payment to an investor of that Party and has taken over rights and claims of the investor, that investor shall not, unless authorised to act on behalf of the Party or the designated agency of the Party making the payment, pursue those rights and claims against the other Party.

4. In the exercise of subrogated rights or claims, a Party or the agency of the Party exercising such rights or claims shall disclose the coverage of the claims arrangement with its investors to the other Party.

Article 18.16 Promotion and Facilitation of Investment

The Parties shall seek to strengthen and build on existing cooperative arrangements in the promotion and facilitation of investment where this is of mutual benefit, including through:

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- (a) supporting joint investment promotion activities;
- (b) facilitating the provision and exchange of investment information including laws, regulations and policies to increase awareness of investment opportunities; and
- (c) fostering technical cooperation in mutually agreed sectors.

SECTION 18-B INVESTOR-STATE DISPUTE SETTLEMENT

Article 18.17 Scope

1. This Section shall apply to an investment dispute between a disputing Party and a disputing investor that has incurred loss or damage by reason of an alleged breach of any rights conferred by the Section 18-A of this Chapter with respect to the covered investment of that investor.
2. A natural person possessing the nationality or citizenship of a Party shall not pursue a claim against that Party under this Section.
3. This Section shall not apply to claims arising out of events which occurred, or claims which have been raised prior to the entry into force of this Agreement.
4. Nothing in this Section shall be construed so as to prevent a disputing investor from seeking administrative or judicial settlement available within the territory of a disputing Party.

Article 18.18 Consultations

1. In the event of an investment dispute, the disputing investor shall initially seek to resolve the dispute through consultations²⁵.
2. The disputing investor shall deliver to the disputing Party a written request for consultations setting out a brief description of facts regarding the alleged breach.
3. With the objective of resolving an investment dispute through consultations, a disputing investor shall make all reasonable efforts to provide the disputing Party the information regarding the legal and factual basis of the investment dispute.

Article 18.19 Conciliation

1. The disputing parties may at any time agree to conciliation, which may begin at any time and be terminated at the request of the disputing investor at any time.

²⁵ For greater certainty, the initiation of consultations shall not be construed as recognition of the jurisdiction of the tribunal that may be established thereafter.

2. If the disputing parties agree, procedures for conciliation may continue while procedures provided for in Article 18.20 (Institution of Arbitral Proceedings) are in progress.

3. Proceedings involving conciliation and positions taken by the disputing parties during these proceedings shall be without prejudice to the rights of either disputing parties in any further proceedings under this Section.

Article 18.20 **Institution of Arbitral Proceedings**

1. Where the dispute cannot be resolved as provided for under paragraph 1 of Article 18.18 (Consultations) within 6 months from the date of a written request for consultations and negotiations, the claimant may submit to arbitration:

- (a) a claim, on its own behalf, that the respondent has breached an obligation under Section 18-A and the claimant has incurred loss or damage by reason of, or arising out of, that breach; and
- (b) a claim, on behalf of an enterprise of the respondent that is an enterprise that the claimant owns or controls, that the respondent has breached an obligation under Section 18-A and the enterprise has incurred loss or damage by reason of, or arising out of, that breach.

2. A claimant may submit the claim to arbitration:

- (a) under the ICSID Convention and the ICSID Arbitration Rules, provided that both Parties are parties to the ICSID Convention;
- (b) under the UNCITRAL Arbitration Rules;
- (c) Istanbul Arbitration Centre (ISTAC);
- (d) Asian International Arbitration Centre (AIAC); or
- (e) to any other arbitral institutions or under any other arbitration rules, if the disputing parties so agree.

Article 18.21 **Conditions and Limitations on Submission of a Claim**

1. An investor shall not be entitled to make a claim, if more than three years have elapsed from the date on which the investor first acquired, or should have first acquired knowledge of the alleged breach and knowledge that the investor has incurred loss or damage.

2. Each Party hereby consents to the submission of a dispute to arbitration under subparagraphs 2(a), 2(b), 2(c), 2(d) and 2(e) of Article 18.20 (Institution of Arbitral Proceedings) in accordance with the provisions of this Section, conditional upon the submission of the disputing investor's written waiver of its right to initiate or continue any proceedings before the courts of either Party, or other dispute settlement procedures, any

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proceedings with respect to any measure alleged to constitute a breach of any rights conferred by the Section 18-A with respect to the investment of the disputing investor.

3. The disputing investor who intends to submit the dispute pursuant to Article 18.20 (Institution of Arbitral Proceedings) shall give to the disputing Party written notice of intent to do so at least three months before the claim is submitted. The notice of intent shall specify:

- (a) the name and address of the disputing investor and its legal representative;
- (b) the specific measures of the disputing Party at issue and a brief summary of the factual and legal basis of the dispute sufficient to present the problem clearly, including the provisions of this Agreement alleged to have been breached; and
- (c) the relief sought, and where appropriate, the approximate amount of damages claimed.

4. Neither Party shall, in respect of a dispute which one of its investors have submitted to arbitration in accordance with Article 18.20 (Institution of Arbitral Proceedings), give diplomatic protection, or bring an international claim before another forum. Diplomatic protection, for the purposes of this paragraph, shall not include informal diplomatic exchanges for the sole purpose of facilitating a settlement of the dispute.

5. Notwithstanding paragraph 2, the disputing investor may initiate or continue an action that seeks interim measures of protection and does not involve the payment of monetary damages before a judicial or administrative tribunal of the disputing Party in accordance with its laws and regulations, provided that the action is brought for the sole purpose of preserving the disputing investor's rights and interest during the pendency of the arbitration.

6. In deciding whether an investment dispute is within the jurisdiction of ICSID and competence of the tribunal established under subparagraphs 2(a) of Article 18.20 (Institution of Arbitral Proceedings), that tribunal shall comply with the notification submitted by the Republic of Türkiye on March 3, 1989 to ICSID in accordance with Article 25 (4) of ICSID Convention, concerning classes of disputes considered suitable or unsuitable for submission to the jurisdiction of ICSID, as an integral part of this Agreement.

Article 18.22 **Constitution of Arbitral Tribunal**

1. Unless the disputing parties agree otherwise, an arbitral tribunal established under Article 18.20 (Institution of Arbitral Proceedings) shall comprise three arbitrators, one arbitrator appointed by each of the disputing parties and the third, who shall be the presiding arbitrator, appointed by the two arbitrators appointed by the disputing parties.

2. If the disputing investor or the disputing Party fails to appoint an arbitrator within 90 days from the date on which the investment dispute was submitted to arbitration, the Director of Asian International Arbitration Centre in the case of arbitration referred to in Article 18.20(2)(d) (Institution of Arbitral Proceedings), or the Director of Istanbul Arbitration Centre in the case of arbitration referred to in Article 18.20(2)(c) (Institution of

Arbitral Proceedings), or the Chairman of the Administrative Council of ICSID in the case of arbitration referred to in Article 18.20(2)(a) (Institution of Arbitral Proceedings), or the Secretary-General of the Permanent Court of Arbitration in the case of arbitration referred to in Article 18.20(2)(b) and 2(e) (Institution of Arbitral Proceedings), on the request of either of the disputing parties, shall appoint, in his or her discretion, the arbitrator or arbitrators not yet appointed from the AIAC, ISTAC, ICSID or PCA Panel of Arbitrators respectively, subject to the requirements of paragraph 3 of this Article.

3. Unless the disputing parties agree otherwise, the third arbitrator shall not be of the same nationality as the disputing investor, nor be a national of the disputing Party, nor have his or her usual place of residence in the territory of either Party, nor be employed by either of the disputing parties, nor have dealt with that investment dispute in any capacity.

4. Arbitrators shall have expertise or experience in public international law, international trade or international investment law, or the resolution of disputes arising under international trade or international investment agreements. They shall be independent of, and not be affiliated with or take instructions from either Party or disputing parties.

5. Where the dispute involves measures relating to financial institutions, or to investors or investments of such investors in financial institutions, or where the disputing investor or disputing Party invokes Article 18.13 (Transfers) or Article 18.31 (General Exceptions), the arbitrators shall, in addition to the criteria set out in paragraph 4, have expertise or experience in financial services law or practice, which may include the regulation of financial institutions.

6. The disputing parties may establish rules relating to expenses incurred by the arbitral tribunal, including remuneration of the arbitrators.

7. Where any arbitrator appointed as provided for in this Article resigns or becomes unable to act, a successor shall be appointed in the same manner as prescribed for the appointment of the original arbitrator and the successor shall have all the powers and duties of the original arbitrator.

8. Each disputing party shall bear the cost of its own arbitrator and its representation in the arbitral proceedings. The cost of the presiding arbitrator in discharging his arbitral function and the remaining costs of the tribunal shall be borne equally by the disputing parties. The arbitral tribunal may, however, apportion each of such costs between the disputing parties if it determines that apportionment is reasonable, taking into account the circumstances of the case.

Article 18.23 **Conduct of the Arbitration**

1. Where issues relating to jurisdiction, admissibility or competence are raised as preliminary objections, the arbitral tribunal established under Article 18.22 (Constitution of Arbitral Tribunal) shall decide the matter before proceeding to the merits.

2. A disputing Party may, no later than 30 days after the constitution of the arbitral tribunal, file an objection that a claim is manifestly without merit or inadmissible. A disputing Party may also file an objection that a claim is otherwise outside the jurisdiction or competence of the tribunal. The disputing Party shall specify as precisely as possible the basis for the objection.

3. The arbitral tribunal shall address any such objection as a preliminary question apart from the merits of the claim. The disputing parties shall be given a reasonable opportunity to present their views and observations to the arbitral tribunal. If the arbitral tribunal decides that the claim is manifestly without merit or inadmissible, or is otherwise not within the jurisdiction or competence of the arbitral tribunal, it shall render an award to that effect.

4. The arbitral tribunal may, if warranted, award the prevailing party reasonable costs and fees incurred in submitting or opposing the objection. In determining whether such an award is warranted, the arbitral tribunal shall consider whether either the claim or the objection was manifestly without merit, and shall provide the disputing parties a reasonable opportunity to comment.

5. The arbitral tribunal shall reach its decisions by a majority of votes and its decisions shall be binding and final.

Article 18.24 Place of Arbitration

Unless the disputing parties otherwise agree, the tribunal shall determine the place of arbitration in accordance with the applicable arbitration rules, provided that the place shall be in the territory of a State that is a party to the New York Convention.

Article 18.25 Award

1. The disputing parties may agree on a resolution of the dispute at any time before the arbitral tribunal issues its final award.

2. The award shall include:

- (a) a judgment as to whether or not there has been a breach by the disputing Party of any rights conferred by this Chapter in respect of the disputing investor and its investments; and
- (b) a remedy if there has been such breach. The remedy shall be limited to one or both of the following:
 - (i) payment of monetary damages and applicable interest; and
 - (ii) restitution of property, in which case the award shall provide that the disputing Party may pay monetary damages and any simple interest in lieu of restitution.

3. A tribunal may also award costs and attorney's fees in accordance with this Chapter and the applicable arbitration rules.

4. An arbitral tribunal shall not award punitive damages.

5. The award rendered in accordance with paragraph 2 shall be final and binding upon the disputing parties. An award shall have no binding force except between the disputing parties and in respect of the particular case. The disputing Party shall carry out without delay the provisions of any such award and provide in the territory of the disputing Party for the enforcement of such award in accordance with its relevant laws and regulations.

6. Subject to paragraph 7 and the applicable review procedure for an interim award, a disputing party shall abide by and comply with an award without delay.²⁶

7. A disputing party shall not seek enforcement of a final award until:

(a) in the case of a final award under the ICSID Convention:

(i) 120 days have elapsed from the date the award was rendered and no disputing party has requested revision or annulment of the award; or

(ii) revision or annulment proceeding have been completed;

(b) in the case of final award under the rules selected pursuant to Article 18.20 subparagraphs 2(b), 2(c), 2(d) and 2(e):

(i) 90 days have elapsed from the date the award was rendered and no disputing party has commenced a proceeding to revise, set aside, or annul the award; or

(ii) a court has dismissed or allowed an application to revise, set aside, or annul the award and there is no further appeal.

8. Each Party shall provide for the enforcement of an award in its territory.

9. A disputing party may seek enforcement of an arbitration award under the New York Convention.

10. A claim that is submitted for arbitration under this Section shall be considered to arise out of commercial relationship or transaction for purposes of Article 1 of the New York Convention.

²⁶ The Parties understand that there may be domestic legal and administrative processes that need to be observed before an award can be complied with.

Article 18.26 Governing Law

The arbitral tribunal shall decide the issues in dispute in accordance with this Agreement and the applicable rules of international law. For greater certainty, this provision is without prejudice to any consideration of the domestic law of the disputing Party when it is relevant to the claim as a matter of fact.

Article 18.27 Joint Interpretation

1. A joint interpretation by the Parties on a provision of this Chapter shall bind the arbitral tribunal established under Article 18.22 (Constitution of Arbitral Tribunal), and an award under Article 18.25 (Awards) must be consistent with that interpretation.
2. When the disputing Party asserts a defence that the measure alleged to be a breach is outside of the scope of this Chapter, the arbitral tribunal shall, at the request of the disputing Party, request the joint interpretation of the Parties on the issue. Within 60 days of the delivery of the request, the Parties shall submit in writing their joint interpretation to the arbitral tribunal. If the Parties fail to submit their joint interpretation within 60 days of the arbitral tribunal's request, the arbitral tribunal shall decide the issue.

Article 18.28 Consolidation

1. Where two or more claims have been submitted separately to arbitration under this Section, and the claims have a question of law or fact in common and arise out of the same events or circumstances, any disputing party may seek a consolidation order, in accordance with the agreement of the other disputing party sought to be covered by the order or the terms of this Article.
2. A disputing party that seeks a consolidation order under this Article shall deliver, in writing, a request to the Secretary-General of ICSID and to the other disputing party sought to be covered by the order, specifying the name and address of the other disputing party sought to be covered by the order; the nature of the order sought and the grounds on which the order is sought.
3. Unless the Secretary-General of ICSID finds within 30 days after receiving a request in conformity with paragraph 2 that the request is manifestly unfounded, a tribunal shall be established under this Article.
4. Unless the other disputing party sought to be covered by the consolidation order otherwise agree, the tribunal established under this Article shall comprise three arbitrators:
 - (a) one arbitrator appointed by agreement of the disputing investors;
 - (b) one arbitrator appointed by the respondent; and
 - (c) the chairman of the arbitral tribunal appointed by the Secretary-General of ICSID provided that the chairman shall not be a national of either Party.

5. If, within the 60 days after the Secretary-General receives a request made under paragraph 2, the respondent fails or the disputing investors fail to appoint an arbitrator in accordance with paragraph 4, the Secretary-General, on request of any disputing party sought to be covered by the order, shall appoint the arbitrator or arbitrators not yet appointed.

6. Where a tribunal established under this Article is satisfied that two or more claims that have been submitted to arbitration in accordance to Article 18.20 (Institution of Arbitral Proceedings), have a question of law or fact in common, and arise out of the same events or circumstances, the tribunal may, in the interest of fair and efficient resolution of the claims, and after hearing the disputing parties, by order:

- (a) assume jurisdiction over, and hear and determine together, all or part of the claims;
- (b) assume jurisdiction over, and hear and determine one or more claims, whose determination it considers would assist in the resolution of the other claims; or
- (c) instruct a tribunal previously established under Article 18.22 (Constitution of Arbitral Tribunal) to assume jurisdiction over and to hear and determine together, all or part of the claims, provided that:
 - (i) that tribunal, at the request of any disputing investor not previously a disputing party before that tribunal, shall be reconstituted with its original members, except that the arbitrator for the disputing investors shall be appointed pursuant to paragraphs 4(a) and 5; and
 - (ii) tribunal shall decide whether any previous hearing must be repeated.

7. Where a tribunal has been established under this Article, a disputing investor that has submitted a claim to arbitration pursuant to Article 18.20 (Institution of Arbitral Proceedings) and that has not been named in a request made under paragraph 2, may make a written request to the tribunal that it be included in any order issued under paragraph 6, specifying:

- (a) the name and address of the disputing investor;
- (b) the nature of the order sought; and
- (c) the grounds on which the order is sought.

The claimant shall provide the Secretary-General with a copy of his request.

8. A tribunal established pursuant to this Article shall conduct the proceedings in accordance with the UNCITRAL Arbitration Rules, except as modified by this Section.

9. A tribunal established under Article 18.22 (Constitution of the Arbitral Tribunal) shall not have jurisdiction to decide a claim or a part of a claim over which a tribunal established or instructed under this Article has assumed jurisdiction.

10. On application of a disputing party, a tribunal established pursuant to this Article may, pending its decision under paragraph 6, order that the proceedings of a tribunal established under Article 18.22 (Constitution of the Arbitral Tribunal) be stayed, unless the latter tribunal has already adjourned its proceedings.

SECTION 18-C FINAL PROVISIONS

Article 18.29 Denial of Benefits

1. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the latter Party and to investments of that investor if the enterprise:

(a) is owned or controlled by a person of a non-Party or of the denying Party; and

(b) has no substantial business activities in the territory of the latter Party.

2. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the latter Party and to investments of that investor if persons of a non-Party own or control the enterprise and the denying Party adopts or maintains measures with respect to the non-Party or a person of the non-Party that prohibit transactions with the enterprise or that would be violated or circumvented if the benefits of this Chapter were accorded to the enterprise or to its investments.

Article 18.30 Publication of International Agreements

1. Each Party shall endeavour that international agreements pertaining to or affecting investors or investment activities to which a Party is a signatory are promptly published or otherwise made available in such a manner as to enable interested persons or parties to become acquainted with them.

2. To the extent possible, each Party shall make the international agreements of the kind referred to in paragraph 1 available on the Internet. Each Party shall endeavour to respond to specific questions from and provide information to the other Party with respect to the international agreements referred to in paragraph 1.

Article 18.31 General Exceptions²⁷

1. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination against the other Party or its investors where like conditions prevail, or a disguised restriction on investments of investors of the other Party in the territory of a Party, nothing in this Agreement shall be construed to prevent the adoption or enforcement by a Party of non-discriminatory legal measures:

²⁷ For greater certainty, the application of the general exception to these provisions shall not be interpreted so as to diminish the ability of governments to take measures where investors are not in like circumstances due to the existence of legitimate regulatory objectives.

- (a) necessary to protect or maintain public order²⁸;
- (b) necessary to protect human, animal or plant life or health²⁹;
- (c) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement including those relating to:
 - (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on a contract;
 - (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts;
 - (iii) safety;
- (d) relating to the conservation of exhaustible natural resources; or
- (e) necessary to the protection of national treasures of artistic, historic or archaeological value.

2. Notwithstanding any other provisions of this Chapter, a Party shall not be prevented from taking measures for prudential reasons, including for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier, or to ensure the integrity and stability of the financial system. Where such measures do not conform with the provisions of this Chapter, they shall not be used as a means of avoiding the commitments or obligations under this Chapter.

3. Nothing in this Chapter shall be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

Article 18.32 Savings Clause

1. For ten (10) years from the date of termination of this Agreement, the following provisions (including the relevant Annexes and Appendices) shall continue to apply to covered investments in existence at the date of termination, and without prejudice to the application thereafter of the rules of international law:

- (a) the provisions of this Chapter; and
- (b) such other provisions in the Agreement as may be necessary for or consequential to the application or interpretation of this Chapter.

2. For the avoidance of doubt, paragraph 1 shall not apply to the establishment, acquisition or expansion of investments after the date of termination.

²⁸ The public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

²⁹ The Parties understand that the measures referred in subparagraph 1(b) include environmental measures necessary to protect human, animal or plant life or health.

Article 18.33
Term of Investment Promotion and Protection Agreement

1. This Chapter substitutes and replaces the *Agreement between the Government of the Republic of Türkiye and the Government of Malaysia for the Reciprocal Promotion and Protection of Investments (IPPA)*, which will be terminated on the date of entry into force of this Agreement. The disputes submitted to arbitration after the date of the entry into force of this Agreement shall be settled in accordance with the provisions of this Chapter.
2. Notwithstanding paragraph 1, the termination of the IPPA shall not affect the benefits and advantages received by the investors and investments under the IPPA for a period of five (5) years."

Article 7
Entry into Force

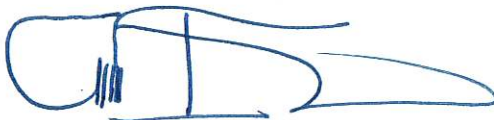
1. The Parties shall ratify this Protocol in accordance with their domestic legal procedures. The Parties shall exchange written notification upon completion of such procedures.
2. This Protocol shall enter into force on the first day of the second month following the date on which the Parties exchange written notification that such procedures have been completed.
3. This Protocol constitutes an integral part of the Free Trade Agreement between the Government of the Republic of Türkiye and the Government of Malaysia signed on 17 April 2004 and incorporated, by reference, into and made part of this Free Trade Agreement, *mutatis mutandis*.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Protocol.

DONE at Ankara, this 29th day of September 2022, in Turkish and English languages, both being equally authentic. In case of divergence, the English text shall prevail.

FOR THE GOVERNMENT OF MALAYSIA

FOR THE REPUBLIC OF TÜRKİYE



Dato' Seri Mohamed Azmin BIN ALI
Senior Minister,
Minister of International Trade and
Industry



H.E. Mehmet MUŞ
Minister of Trade

**FREE TRADE AGREEMENT BETWEEN
THE GOVERNMENT OF MALAYSIA AND
THE GOVERNMENT OF THE REPUBLIC OF TÜRKİYE**

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Side Letter from the Republic of Türkiye to Malaysia

Side Letter from Malaysia to the Republic of Türkiye

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**ANNEX 15-1
FINANCIAL SERVICES**

Article 1: Affirmation of GATS Annex on Financial Services

The GATS Annex on Financial Services shall form an integral part of this Agreement and shall be applied mutatis mutandis.

Article 2: Relation to other Chapters

For greater certainty, this Annex shall prevail to the extent of any inconsistency with any other provision in this Agreement.

ANNEX 15-2 DOMESTIC REGULATION

Article 1: Scope

1. This Annex applies to measures relating to licensing requirements and procedures, qualification requirements and procedures and technical standards affecting trade in services, excluding financial services¹.

2. For the purpose of this Annex, "authorisation" means the permission to supply a service, resulting from a procedure to which an applicant must adhere in order to demonstrate compliance with licensing requirements, qualification requirements or technical standards.

Article 2: Transparency and Predictability²

1. If a Party requires authorisation for the supply of a service, the Party shall promptly publish³ or otherwise make publicly available in writing, the information necessary for service suppliers or persons seeking to supply a service to comply with the requirements and procedures for obtaining, maintaining, amending and renewing such authorisation. Such information shall include, *inter alia*, to the extent practicable:

- (a) requirements and procedures;
- (b) contact information of relevant competent authorities;
- (c) requested documents, fees and methods of payments for fees;
- (d) technical standards;
- (e) procedures for appeal or review of decisions concerning applications;
- (f) procedures for monitoring or enforcing compliance with the terms and conditions of licenses or qualifications;
- (g) opportunities for public involvement, such as through hearings or comments; and
- (h) indicative timeframes for processing of an application.

2. To the extent practicable and in a manner consistent with its legal system for adopting measures relating to licensing requirements and procedures, qualification

¹ Both Parties agree to continue discussing the merits to include the financial services sector in the Annex on Domestic Regulation.

² For greater certainty, this Article shall be subject to Article 1.8 (Transparency and Confidential Information).

³ For purposes of these disciplines, "publish" means to include in an official publication, such as an official journal or on an official website. The Parties are encouraged to consolidate electronic publications into a single portal.

requirements and procedures and technical standards affecting trade in services, each Party shall publish in advance its laws and regulations it proposes to adopt.

3. Each Party shall, where possible according to its laws and regulations, provide reasonable opportunity for service suppliers of the Parties to comment on such proposed laws and regulations and to address collectively in writing substantive issues raised in the comments received.

4. Each Party shall maintain or establish appropriate mechanisms for responding to enquiries from service suppliers of the Parties with respect to the matters covered by this Annex.

Article 3: Procedures

Submission of Applications

1. Each Party shall, to the extent practicable, avoid requiring an applicant to approach more than one competent authority for each application in order to demonstrate compliance with authorisation requirements.

2. To the extent practicable, the competent authorities shall endeavor to accept applications in electronic format.

Application Timeframes

3. The competent authorities shall, to the extent practicable, permit an applicant to submit an application at any time⁴. Where specific time periods for applications exist, they shall be of reasonable length.

Acceptance of Copies

4. The competent authorities of each Party shall, in accordance with its domestic laws and practice, accept authenticated copies in place of original documents, unless the competent authorities require original documents to protect the integrity of the authorisation process.

Processing of Applications

5. If a Party requires authorisation, it shall ensure that its competent authorities:
- (a) to the extent practicable, provide an indicative timeframe for the processing of an application;
 - (b) to the extent practicable, ascertain without undue delay the completeness of an application for processing under the Party's domestic laws and regulations;

⁴ Competent authorities are not required to start considering applications outside of their official working hours and working days.

- (c) at the request of the applicant, provide without undue delay information concerning the status of the application, if possible in electronic form;
- (d) process an application which they consider complete under the Party's domestic laws and regulations, as expeditiously as possible; and
- (e) inform the applicant of the final decision⁵ in writing⁶ without undue delay.

6. Each Party shall ensure that once granted, a license enters into effect without undue delay in accordance with the terms and conditions specified therein.

7. The competent authorities shall, to the extent practicable within a reasonable period of time after the receipt of an application which they consider incomplete:

- (a) inform the applicant that its application is considered incomplete;
- (b) identify the additional information required to complete the application or otherwise provide guidance on why the application is considered incomplete; and
- (c) provide the applicant the opportunity to complete its application within a reasonable period of time or, if appropriate, to submit a new application.

8. If the competent authorities reject an application, to the extent practicable they shall inform the applicant, in writing⁷:

- (a) of the reasons for rejection of the application and, if applicable, the procedures for resubmission of an application; and
- (b) of the timeframe and procedures for any available review or appeal against the decision.

9. An applicant should not be prevented from submitting another application solely on the basis of a previously rejected application.

Article 4: Fees

Each Party shall ensure that authorisation fees⁸ are based on authority set out in a measure, reasonable and if possible commensurate with the costs incurred by the competent authorities, including those for supervision of the licensing and qualification activities.

⁵ Competent authorities may meet this requirement by informing an applicant in advance in writing, including through a published measure, that lack of response after a specified period of time from the date of submission of an application indicates either acceptance or rejection of the application.

⁶ "In writing" may include electronic form.

⁷ "In writing" may include electronic form.

⁸ For the purposes of this paragraph, fees do not include payments for auction, tendering or other non-discriminatory means of awarding concessions including concessions or licenses for the usage of scarce resources, or mandated contributions to universal service provision.

Article 5: Documents

Documents required from the applicants shall be commensurate with the purpose for which they are collected.

Article 6: Appeal and Review

To the extent practicable each Party shall provide that an applicant to whom a competent authority issues a decision has the right, within its territory, to:

- (a) an administrative appeal or review by an administrative authority higher than or independent of the competent authority that issued the decision⁹; and/or
- (b) a judicial appeal or review of the decision.

Article 7: Independence and Impartiality

1. Each Party shall ensure that the procedures used by, and the related decisions of, the competent authorities are non-discriminatory and impartial with respect to all applicants.

2. The competent authorities shall be operationally independent of, and not accountable to, any service supplier for which the authorisation is required.

Article 8: Technical Standards

Where technical standards are required and relevant international standards¹⁰ exist, each Party shall take them into account in formulating its technical standards, except when such international standards would be an ineffective or inappropriate means for the fulfilment of specific government policy objectives.

⁹ In situations in which a decision is issued at a ministerial level or higher, the decision shall be subject to a request for reconsideration by the same competent authorities.

¹⁰ For the purpose of this paragraph, "international standards" means a document approved by an internationally recognized body, that provides, for common and repeated use, rules, guidelines or characteristics for services or the manner in which it is supplied, with which compliance is not mandatory.

ANNEX 15-3
RECOGNITION OF QUALIFICATIONS
AND COOPERATION IN EDUCATION SERVICES

Article 1: Scope

1. This Annex applies to the recognition by a Party of qualifications obtained in the territory of the other Party by service suppliers who are natural persons of that other Party.

2. This Annex also applies to cooperation in scholarships and education services.

Article 2: Procedures for Recognition

Where a Party has requirements for the authorisation, licensing or certification of service suppliers, whether by competent governmental authorities or relevant professional bodies, as the case may be, that Party shall:

- (a) have procedures under which a service supplier has ways and means to request the recognition of its qualifications obtained in the territory of the other Party; and
- (b) inform the service supplier requesting recognition when the qualifications obtained in the territory of the other Party are found to be deficient and in that case, that Party shall endeavour to provide, under its procedures, possible means to achieve recognition.

Article 3: Provision of Information

1. Each Party shall establish, designate or maintain an enquiry point that provides, upon request by a service supplier of the other Party, information on procedures available to service suppliers for applying for recognition pursuant to Article 2 (Procedures for Recognition).

2. Each Party shall provide the other Party with the contact details of such enquiry point.

3. Upon request by the other Party, a Party shall hold consultations with the requesting Party regarding its domestic procedures referred to in Article 2 (Procedures for Recognition) and provide any required information.

Article 4: Mutual Recognition of Qualifications

Each Party shall encourage the competent governmental authorities or relevant professional bodies, as the case may be, in its territory, in the relevant service sectors, to cooperate with a view to engage in issues of recognition for the purpose of the fulfilment in whole or in part of its relevant standard or criteria for the authorisation, licensing, certification or requirements of experience obtained of service suppliers and recognise qualifications of the other Party based, *inter alia*, upon principles of equivalence.

Article 5: Working Group on Recognition

1. Parties shall consider the need to establish a "Working Group on Recognition" which will convene during the Joint Committee meetings to be held in accordance with Article 11.4 (Joint Committee).
2. The Working Group on Recognition referred to in paragraph 1 shall be constituted by the participants from the competent authorities to conduct bilateral consultations on policies and strategies in respect of the recognition including the preparation and implementation of the mutual recognition agreements or relevant regulations.

ANNEX 15-4 FUTURE WORK PROGRAMME AND COOPERATION

Article 1: Future Work Programme

1. Acknowledging the importance of digitalization of application procedures in facilitating trade in services, Parties also agreed to enter into discussions on digitalization of public services and electronic governance including the establishment of a Point of Single Contact (PSC).
2. Understanding that trust is an important aspect of a conducive electronic commerce environment, Parties agree to enter into discussions on matters related to legal protection for consumers of the other Party engaged in electronic commerce.
3. The discussions referred to in paragraphs 1 and 2 shall start no later than one year after the date of entry into force of this Agreement, the outcomes of which are subject to agreement by the Parties.

Article 2: Cooperation

The Parties shall explore opportunities for further cooperation among the Parties, including capacity building, technical assistance, collaboration and information exchange on Islamic Finance¹, including Islamic Fintech.

Article 3: Monitoring and Review

The Joint Committee with the participation of their competent authorities shall be responsible for monitoring the implementation and/or review of this Annex, according to the Article 11.4 (Joint Committee).

¹ For greater clarity, this article would be applicable to Islamic banking, takaful, retakaful and auxiliary services related to these sub-sectors only.

ANNEX 15-5

TÜRKİYE - SCHEDULE OF SPECIFIC COMMITMENTS REFERRED TO IN ARTICLE 15.6

EXPLANATORY NOTES

1. In identifying individual sectors and sub-sectors, where specified, CPC means the Central Product Classification as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 77, CPC Prov, 1991. Services without CPC reference are defined in the related sector or sub-sector column. Financial services are defined according to the Annex on Financial Services.
2. Nothing in this Schedule shall be construed to prevent Türkiye to adopt or maintain any measure under the foreign trade regime and related customs procedures with regard to goods, in compliance with international agreements Türkiye is a party to. In this respect, for the service sectors, sub-sectors or activities where importation and/or exportation of goods might be an integral part of the supply of services, such as distribution services, maintenance and repair services, and technical testing and analysis services, Türkiye, even if not listed in this schedule, does not undertake any commitments on foreign trade and/or customs measures with regard to goods.
3. The rights and obligations arising from this Schedule shall have no self-executing effect and thus confer no rights directly on natural or juridical persons.
4. The level of commitments in a particular services sector shall not supersede the level of commitments undertaken with respect to any other services sector to which such service is an input or to which it is otherwise related.
5. In case of inconsistency between commitments in this schedule and in other annexes, the commitment that is the most favourable shall prevail.

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
This Part sets out the commitments including terms, conditions and qualifications of those commitments that apply to trade in services in all scheduled services sectors unless otherwise specified. Those commitments that apply to trade in specific services sectors are listed in Part II.			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>3) None for Joint Stock Companies, Limited Liability Companies, Commandite Companies, Collective Companies, branches and representative offices as defined in Turkish Commercial Code and Foreign Direct Investment Law.</p> <p>Opening of a liaison office by a company organised under the laws of Malaysia is subject to permission of the Ministry of Economy, provided that they do not engage in commercial activities in Türkiye.</p> <p>Unbound for the establishment or acquisition of any other type of legal entity.</p>	<p><u>Subsidies:</u></p> <p>1,2,3,4) Unbound unless not inconsistent with its commitments under the GATS.</p>	

JNA

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
1)	<p><u>Real Estate Acquisition:</u></p> <p>3) According to Land Registry Law, companies with foreign capital are permitted to acquire real estate in Türkiye to conduct business activities listed in their articles of association. However, acquisitions in military zones (military forbidden zones, military security zones and strategic zones) and special security zones require permissions from the Turkish military authorities and the relevant province governorship.</p> <p>1,3,4) The President has the authority to determine, modify or limit the conditions of, and/or to partially or fully withdraw or ban the right to real estate acquisition by foreign natural persons and juridical persons organised under the laws of a foreign government, in line with national interests.</p> <p><u>Public utilities:</u></p> <p>Economic activities considered as public utilities at the national or local level may be subject to public monopolies or to exclusive rights granted to private operators.</p>	<p>4) Professions which are assigned only to Turkish nationals are given below:</p> <p>1) Doctors, 2) Pharmacists, 3) Nurses, 4) Veterinarians, 5) Responsible directors of the factories producing medicine, 6) Tourist Guides, 7) Responsible directors of private hospitals, 8) Directors of newspaper, 9) Dentists, 10) Notaries, 11) Those personnel working in Free Trade Zones other than managers and qualified personnel, 12) Those personnel undertaking coastal commerce and related activities, 13) Doctors, pharmacists and veterinarians dealing with laboratory services.</p>	
4)	<p>Unbound except for the entry and temporary stay of natural persons in the following categories:</p>		

JHA

Modes of supply: 1) persons Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	1)	2)	3)	4)	Additional Commitments
	<p>Limitations on Market Access</p> <p>I. Intra-corporate transferees are natural persons who have been employed by a juridical person of another Party for at least one year and who are temporarily transferred to one of its subsidiaries, affiliates or branches in the territory of Türkiye. The natural person concerned shall belong to one of the following categories:</p> <p>Executives-Managers:</p> <p>Natural persons working in a senior position within a juridical person, who primarily direct the management of the company, receiving general supervision or direction principally from the board of directors or shareholders of the business or their equivalents, including on:</p> <p>(A) directing the company or a department or sub-division thereof;</p> <p>(B) supervising and controlling the work of other supervisory, professional or managerial employees; and</p> <p>(C) having the authority personally to recruit and dismiss or recommend recruiting, dismissing or other personnel actions.</p>				

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Modes of supply: persons	1)	Cross-border supply	2)	Consumption abroad	3)	Commercial presence	4)	Presence of natural
Sector or Sub-sector		Limitations on Market Access			Limitations on National Treatment		Additional Commitments	
		<p>Specialists:</p> <p>Natural persons working within a juridical person, and who possess uncommon knowledge essential to the company's production, research equipment, techniques or management. In assessing such knowledge, account will be taken not only of knowledge specific to the company, but also of whether the person has a high level of qualification referring to a type of work or trade requiring specific technical knowledge, including membership of an accredited profession.</p> <p>II. Trainees: means natural persons who have been employed by a juridical person of another Party for at least one year, who possess a university degree and who are temporarily transferred to one of its subsidiaries, affiliates, or branches in the territory of Türkiye for career development purposes or to obtain training in business techniques or methods.¹</p> <p>III. Business visitors are natural persons working in a senior position within a juridical person of another Party and who are responsible for setting up a subsidiary, affiliate or branch in the territory of Türkiye. They do not engage in direct transactions with the general public and do not receive remuneration from a source located in Türkiye.</p>						

¹ The recipient company may be required to submit a training programme covering the duration of stay for prior approval, demonstrating that the purpose of the stay is for training corresponding to the level of a university degree.

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>IV. Business Service Sellers: means natural persons who are representatives of a service supplier of another Party seeking temporary entry into the territory of Türkiye for the purpose of negotiating the sale of services or entering into agreements to sell services for that service supplier. They do not engage in making direct sales to the general public and do not receive remuneration from a source located within Türkiye.</p>		
	<p>Intra-corporate transferees and trainees need to obtain a work permit from the Ministry of Labour and Social Security. The work permits are issued, in accordance with respective laws, regulations and requirements of Türkiye, for a period of up to one year. An extension of the work permit period up to two years is granted in accordance with respective laws, regulations and requirements of Türkiye.</p> <p>Business visitors and business service sellers are not required to obtain work permits for a period of up to 90 days within 180 days.</p> <p>1, 3, 4) Foreign engineers and architects may engage in the provision of engineering and architecture services in Türkiye only after becoming a temporary member of the related professional chamber under the Union of Chambers of Turkish Engineers and Architects.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. <u>Professional Services</u>			
(a) Legal services (advisory services on foreign and International Law only) (CPC 861**)	<p>1) None.</p> <p>2) None.</p> <p>3) Establishment in the form of a "foreign attorney partnership (yabancı avukatlık ortaklığı)" is required.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3,4) Litigation and representation of natural and legal persons before Turkish Courts, arbitrators, conciliators or other bodies empowered with jurisdictional functions, and preparation of any relevant legal document thereof are assigned only to Turkish national attorneys at law. Legal professionals hired by foreign attorney partnerships, even if they are Turkish nationals, cannot provide the aforementioned legal services. Use of the professional title "avukat (attorney at law)" is reserved for the Turkish nationals enrolled with Turkish Bar Associations.</p> <p>4) Otherwise unbound except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b) Accounting, auditing and bookkeeping services (CPC 862)	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Accounting, auditing and bookkeeping services can be supplied in the Turkish territory only by duly licensed "Certified Public Accountants (serbest muhasebeci mali müşavir)" or "Sworn-in Public Accountants (yeminli mali müşavir)"; who are deemed as "members of profession (meslek mensubu)"². Turkish nationality is required to be licensed as a member of profession.</p> <p>However, in accordance with Article 8 of the Law No. 3568, subject to the observance of reciprocity condition, a foreign financial adviser³ meeting the professional qualifications required to perform accounting, auditing and bookkeeping services in Türkiye, may obtain authorisation to supply "certified public accountancy" services in the Turkish territory, through approval of the Prime Minister upon the proposal of the Ministry of Finance. In such a case, authorised foreign financial advisers may associate their works with other members of profession in the form a "partnership office (adi ortaklık)" or an "equity company"⁴ (sermaye şirketi) in accordance with the Turkish Commercial Code after becoming a member of the related chamber.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Foreign titles and names, other than the names and surnames of the persons authorized in accordance with Article 8 of the Law No. 3568, cannot be used in the titles of partnerships or corporations among Turkish and Foreign Financial Advisers.</p>	

² In order to perform auditing services, members of profession are also required to obtain authorization from the Public Oversight, Auditing and Accounting Standards Authority.

³ The term "financial adviser" used in this entry refers to a "Certified Public Accountant (Serbest Muhasebeci Mali Müşavir)" pursuant to the "Law No. 3568 on Certified Public Accountants.

⁴ Equity company types are "joint-stock corporation (anonim şirket)", "limited liability company (limited şirket)" and "partnership limited by shares (sermayesi paylara bölünmüş komandit şirket)".

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Only foreign auditing firms that are authorised in accordance with the principle of reciprocity by the Public Oversight, Auditing and Accounting Standards Authority may carry out statutory audit in Türkiye.</p> <p>Auditing firms are required to be established as "equity companies" in accordance with the Turkish Commercial Code. Auditing firms that will perform the audits of capital market institutions are required to be established as "joint-stock companies".</p> <p>For an audit firm to be authorized:</p> <ul style="list-style-type: none"> - Majority of its capital and voting rights shall belong to auditors and all the partners of the firm shall be "members of profession". - The members of its managing body shall be entirely composed of the "members of profession"; and majority of them, but provided that this ratio does not exceed seventy-five percent, shall be the auditors permanently employed by it. <p>4) Unbound.</p>	<p>4) Turkish nationality is required for Certified Public Accountants and Sworn-in Public Accountants.</p>	
(d) Architectural services (CPC 8671)	<p>1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.</p>	<p>1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.</p>	

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(e) Engineering Services (CPC 8672)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(f) Integrated Engineering Services (CPC 8673)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(g) Landscape architecture services (part of CPC 8674)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(i) Veterinary services - Only for animal hospitals and laboratories (part of CPC 932)	1) None. 2) None. 3) None. 4) Turkish nationality is required for veterinaries.	1) None. 2) None. 3) None. 4) Turkish nationality is required for veterinaries. Responsible director of an animal hospital or a laboratory must be a veterinary.	
B. Computer and Related Services			
(a) Consultancy services related to the installation of computer hardware (CPC 841)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	

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Modes of supply: 1) persons		Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments		
(b) Software implementation services (CPC 842)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
(c) Data processing services (CPC 843)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
(d) Database services including data storage, data hosting and web hosting services (CPC 844)	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
(e) Other computer and related services	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
- Only maintenance and repair services of office machinery and equipment including computers (CPC 845)					
- Only training services for staff of clients (CPC 8490**)					
E. <u>Rental/Leasing Services Without Operators</u>					

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(c) Relating to other transport equipment (CPC 83101, 83102, 83105)	1) Unbound. 2) None. 3) None except Türkiye may apply economic needs tests. 4) Unbound except indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound except indicated in the horizontal section.	
(d) Relating to other machinery and equipment (CPC 83106, 83107, 83108, 83109)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
F. <u>Other Business Services</u>			
(a) Advertising services (CPC 871)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(b) Market research services (CPC 864)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(c) Management consulting services (CPC 865)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(f) Services incidental to hunting (part of CPC 881)	1) Establishment is required. 2) None. 3) Only Group A travel agencies may operate in this field with the condition of obtaining hunting licence. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(h) Services incidental to mining (CPC 883, 5115)	1) Commercial presence is required. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1,2) None. 3,4) "Technical supervisors (teknik nezaretçi)" and "permanent supervisors (daimi nezaretçi)" in mining sites are required to be Turkish nationals. Otherwise unbound except as indicated in the horizontal section.	
(n) Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment) (CPC 633+ 8861-8866)	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
(o) Building cleaning services (CPC 874)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(q) Packaging services (CPC 876)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	

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Modes of supply: 1) persons		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		
(r) Printing, publishing (CPC 88442**) Excluding publishing services of newspapers, magazines and publications of news agencies	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
(s) Convention services (part of CPC 87909)	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
2. COMMUNICATION SERVICES					
A./B. Postal Services (postal and courier services)	1, 3) Establishment in the form of an “equity capital company (sermaye şirketi)” ⁵ is required. “Posta ve Telgraf Teşkilatı Anonim Şirketi (PTT A.Ş.)”, a wholly state owned enterprise, is authorized by the Law on Postal Services to supply postal services under a universal service obligation, and has the monopoly right to supply services defined in the Law on Postal Services No. 6475 as postal monopoly.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			
Postal services cover the acceptance, collection, processing, shipment, distribution and delivery of “postal items” as defined in the Law on Postal Services No. 6475	2) None. 4) Unbound except as indicated in the horizontal section.				

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			
C. <u>Telecommunication Services</u> ⁶		(a) Voice telephone services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (d) Telex services (f) Facsimile services (g) Private leased circuit services (h) Electronic mail (i) Voice mail (j) On-line information and data-base retrieval (k) Electronic data interchange (l) Enhanced/value-added facsimile services, incl. store and forward, store and retrieve (m) Code and protocol (n) On-line information and/or data processing (o) Others - Mobile services analog/digital cellular - Paging services - Cable TV		1, 3) Except for national public organizations and state-owned enterprises foreseen by law, in order to be authorized, establishment is required in the form of a joint-stock or limited liability company. Electronic communications (telecommunications) services and infrastructure requiring authorization in the form of limited number of rights of use can be provided only by joint stock companies. 2) None. 4) Unbound except as indicated in the horizontal section.		1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			

⁶ The scope of telecommunication services in this Schedule does not cover any kind of (analog-digital) radio and TV programme broadcasting or on-demand audio-visual media services to the public.

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Modes of supply: persons	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					
(e) Telegraph services	1) PTT A.Ş., a wholly state owned enterprise, is the exclusive service provider. 2) None. 3) PTT A.Ş., a wholly state owned enterprise, is the exclusive service provider. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.						
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 51)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal Section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.						
5. EDUCATION SERVICES ⁷ A.,B.,E. <u>Primary, Secondary and Other Educational Services</u> (CPC 921, 922, 929)	1),3) Natural and legal foreign persons directly or by establishing partnership with Turkish nationals may establish only international educational institutions (including vocational and technical schools) and only for foreign students. 2) None. 4) A Turkish national teacher must be assigned to the international educational institutions (including vocational and technical schools) as "Senior Deputy Principal". Otherwise, unbound except as indicated in the horizontal section.	1) None. 2) None. 3) A Turkish national teacher must be assigned to the international educational institutions (including vocational and technical schools) as "Senior Deputy Principal". 4) Unbound except as indicated in the horizontal section.						

⁷ This commitment covers private education services only.

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Higher Education Services</u> (CPC 923)	<p>1) None.</p> <p>2) None.</p> <p>3) Private universities "non-profit foundation higher education institutions (vakıf yükseköğretim kurumları)" can only be established by foundations constituted under Turkish Civil Code and through the enactment of a specific Law.</p> <p>4) All members of the administrative board of higher education institution [i.e. the Board of Trustees (Mütevelli Heyeti)], as well as the president (rector) must be Turkish nationals. Otherwise, unbound except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) All members of the administrative board of higher education institution [i.e. the Board of Trustees (Mütevelli Heyeti)], as well as the president (rector) must be Turkish nationals.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
6. ENVIRONMENTAL SERVICES			
A. <u>Sewage Services</u> (CPC 9401)	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
B. <u>Refuse Disposal Services</u> (CPC 9402)	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
C. <u>Sanitation and Similar Services</u> (CPC 9403)	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. Other: - Cleaning services of exhaust gases (CPC 9404)	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
- Noise abatement services (CPC 9405)	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
7. FINANCIAL SERVICES			
HORIZONTAL COMMITMENTS			
Measures applicable to supply of services through commercial presence for all sectors in Financial Services:			
Banking	3) Permission to establish a bank which has to be established in the form of a joint-stock company or to open the first branch or representative office of a foreign bank in Türkiye, shall be given by a decision taken by the Banking Regulation and Supervision Board. A permission to operate must also be received following the consummation of establishment or branch opening transactions, in order to start receiving deposits and/or conducting banking transactions. Lending limits for the branches of foreign banks are based on branch capital rather than worldwide capital.	3) None.	

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Insurance</u>	3) Insurance and reinsurance companies must be established in the form of a joint-stock or a mutual company. For the purpose of commencing their operation, insurance and reinsurance companies must obtain a license from the Undersecretariat of Treasury for each insurance branch in which they would like to operate.	3) None.	

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Securities market	<p>3) For the establishment and operations of capital market institutions⁸ permission of the Capital Markets Board (CMB) is required. In addition, banks engaging in capital market activities (investment services) are required to obtain from the CMB appropriate authorization certificates for these activities. Establishment of branches and agencies by securities intermediary institutions established in Türkiye also requires the CMB's permission.</p> <p>Securities intermediary institutions, investment companies, and other capital market institutions with the exception of investment funds⁹ can only be established in the form of a joint-stock company.</p> <p>Establishment of branches and representative offices of foreign securities intermediary institutions is not permitted.</p> <p>The Capital Markets Board may take any measure to ensure that the establishment of capital market institutions or their branches and agencies are beneficial to the economic development of Türkiye, as well as to the stability, soundness and development of capital markets.</p>	3) None.	

⁸ According to the Capital Market Law, capital market institutions are specified as follows:

- (a) Investment firms,
- (b) Collective investment schemes,
- (c) Independent auditors, appraisal companies and rating agencies performing activities in capital market,
- (d) Portfolio management companies
- (e) Mortgage finance corporations,
- (f) Housing finance and asset finance funds,
- (g) Asset lease companies,
- (h) Central clearing institutions,
- (i) Central securities depositories,

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
OTHER FINANCIAL SERVICES			
A. <u>Financial leasing service</u>	3) Financial leasing companies (lessors) can only be established in the form of a joint-stock company. Establishing a financial leasing company is subject to prior permission of the Banking Regulation and Supervision Board. A permission to operate must also be received following the consummation of establishment or branch opening transactions.	3) None.	
B. <u>Factoring and consumer financing services</u>	3) Factoring companies and consumer financing companies must be established in the form of a joint-stock company. Establishing a factoring company or a consumer financing company is subject to permission of the Banking Regulation and Supervision Board. A permission to operate must also be received following the consummation of establishment transactions.	3) None.	

(j) Trade repositories,

(k) Other capital market institutions, the establishment and operation principles for which are determined by the Capital Markets Board.

According to the Capital Market Law, investment funds can be established in contractual type within the fund rules in conformity with the fiduciary ownership principles.

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Authorized Institutions (Foreign Exchange Dealers)</u>	<p>3) In order to engage in activities as an authorised institution, the permission of the Undersecretariat of Treasury must be obtained.</p> <p>The Undersecretariat may take any measure to ensure that the establishment of authorised institutions or their subsequent branches and agencies is beneficial to the economic development of Türkiye as well as to the stability, soundness and development of financial markets.</p> <p>Authorised institutions must be incorporated in the form of a joint-stock company.</p>	3) None.	
D. <u>Precious metals exchange</u>	<p>3) To operate as a Precious Metal Intermediary Institution (PMII) one must obtain permission from Undersecretariat of Treasury. Banks, foreign exchange dealers, joint-stock companies engaging in trade and production of precious metals, branches, which are located in Türkiye, of the companies resident abroad engaging in trade and production of precious metals may apply to the Undersecretariat to operate as a PMII. Moreover, it is also possible to apply for permission to the Undersecretariat to operate solely as a precious metal brokerage institution and to be established as a joint stock company to operate as such.</p>	3) None.	
FINANCIAL SERVICES (SECTOR-SPECIFIC COMMITMENTS)			
<u>Insurance and Insurance-related Services</u>			

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(i) Direct insurance (A) Life	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1,2) The right to limit the eligibility for tax benefits provided to employers and wage earners by way of deduction of a certain percentage of life insurance premiums from gross income, so as to ensure that tax benefits would be provided only when the life insurance policies are concluded with the insurance companies or branches of foreign insurance companies established in Türkiye.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(B) Non-Life	<p>1,2) Unbound except:</p> <p>(a) the hull insurance of aircrafts, helicopters and ships which are purchased through a foreign loan or leased through a financial leasing contract from abroad, provided that the insurance period is limited to the term of the credit or leasing contract;</p> <p>(b) marine liability insurance;</p> <p>(c) transportation insurance of imported and exported goods;</p> <p>(d) personal injury, sickness, health and motor vehicle insurance, limited to the time during which people will be abroad or temporarily staying abroad;</p> <p>(e) insurance of ships and yachts registered with the Turkish International Maritime Registry.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ii) Reinsurance and retrocession	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(iii) Insurance intermediation such as brokerage and agency	<p>1,2) Unbound for intermediaries (agents and brokers) except the ones dealing with life insurance and non-life insurance categories indicated in the "(i)(B) Non-life" section and reinsurance brokers.</p> <p>3) Juridical person insurance and reinsurance agencies and brokers must be established in Türkiye in the form of a joint-stock or limited-liability company. The general manager and the deputy managers responsible for technical departments must reside in Türkiye. Insurance agencies and brokers that are established in foreign countries may engage in insurance intermediation activities only by means of opening branches in Türkiye. Institutional form and residency requirements stipulated above apply for branches, as well.</p> <p>4) Natural person insurance and reinsurance brokers and agents must reside in Türkiye. Otherwise, unbound, except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Natural person insurance and reinsurance brokers, and agents must reside in Türkiye. Otherwise, unbound except as indicated in the horizontal section.</p>	
(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services	<p>1,2) None, except adjusters and actuaries. Unbound for adjusters and actuaries.</p> <p>3) None.</p> <p>4) Unbound for adjusters and actuaries. Otherwise, unbound, except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p><u>Banking and Other Financial Services (excluding insurance)</u></p> <p>(v) Acceptance of deposits and other repayable funds from the public</p> <p>(vi) Lending of all types including consumer credit, mortgage credit, factoring and financing of commercial transaction:</p> <p>(A) Consumer credit</p> <p>(B) Factoring</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) No natural person or legal entity other than credit institutions or those authorized under specific regulations can accept deposits or other repayable funds from the public.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound.</p> <p>2) None.</p> <p>3) Banks and financing companies can lend consumer credits.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound.</p> <p>2) None.</p> <p>3) Banks and factoring companies can engage in factoring activities.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(C) Mortgage credit	<ol style="list-style-type: none"> 1) Unbound. 2) None. 3) Financial leasing companies and financing companies which are found eligible to operate in housing finance by the Banking Regulation and Supervision Agency can engage in trading of mortgage credits. Also banks can engage in trading of these activities. 4) Unbound except as indicated in the horizontal section. 	<ol style="list-style-type: none"> 1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section. 	
(D) Financing of commercial transactions	<ol style="list-style-type: none"> 1) Unbound. 2) None. 3) Banks, financial leasing companies, factoring companies, and financing companies can engage in these activities. 4) Unbound, except as indicated in the horizontal section. 	<ol style="list-style-type: none"> 1) Unbound. 2) None. 3) None 4) Unbound, except as indicated in the horizontal section. 	
(vii) Financial leasing	<ol style="list-style-type: none"> 1) Unbound. 2) None . 3) Banks which are not authorized to accept deposits and financial leasing companies can engage in financial leasing transactions. 4) Unbound, except as indicated in the horizontal section. 	<ol style="list-style-type: none"> 1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section. 	

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(viii) All payment and money transmission services, including credit and debit cards and travellers cheques	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Payment and money transmission services can only be conducted by banks and institutions authorized in accordance with the "Law on Payments and Securities Settlement Systems, Payment Services and Electronic Money Institutions". The institutions engaging in the provision of payment and money transmission services are required to be established in Türkiye, in the form of a joint-stock company.</p> <p>Credit and debit cards services can only be provided by banks.</p> <p>Transfers of foreign exchange abroad must be carried out through the banking system.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
(ix) Guarantees and commitments	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

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Modes of supply: persons	1)	Cross-border supply	2)	Consumption abroad	3)	Commercial presence	4)	Presence of natural
Sector or Sub-sector		Limitations on Market Access		Limitations on National Treatment		Additional Commitments		
(x) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:								
(A) Money market instruments (including cheques and bills)		1) Unbound. 2) None. 3) The trading of money market instruments can be performed by both banks and securities intermediary institutions; however, securities intermediary institutions cannot engage in the trading of cheques and bills. 4) Unbound except as indicated in the horizontal section.		1) Unbound. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.				
(B) Foreign exchange		1) Unbound. 2) None. 3) Banks, foreign exchange dealers, securities intermediary institutions (limited to investment services and activities), as well as national postal administration (PTT A.Ş.) can engage in foreign exchange trading. 4) Unbound, except as indicated in the horizontal section.		1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.				

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(C) Derivative products	<ol style="list-style-type: none"> Unbound. None. Authorized banks and securities intermediary institutions can engage in trading of these products. Authorized banks can execute orders in derivative instruments except for those based on stock indices and stocks, and deal on own account in derivative instruments except for those based on stocks. Unbound, except as indicated in the horizontal section. 	<ol style="list-style-type: none"> Unbound. None. None. Unbound, except as indicated in the horizontal section. 	
(D) Exchange rate and interest rate instruments	<ol style="list-style-type: none"> Unbound. None. Authorized banks and securities intermediary institutions can engage in trading of exchange rate and interest rate instruments. Only securities intermediary institutions can provide "leveraged transactions" as defined in Capital Market Law no. 6362 (i.e. retail forex brokerage). Unbound, except as indicated in the horizontal section. 	<ol style="list-style-type: none"> Unbound. None. None. Unbound, except as indicated in the horizontal section. 	
(E) Transferable securities	<ol style="list-style-type: none"> Unbound. None. Banks and securities intermediary institutions can engage in trading of these products. However, only securities intermediary institutions can provide such investment services with regard to execution of orders and dealing on own account in shares. Unbound, except as indicated in the horizontal section. 	<ol style="list-style-type: none"> Unbound. None. None. Unbound except as indicated in the horizontal section. 	

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(F) Other negotiable instruments and financial assets, including bullion	1) Unbound. 2) None. 3) Banks and related intermediary institutions can engage in trading of these products. 4) Unbound, except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
(xi) Underwriting and placement	1) Unbound. 2) None. 3) Development and Investment Banks, and securities intermediary institutions can provide underwriting and placement services for the securities to be issued after being registered by the Capital Markets Board. 4) Unbound, except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
(xii) Money broking	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	1) Unbound. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
(xiii) Asset management such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services			

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(A) Portfolio management	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Development and Investment Banks, securities intermediary institutions (excluding collective investment management) and portfolio management companies can provide these services.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
(B) Collective investment management	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Collective investment portfolios can be managed by portfolio management companies. Investment companies can also manage their own portfolios.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
(C) Pension fund management	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Portfolio management companies can provide these services.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(D) Custodial, depository and trust services	<p>1) Unbound.</p> <p>2) None.</p> <p>3) Authorised banks and securities intermediary institutions operating in capital market can provide custodial services for their customers. Depository accounts related with capital market instruments, with the exception of government debt instruments held in bank portfolios, can only be kept by Central Registry Agency.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
(xiv) Settlement and clearing services for financial assets, including securities, derivative products, and cheques	<p>1) Unbound.</p> <p>2) None.</p> <p>3) İstanbul Clearing, Settlement and Custody Bank (Takasbank) Inc., The Central Bank of the Republic of Türkiye, Central Registry Agency Inc. (MKK) and other entities authorised by the Capital Markets Board and the Central Bank of the Republic of Türkiye (CBRT) can provide securities clearing and settlement services.</p> <p>Only the institution established and/or authorised by the Central Bank of the Republic of Türkiye can provide cheque clearing services.</p> <p>Payment systems can only be operated by the Central Bank of the Republic of Türkiye and other entities authorised by The Central Bank of the Republic of Türkiye. An entity that operates as a payment and securities settlement system is required to be established in Türkiye, in the form of a joint-stock company.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section.</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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xv) Provision and transfer of financial information by suppliers of other financial services	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
- Financial data processing and provision and transfer of related software by suppliers of other financial services	1,2) Unbound. 3) Financial institutions are obliged to establish and maintain their data processing centres (both primary and secondary information systems ¹⁰) in Türkiye for the storage and processing of financial data. 4) Unbound, except as indicated in the horizontal section.	1,2) Unbound. 3) None. 4) Unbound, except as indicated in the horizontal section.	
(xvi) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv), including credit reference and analysis, investment and portfolio research and advice on acquisitions and on corporate restructuring and strategy	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.	
8. HEALTH RELATED AND SOCIAL SERVICES			

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			
A. <u>Hospital Services</u> (CPC 9311)		1) Unbound* 2) None. 3) Foreigners may establish private hospitals with the permission of Ministry of Health. The number and type of hospitals, medical branches in each hospital, number of required health personnel, bed capacity as well as procurement of medical devices may be limited in accordance with investment plans based on health service needs of residential areas. 4) Unbound, except as indicated in the horizontal section.		1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section.					
9. TOURISM AND TRAVEL RELATED SERVICES									
A. <u>Hotels and restaurants</u> (CPC 641-643)		1) Unbound* 2) ¹¹ None. 3) None. 4) Unbound except as indicated in the horizontal section. In addition, the amount of foreign personnel that would be employed in an enterprise must not exceed 10 per cent of the total personnel. This amount could be increased up to 20 per cent by the decision of the related Ministry.		1) None. 2) None. 3) None except the amount of foreign personnel that would be employed in an enterprise must not exceed 10 per cent of the total personnel. This amount could be increased up to 20 per cent by the decision of the Ministry of Culture and Tourism. 4) Unbound except as indicated in the horizontal section.					

** Unbound due to the lack of technical feasibility.

¹¹* Unbound due to the lack of technical feasibility.

□ Turkish nationals may travel abroad without any restriction. Only, they are required to pay, with certain exceptions, a TL amount equivalent up to US\$ 100 for each exit.

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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		Limitations on Market Access		Limitations on National Treatment		Additional Commitments			
B. <u>Travel Agencies and Tour Operators Services</u> (CPC 7471)		1) Establishment is required. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			1) Travel agencies organized under the laws of a foreign government cannot organise tours from Türkiye to abroad. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.				
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)									
A. <u>Entertainment services (including theatre and live bands)</u> - Theatrical producer, singer group, band and orchestra entertainment services (CPC 96191)		1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.			1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.				

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Modes of supply: 1) persons Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
11. TRANSPORT SERVICES			
A. Maritime Transport Services excluding cabotage ¹²			
International Transport (freight and passengers) (CPC 7211 and 7212)	<p>1) None.</p> <p>2) None.</p> <p>3) Vessels must carry the Turkish flag.</p> <p>- Only vessels registered to "Turkish International Ship Register" may carry the Turkish flag to conduct international maritime transport activities.</p> <p>- Vessels constructed in Türkiye; as well as commercial cargo vessels weighing more than 3000 DWT, and passenger vessels weighing more than 300 gross tonnes which were imported to Türkiye may be registered to Turkish International Ship Register.</p> <p>- Vessels belonging to foreign natural persons domiciled in Türkiye, and to companies established in Türkiye in accordance with the national legislation may be registered to Turkish International Ship Register.</p> <p>4) Captain and crew of the Turkish flag vessels must be Turkish nationals. Otherwise unbound except as indicated in the horizontal section.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Captain and crew of the Turkish flag vessels must be Turkish nationals. Otherwise unbound except as indicated in the horizontal section.</p>	
(c) Rental of vessels with crew (CPC 7213)	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Vessels rented by foreigners may not operate inside the Turkish coastal waters. This kind of vessels are considered as foreign vessels.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

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Modes of supply: 1) persons 2) Cross-border supply 3) Consumption abroad 4) Commercial presence 5) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Air Transport Services</u>			
(a) Selling of air transport services	1) Foreign airline companies may sell their tickets by opening sales offices in Türkiye. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(b) Computer reservation systems	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
(c) Maintenance and repair of aircraft (CPC 8868)	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	
E. <u>Rail Transport Services</u> (CPC 7111, 7112)	1) Unbound. 2) None. 3) Unbound. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) Unbound. 4) Unbound except as indicated in the horizontal section.	

Without prejudice to the scope of activities which may be considered as "cabotage" under the relevant national legislation, this schedule does not include "maritime cabotage services", which are assumed to cover transportation of passengers or goods between a port located in Türkiye and another port located in Türkiye including feeder services, and traffic originating and terminating in the same port located in Türkiye provided that this traffic remains within Türkiye's territorial waters. In addition, according to the "Law Concerning Coastal Shipping (Cabotage) along Turkish Shores and Performance of Trade and Business in Turkish Ports and Territorial Waters" (Law No: 815), the right to transport goods and passengers from one point to another along Turkish shores and to perform towing and piloting, and all other port services of any type, whatsoever, within or between Turkish ports and shores shall belong exclusively to ships and vessels that fly the Turkish flag in accordance with Article 940 of the Turkish Commercial Code (Law No. 6102). Vessels carrying the Turkish flag in accordance with the Law on Turkish International Ship Registry (Law No. 4490) but not fulfilling the requirements of Article 940 of Turkish Commercial Code cannot perform the aforementioned functions falling within the scope of cabotage rights. For further clarification, this Schedule does not establish any right for the conduct of activities falling under cabotage rights as stipulated in the "Law Concerning Coastal Shipping (Cabotage) along Turkish Shores and Performance of Trade and Business in Turkish Ports and Territorial Waters" (Law No: 815).

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
F. <u>Road Transport Services</u> (<u>Except Cabotage</u>)			
(a) Passenger transportation (CPC 7121 + 7122)	1) Unbound. 2) None. 3) None. 4) None.	1) Unbound. 2) None. 3) None. 4) None.	
(b) Freight transportation (CPC 7123)	1) Unbound. 2) None. 3) None. 4) None.	1) Unbound. 2) None. 3) None. 4) None.	
H. Services auxiliary to all modes of transport except maritime and internal waterways			
a) Cargo-handling services (CPC 741)	1) Unbound. 2) None. 3) For natural persons: Turkish nationality is required. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) For natural persons: Turkish nationality is required. 4) Unbound except as indicated in the horizontal section.	
(c) Freight transport agency services (CPC 748).	1) Unbound. 2) None. 3) For natural persons: Turkish nationality is required. 4) Unbound except as indicated in the horizontal section.	1) Unbound. 2) None. 3) For natural persons: Turkish nationality is required. 4) Unbound except as indicated in the horizontal section.	

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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	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
12. OTHER SERVICES NOT INCLUDED ELSEWHERE (a) Hairdressing and other beauty services (CPC 9702) ¹³	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	1) None. 2) None. 3) None. 4) Unbound except as indicated in the horizontal section.	

¹³ Note for the avoidance of doubt: the CPC categories in this subsector do not include any types of therapeutic, medical, para-medical or rehabilitation treatment.

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ANNEX 15-6

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	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 apply 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 per cent or more, or an aggregate foreign interest of 30 per cent 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 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>	
	Approval is normally granted. However, it may be denied in circumstances where the proposed investment conflicts with the interest of the State.	Corporations in which the Government has an interest shall, in acquiring services, give first consideration to service suppliers in which the Government has an	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below.</p> <p>1. <u>Intra-corporate Transferees</u></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>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 the categories of natural persons referred to under market access.</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</p>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>equipment and techniques or management.</p> <p>Additional specialists or experts may be allowed subject to market test and the training of Malaysians through an acceptable training programme in the relevant services sector or sub sector: 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 he is to serve in at least a similar capacity.</p>		
	<p>2. <u>Others</u></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 organisations' 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>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(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>(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>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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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>3. <u>Installer and Servicer</u></p> <p>Installer and servicer mean persons who are installer or servicer of machinery and/or equipment who are employed or appointed by a supplying company, where such installation and/or servicing by the supplying company is a condition of purchase of the said machinery and/o equipment, and are not performing activities which are not related to the installing or servicing activities which is the subject of the contract, and receives his or her remuneration from the supplying company.</p> <p>Entry and temporary stay of natural persons defined in category 3 shall not exceed a total of six (6) months.</p>		
Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
BUSINESS SERVICES			
A. Professional Services			
Legal Services (CPC 8619)	<p>(1) None.</p> <p>(2) None.</p> <p>(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.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Accounting, auditing and bookkeeping services (CPC 862)	<p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section. In respect of 2 (b), residency is required for registration.</p> <p>Not more than 10 per cent specialists/experts for each institution, subject to registration with Malaysian Institute of Accountants (MIA) and fulfilment of residency requirements. Entry shall be limited to maximum period of two years, subject to horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	<p>(4) The examination to determine the competence and ability to supply the service for the purposes of registration with the Malaysian Institute of Accountants (MIA) will be conducted in the English language.</p>
Taxation Services (CPC 863 / 8630)	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None, subject to domestic regulation.</p> <p>(2) None, subject to domestic regulation.</p>	<p>(4) The examination to determine the competence and ability to supply the</p>

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(3) Only through a locally registered partnership or private limited company with Malaysian authorised tax agents/firms and aggregate foreign interests in the partnership shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section. In respect of 2 (b), residency is required for registration.</p>	<p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	<p>services for the purposes of registration with the professional bodies will be conducted in the English language.</p>
Architectural services (CPC 8671)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) a) Architectural services may be supplied by natural person; b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 30 per cent for joint ventures by professionals who are registered in the country of origin. Foreign directorship is not allowed.</p> <p>(4) Unbound except as indicated in the horizontal section and in respect of 2 (b) only an architect who is a consultant to a project in collaboration</p>	<p>(1) Architectural services must be authenticated by a licensed architect in Malaysia.</p> <p>(2) None.</p> <p>(3) a) Unbound. b) Unbound.</p> <p>(4) Unbound except as indicated in the market access column.</p>	<p>(4) The examination to determine the competence and ability to supply the services for the purposes of registration with the professional bodies will be conducted in the English language.</p>

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Engineering services (CPC 8672) covering: (CPC 86721- 86729)	<p>(1) with a Malaysian professional architect for wholly foreign funded projects. Temporary registration on annual basis and renewal subject to domestic regulations.</p> <p>(2) None.</p> <p>(3) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 30 per cent for joint ventures by professionals who are registered in the country of origin. Foreign Directorship is not allowed.</p> <p>(4) Unbound except as indicated in the horizontal sector and in respect of 2(b), subject to temporary registration for a period of one year per temporary registration.</p>	<p>(1) Engineering services must be authenticated by a registered professional Engineer in Malaysia.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Engineering services must be authenticated by a registered professional engineer in Malaysia.</p> <p>(1) Integrated engineering services must be authenticated by the relevant registered professionals</p>	<p>(4) The examination to determine the competence and ability to supply the service for the purpose of the registration with the professional bodies will be conducted in English language. Other requirements as per in ASEAN Chartered Professional Engineer (ACPE) Registry.</p> <p>(4) The examination to determine the competence and ability to supply the service for the purpose of</p>
Integrated engineering services(CPC 8673) covering: (CPC 867231, 86732, 86733, 86739)	<p>(1) None.</p>		

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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 per cent.</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 section 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>in Malaysia.</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 as indicated in the market access column.</p>	<p>registration with the professional bodies will be conducted in English language.</p>

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Landscape architectural services (CPC 86742)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through a locally registered partnership with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholding in the JV corporation shall not exceed 40 percent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section. In respect of 2(b), temporary registration for a maximum period of one year and entry subject to domestic regulations.</p>	<p>(1) None.</p> <p>(2) None, subject to domestic regulation.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	<p>(4) Qualifying examination to determine the competency and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.</p>
Landscaping services, covering the provision of advisory, planning and designing services for the aesthetic landscaping of golf courses and theme parks (CPC 86742*)	<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 the aggregate foreign shareholding in the joint-venture</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section. In respect of 2(b), temporary registration for a maximum period of one year and entry subject to domestic regulations.	(4) Unbound except as indicated in the market access column.	
B. Computer and Related Services	(1) None.	(1) None.	
Consultancy services related to the installation of computer hardware (CPC 841)	(2) None.	(2) None.	
Software implementation service(CPC 842)	(3) None.	(3) None.	
Data processing services(CPC 843)	(4) Unbound except as indicated in 1 (a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Data base services(CPC 844 / 84400)			
Maintenance and Repair Services of Computers (CPC 845)			
Other computer services (CPC 849**)			
- Data preparation services from clients not involving data			

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
processing services (CPC 84910) - Other computer services not elsewhere classified (CPC 84990**) Specifically training services for staff of clients; data recovery services; and development of creative content.			
C. Research and Development Services Research and development services on natural sciences and engineering (CPC 851** except for CPC 85105 medical sciences and pharmacy and does not include research and development on Malaysia's natural resources, biodiversity and genetic materials) Limited to industrial activities covering all science and engineering disciplines, including biotechnology and information communication technology; and defined as any systematic or intensive study carried out in the field of science or technology with the object of using the results of the study for the production or improvement of materials, devices, products,	(1) None. (2) None. (3) Only for contract research and development company and research and development company locally incorporated as a joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 49 per cent. (4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
produce or processes but does not include: (i) Quality control of products or routine testing of materials, devices, products or produce;			
(ii) Research in the social sciences or humanities; (iii) Routine data collection; (iv) Efficiency surveys or management studies; and (v) Market research or sales promotion.			
Research and development services on medical sciences and pharmacy (CPC 85105**) Research and experiment development on medical sciences and pharmacy limited to clinical trials and study which evolves 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	(1) None. (2) None. (3) Only for contract research and development company and research and development company locally incorporated as a joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 49 per cent.	(1) None. (2) None. (3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
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. (This will also include pre-clinical contract research organization and contract manufacturing organization)	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
C. Research and Development Services Research and experimental development services on social sciences and humanities (CPC 8520 except 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 the aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 per cent. (4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Research and experimental development services on economics (CPC 85202)	<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 the aggregate foreign shareholding in the joint venture corporation shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Interdisciplinary research and development services (CPC 8530**) Limited to industrial activities covering all science and engineering disciplines, including biotechnology and information communication technology; and defined as any systematic or intensive study carried out in the field of science or technology with the object of using the results of the study for the production or improvement of materials, devices, products,	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only for contract research and development company and research and development company locally incorporated as a joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 49 per cent.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>producer processes but does not include:</p> <p>(i) Quality control of products or routine testing of materials, devices, products or produce;</p> <p>(ii) Research in the social sciences or humanities;</p> <p>(iii) Routine data collection;</p> <p>(iv) Efficiency surveys or management studies; and</p> <p>(v) Market research or sales promotion.</p>	<p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
<p>E. Rental/Leasing Services without Operator</p> <p>Relating to ships exclude cabotage and offshore trades (CPC 83103)</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
<p>Rental of cargo Vessels without crew (Bareboat Charter) for international shipping (CPC 83103)</p>	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None.</p> <p>(2) None.</p>	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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 Bumiputera shareholding in the joint-venture corporation of at least 40 percent.</p> <p>(4) Ships crew (for vessels with crew) is permitted to disembark only for duration of berth subject to applicable domestic regulations.</p>	<p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Leasing or rental services concerning construction machinery and equipment without operator (CPC 83107)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None except only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporation acting or both. Aggregate foreign shareholding in the joint venture corporation shall not exceed 51 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Leasing or rental services concerning other machinery and equipment without operator (CPC 83109)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Foreign shareholding shall not exceed 51 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Leasing or rental services concerning personal and household goods (CPC 832)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Foreign shareholding shall not exceed 70 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
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 per cent.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Services incidental to manufacturing (CPC 884, 885 except 88442)	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
	(1) None.	(1) None.	
	(2) 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 per cent.	(3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
F. Other Business Services Advertising services (CPC 8711, 8712, 8719)	(1) None.	(1) None.	
	(2) None.	(2) None.	
	(3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 70 per cent.	(3) None.	
	Advertisement through electronic media		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Advertisement must have at least 80 per cent 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 section.	(4) Unbound except as indicated in the market access column.	
Real estate services involving own or leased property (CPC 8210)	(1) Unbound. (2) None. (3) None. (4) Unbound.	(1) Unbound. (2) None. (3) None. (4) Unbound.	
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 49 per cent. (4) Unbound except as indicated in the horizontal section.	(1) Unbound. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	
Public opinion polling services (CPC 86402)	(1) Unbound. (2) None.	(1) Unbound. (2) None.	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(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 49 percent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
<p>Management Consulting Services</p> <p>a) covering advisory, guidance and operational assistance services concerning management of the transmission of non-conventional energy (CPC 8650*)</p> <p>b) covering advisory, guidance and operational assistance on environmental management services including risk assessment services (CPC 8650*)</p> <p>c) covering advisory and guidance in the field of pharmacy as follows:</p> <ul style="list-style-type: none"> - 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 	<p>(1) Unbound.</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 51 percent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>cells;</p> <ul style="list-style-type: none"> - New techniques in drug development and methods of producing drugs and vaccine; and - Vaccine production (CPC 8650*) <p>d) covering advisory and guidance on International Value-Added Network Services, rural telecom development and human resource development in telecommunications (CPC 8650*)</p>			
Project management services other than for construction (CPC 86601)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Foreign equity shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
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</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

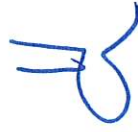
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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	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 section.	(4) Unbound except as indicated in the market access column.	
Consultancy on services on green economy	(1) Unbound.	(1) Unbound.	
	(2) None.	(2) None.	
	(3) Foreign equity shall not exceed 70 per cent.	(3) None.	
	(4) Unbound.	(4) Unbound.	
Subsurface surveying services Covering Offshore 3-D Seismic Site Surveys - 3-D Seismic Site Surveys Offshore in Support of Resource Exploration and Development (CPC 86752)	(1) Unbound due to lack of technical feasibility.	(1) Unbound due to lack of technical feasibility.	
	(2) None.	(2) None.	
	(3) Unbound.	(3) Unbound.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Surface surveying services Covering Building Surveying Services only in the provision of the survey of buildings in the investigation and assessment of the construction, condition and dilapidation of building(s), including diagnosis of building defects, costs of repair and guidance on remedial works for the Commercial and Industrial sub-sector			

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
of the Property (Real Estate) Sector (CPC 86753)			
Surface surveying services	(1) None.	(1) Unbound due to lack of technical feasibility.	
Covering Quantity Surveying (Cost Engineering) Specialist Services in the provision of Arbitration/litigation, Tax Depreciation, Pre/Post Contract Audits, Technical Due Diligence, Resource analysis, Construct ability/Analysis (CPC 86753)	(2) None.	(2) None.	
	(3) Unbound.	(3) Unbound.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Building cleaning services(CPC 8741)	(1) None.	(1) None.	
Covering disinfecting and exterminating services	(2) None.	(2) None.	
	(3) Foreign equity shall not exceed 49 per cent.	(3) None.	
	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Specialty photography except aerial photography (CPC 875*)	(1) None.	(1) None.	
	(2) None.	(2) None.	
	(3) Foreign equity shall not exceed 49 per cent.	(3) None.	
	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Packaging Services (CPC 8760) (excludes services that consists solely of printing information on packaging materials)	<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 49 percent.</p> <p>(4) Unbound, except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Convention Centre (CPC 87909) (convention and exhibition management services covering the provision of planning, organisational, management and marketing services or conventions and other similar events).	<p>(1) None.</p> <p>(2) None.</p> <p>(3) For Convention Centres with over 5,000 seating capacity, only through joint venture with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholding in the joint- venture corporation shall not exceed 51 per cent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Translation and interpretation services (CPC 87905)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 70 per cent foreign equity.</p> <p>(4) Unbound except indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except indicated in the market access column.</p>	
Student Placement Services, covering promoting, recruiting and facilitating students for studies outside Malaysia (CPC 87909)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except indicated in the market access column.</p>	
Operational Headquarters (OHQ) Services 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	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None except through a locally incorporated wholly foreign-owned company. A foreign owned company, a</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
and fund management services and research and development carried out by a company in Malaysia for its offices and related companies outside Malaysia (CPC 87909)	<p>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> <ul style="list-style-type: none"> a) carry out at least 3 of the OHQ service activities; b) have a sizeable network of companies outside Malaysia which includes the parent company or its head office and related companies; c) have a well-established foreign-owned company which is sizeable in terms of assets and employees; d) have a network of companies with substantial number 		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>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;</p> <p>f) be able to contribute to the Malaysian economy by:</p> <ul style="list-style-type: none"> i. using services such as legal, accounting etc. provided by Malaysians; creating job opportunities for Malaysians; and ii. enabling greater iii. 		




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(4) Unbound except as indicated in the horizontal section. inflow of foreign funds.	(4) Unbound except as indicated in the market access column.	
International Centre (IPC) (IPC refers to a locally incorporated company which carries on the business in Malaysia to undertake procurement and sales of raw materials, components and finished products for its group of related and unrelated companies in Malaysia and abroad).	(1) None.	(1) None.	
	(2) None.	(2) None.	
	(3) None except that an IPC must be locally incorporated, conducts its business in Malaysia and fulfils the criteria of an IPC.	(3) None.	
	(4) Unbound except as indicated in 2(a) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Regional Distribution Centre (RDC) (An RDC is a collection and consolidation centre for finished goods, components and spare parts produced by its own companies for its own brand to be distributed to dealers, importers or subsidiaries or other unrelated companies within or outside the country. Among the activities are bulk breaking, re-packaging and labelling).	(1) None.	(1) None.	
	(2) None.	(2) None.	
	(3) None except that an RDC must be locally incorporated, conducts its business in Malaysia and fulfils the criteria of an RDC.	(3) None.	
	(4) Unbound except as indicated in 2(a) in the horizontal section.	(4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
COMMUNICATIONS SERVICES			
Telecommunication Services			
Basic Telecommunications	(1) None.	(1) None.	
1. Voice service (wired or wireless)(CPC 7521)	(2) None.	(2) None.	
2. Packet-switched data transmission services, including frame-relay services (CPC 7523)	(3) a) Only through acquisition of shares of existing licensed public telecommunications operators. b) Foreign shareholding of up to 70 per cent in these service providers are allowed.	(3) None .	
3. Circuit switched data transmission services (CPC 7523)	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
4. Facsimile Service (CPC 7521**, CPC 7529**)			
5. Private leased circuit service(CPC 7522** & CPC 7523**)			
Telex services (CPC 7523)	(1) None. (2) None. (3) a) Only through a JV corporation with Malaysian individuals or Malaysian controlled corporations; or b) Only through acquisitions of shares of an existing licensed telex operator/corporation.	(1) None. (2) None. (3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Aggregate foreign shareholding shall not exceed 70 per cent for 3a) and 3b).</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(4) Unbound except as indicated in the horizontal section.</p>	
Telegraph services(CPC 7522)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations;</p> <p>or</p> <p>Through acquisitions of shares of an existing licensed telegraph operator/corporation.</p> <p>Aggregate foreign shareholding shall not exceed 70 per cent for Turkiye nationals.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Data and message transmission services Covering electronic mail, voice mail, on-line information and database retrieval, enhanced facsimile, code and protocol conversion (CPC 7523)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations; or</p> <p>Only through acquisitions of shares of an existing licensed VAS operator/corporation.</p> <p>Aggregate foreign shareholding shall not exceed 70 per cent for Turkiye nationals.</p> <p>The license shall specify the type of services to be provided; and simple resale is not permitted.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Basic Telecommunications Paging services (CPC 75291)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations; or</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Through acquisitions of shares of an existing licensed telegraph operator/corporation.</p> <p>Aggregate foreign shareholding shall not exceed 70 per cent for Turkiye nationals.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
Other telecommunication services			Pro-competition regulatory principle in respect of interconnection arrangement and competition (Refer to Annex I).
i) Domestic/International satellite services and satellite links/capacities (inclusive of mobilesatellite)	(1) None.	(1) None.	
ii) Satellite earth station	(2) None.	(2) None.	
iii) International switching and other international gateway	(3) a) Only through acquisition of shares of existing licensed public telecommunications operators. b) Foreign shareholding of up to 70 per cent in these service providers is allowed.	(3) None.	
iv) Mobile services analogue/digitalcellular	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
v) Trunked radio services			
vi) Video transport services			
Mobile telephone service(CPC 75213)	(1) None.	(1) None.	
	(2) None.	(2) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations; or</p> <p>Only through acquisitions of shares of an existing licensed telegraph operator/corporation.</p> <p>Aggregate foreign shareholding shall not exceed 70 per cent for Turkiye nationals.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Mobile data services(CPC 7523)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations; or</p> <p>Only through acquisitions of shares of an existing licensed VAS operator/corporation.</p> <p>Aggregate foreign shareholding shall not exceed 70 per cent for Turkiye nationals.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Audiovisual Services	(1) None.	(1) None.	
Motion picture, video tape and audio recording distribution services. (CPC 96113)	(2) None.	(2) None.	
	(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysian controlled corporations or both and the aggregate foreign shareholding shall not exceed 49 per cent.	(3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Broadcasting services	(1) 20 per cent of total screening time; and dubbing into the national language may be required.	(1) Unbound for government channel.	
covering transmission from foreign broadcast station of foreign broadcast matter from foreign territory through television or radio. (CPC 7524*)	(2) None.	(2) None.	
	(3) Unbound due to lack of technical feasibility.	(3) Unbound due to lack of technical feasibility.	
	(4) Unbound due to lack of technical feasibility.	(4) Unbound due to lack of technical feasibility.	
CONSTRUCTION AND RELATED ENGINEERING SERVICES			
Pre-erection Work at Construction Site (CPC 511)	(1) Unbound due to lack of technical feasibility.	(1) Unbound due to lack of technical feasibility.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Construction Work for Buildings (CPC 512)	(2) None.	(2) None.	
Construction Work for Civil Engineering (CPC 513)	(3) None except through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian controlled corporations or both. Aggregated foreign shareholding in the joint venture corporation shall not exceed 51 per cent.	(3) None.	
Assembly and Erection of Prefabricated Constructions (CPC 514)			
Special Trade Construction(CPC 515)	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Installation Work (CPC 516)			
Building Completion and Finishing Work (CPC 517)			
Commission agents' services(CPC 621*)	(1) None.	(1) None.	
Only for textiles, clothing andfootwear	(2) None.	(2) None.	
	(3) Foreign equity shall not exceed 70 per cent.	(3) None.	
	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Wholesale, and Retail Trade Businesses (CPC 6111, 6113, 6121, 6130, 6221, 6222, 6223, 6224, 6225, 6226, 6227, 6228, 631, 632)	(1) Unbound.	(1) Unbound.	
	(2) None.	(2) None.	
	(3) Entry is limited to:	(3) Unbound.	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>i. <u>Legal entity</u> The foreign company involved in wholesale and retail businesses must be incorporated locally under the Companies Act 1965;</p> <p>ii. <u>Equity Structure</u> The aggregate of foreign equity shall not exceed 51 per cent, while local shareholding in the joint-venture corporation should be 70 per cent out of which 30 percent must be for Bumiputras.</p>		
	<p>iii. <u>Minimum Capital Requirement</u> Minimum capital investment in terms of company's shareholding funds should be:</p> <ul style="list-style-type: none"> - RM10 million for departmental stores/hypermarkets. - RM 5 million for supermarkets. - For other types of distributive business, the minimum capital requirement will be considered on the merit of each case with particular reference to their contribution to the socio- 		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>economic development of Malaysia.</p> <p>(4) One (1) key post and a maximum of ten (10) time posts per company subject to the following conditions:</p> <p>a) <u>Key Post</u> The person applying for the post must hold or has held a management position in the company's wholesale or retail business outside Malaysia for a period of not less than 3 years preceding the date of application for the work permit.</p> <p>b) <u>Time Post</u> These posts are for executives or experts who must possess the necessary qualification and practical experience including holding equivalent or related position in the company's business for not less than 3 years and subject to the condition that Malaysians are trained to eventually take over the post concerned through an acceptable training programme.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
Franchising (CPC 8929)	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None.</p> <p>(2) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(3) Foreign equity shall not exceed 70 per cent. (4) Unbound except as indicated in the horizontal section.	(3) None. (4) Unbound except as indicated in the market access column.	
EDUCATION SERVICES			
Primary education services (CPC 921)	(1) Unbound due to technical feasibility. (2) None. (3) Only through a joint venture with foreign equity shall not exceed 49 per cent. (4) Unbound except as indicated in the horizontal section.	(1) Unbound due to technical feasibility. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	For international school only.
General secondary education services (CPC 9221)			
Technical and vocational secondary education services (CPC 9223)	(1) Unbound due to technical feasibility. (2) None. (3) Only through a joint venture with foreign equity shall not exceed 70 per cent. (4) Unbound except as indicated in the horizontal section.	(1) Unbound due to technical feasibility. (2) None. (3) None. (4) Unbound except as indicated in the horizontal section.	Technical and vocational secondary education services (private education services) (CPC 9223); and Technical and vocational secondary education school-type education services for handicapped students (private education) (CPC 9224), are required to use National curriculum.
Technical and vocational secondary education services (CPC 9223)			
Technical and vocational secondary school-type education services for handicapped students (CPC 9224)			

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>Other 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)</p> <p>Adult education services provided by privately funded education institutions excluding private education institutions with Government equity or that receive government assistance (CPC 924)</p>	(1) Unbound except for requirement for commercial presence.	(1) Unbound including for grant of federal or state funding or subsidies such as but not limited to land grants, tax benefits, scholarships and loans limited to institutions with government equity or citizens/permanent residents.	<p>(3) Not more than 51 per cent foreign equity will be considered subject to additional criteria which include:</p> <p>a) courses deemed important to attain Malaysia's educational objective;</p> <p>b) potential to generate export revenues.</p>
	(2) None.	(2) Unbound.	
	(3) Only through a joint venture with foreign equity shall not exceed 70 per cent and subject to the requirement of a needs test if necessary.	(3) Unbound including for grant of federal or state funding or subsidies such as but not limited to land grants, tax benefits, scholarships and loans limited to institutions with government equity or citizens/permanent residents.	
	(4) Unbound except for 1(a) and (b) and 2(a) and (b) as indicated in the horizontal section.	(4) Unbound except as indicated in market access column.	
Other education services (CPC 929 / 9290 / 92900)	(1) Unbound due to technical feasibility.	(1) Unbound due to technical feasibility.	
	(2) None.	(2) None.	
	(3) Only through a joint venture with foreign equity not exceeding 49 per cent.	(3) None.	
	(4) Unbound except as indicated in the horizontal section.	(4) Unbound except as indicated in the horizontal section.	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
ENVIRONMENTAL SERVICES			
Wastewater Management(CPC 9401)	(1) None.	(1) None.	
Covers only removal, treatment and disposal of industrial effluents.	(2) None.	(2) None.	
(Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, provincial, district or municipalities or contracted out by them).	(3) Only through a locally incorporated, joint-venture with Malaysian individuals or Malaysian control corporations or both and aggregate foreign shareholding shall not exceed 70 per cent.	(3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Refuse Disposal Services(CPC 94020)	(1) Unbound.	(1) None.	
	(2) None.	(2) None.	
	(3) Only through a locally incorporated, joint-venture with Malaysian individuals or Malaysian control corporations or both and aggregate foreign shareholding shall not exceed 70 per cent.	(3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Protection of Ambient Air Climate (CPC 9404 – corresponds to Cleaning Services of Exhaust Gases)	(1) None.	(1) None.	
	(2) None.	(2) None.	
	(3) None.	(3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Covers only services provided at industrial premises to remove air pollutants including monitoring of mobile emissions and implementation of control systems or reduction programmes. (Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, state, district or municipalities or contracted out by them).	(4) Unbound except as indicated in 1(a) and (b) and 2(a) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Noise Abatement Services (CPC 9405) Covers only monitoring programmes, and installation of noise reduction and screen in residential, commercial and industrial premises. (Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, state, district or municipalities or contracted out by them).	(1) None. (2) None. (3) None. (4) Unbound except as indicated in 1(a) and (b) and 2(a) in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	
Nature and Landscape protection Services covering only contaminated soil clean-up and remediation. (part of CPC 94060)	(1) None. (2) None. (3) Only through a locally incorporated joint venture corporation with	(1) None. (2) None. (3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, state, district or municipalities or contracted out by them)	<p>Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholdings shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) in the horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
HEALTHCARE SERVICES			
Specialised medical services(CPC 93122) covering forensic medicine, nuclear medicine, geriatrics, micro vascular surgery, neurosurgery, cardiothoracic surgery, plastic surgery, clinical immunology and oncology, traumatology, anaesthesiology, intensive care specialist, child psychiatry and physical medicine	<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 section:</p> <ul style="list-style-type: none"> - practice only in private hospitals of at least 100 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>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	<p>4) The qualifying examination to determine the competence and ability to supply the service will be conducted in English language.</p>
Dental Services (CPC 93123)	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None.</p> <p>(2) None.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Covering at least five (5) dental specialties in the fields of: Oral Surgery, Orthodontics, Periodontics, Pediatric Dentistry, Oral Pathology/Oral Medicine, and Special Care Dentistry; with competency/competencies in the field of orthognathic surgery, cranio-facial surgery, dental oncology, dental-facial trauma or cleft lip and cleft palate.	(3) Only through – a) A multi-disciplinary Private Dental Specialist Centre (PDSC) with at least 5 specialty services and equipped with at least 25 dental chairs-cum units with foreign equity not exceeding 70 per cent. b) The PDSC to be located and operated in the Development Corridor/Region. (4) Unbound except as indicated in 2(a) in the horizontal section. In respect of 2(b), only two (2) foreign dental specialists with specified competency / competencies per establishment.	(3) As in market access limitations. (4) Unbound except as indicated in the market access column.	
Veterinary services (CPC 932)	(1) None. (2) None. (3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian controlled corporations or both and aggregate share of foreign interest shall not exceed 51 per cent, ownership shall be restricted to veterinarian professionals with professionals qualification relevant	(1) None. (2) None. (3) None.	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(4) Unbound except as indicated in 2 (a) in the horizontal section.</p>	<p>(4) Unbound except as indicated in the horizontal section.</p>	
Specialised Nursing Services(CPC 93191)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Services may be supplied by a natural person.</p> <p>(4) Unbound except as indicated in 2(a) in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Unbound.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Private hospital services(CPC 93110*)	<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 aggregate foreign shareholding in the joint-venture</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Establishment of feeder outpatient clinics is not permitted.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>corporations shall not exceed 70 per cent; and</p> <p>The joint-venture corporation shall operate a hospital with a minimum of 100 beds.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
Vocational rehabilitation services for the handicapped (CPC 93324)	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Foreign equity shall not exceed 49 per cent.</p> <p>(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
TOURISM AND TRAVEL RELATED SERVICES			
Hotel and restaurant services (CPC 64110) covering only:	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Joint venture corporation with Malaysia individuals or Malaysia – controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 70 per cent foreign equity (for 4 and 5-star hotel).</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	
(i) Hotel Lodging Services (CPC 64110)			
(ii) Holiday Centre and Holiday Home Services (CPC 64192)			
(iii) Letting Services of Furnished Accommodation (CPC 64193)			

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Covering the management and operational of hotels or resorts including, outlet which may not necessarily include ownership of such properties.	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Food serving services (CPC 642)	(1) None.	(1) None.	
Beverage serving services for consumption on the premises (CPC 643)	(2) None. (3) Joint venture corporation with Malaysia individuals or Malaysia – controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 70 per cent foreign equity.	(2) None. (3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
Travel Agencies and Tour Operators Services (CPC 7471) (For inbound travel only)	(1) None. (2) None. (3) Joint venture corporation with Malaysia individuals or Malaysia – controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 70 per cent foreign equity.	(1) None. (2) None. (3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Tourist Guide Services (CPC 7472)	<p>(4) Unbound except as indicated in 1(a) and (b) in the horizontal section.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) Unbound due to lack of technical feasibility.</p> <p>(4) Unbound.</p>	<p>(4) Unbound except as indicated in the market access column.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) Unbound due to lack of technical feasibility.</p> <p>(4) Unbound.</p>	
RECREATIONAL, CULTURAL AND SPORTING SERVICES			
Other entertainment services (CPC 96191, 96192, 96194)	<p>(1) Unbound due to lack of technical feasibility.</p> <p>(2) None.</p> <p>(3) Entertainment services may be supplied by a natural person.</p> <p>(4) Unbound except as indicated in 2(a) in the horizontal section.</p> <p>Participation of Malaysian entertainers/artistes may be required based on the guidelines of the Ministry of Culture, Arts and Tourism.</p>	<p>(1) Unbound due to lack of technical feasibility.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Theme Park	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None.</p> <p>(2) None.</p>	
(A family based recreational area/			

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
amusement centre which may consist of rides, mechanical and/or high-tech simulation equipment with various kinds of amusement facilities built around a theme or several themes. Activities to be offered will contain elements of entertainment, edutainment, adventure and excitement. The concept of the park can either be outdoor or indoor or a combination of both).	(3) Only through joint venture corporation with Malaysia – individuals or Malaysia – controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 51 per cent foreign equity.	(3) None.	
	(4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
	(1) None.	(1) None.	
	(2) None.	(2) None.	
Sports events management services (CPC 96411, 96412)	(3) Only through joint Malaysia – controlled corporations acting as local sponsor. Foreign equity shall not exceed 49 per cent.	(3) None.	
	(4) Unbound except as indicated in 2(a) in the horizontal section.	(4) Unbound except as indicated in the market access column.	
TRANSPORT SERVICES			
A. Maritime Transport Services International maritime transportation services, excludes cabotage (CPC 7211, 7212)	(1) None.	(1) None.	The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory
	(2) None.	(2) None.	
	(3) Only through a representative office, regional office or locally-	(3) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>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 51 per cent.</p> <p><u>Malaysia registered vessels</u> 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 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>d) Principal place of business to be in Malaysia.</p> <p>(4) Unbound except as indicated in 1(a) and 1(b) and 2(c) in the horizontal section. Ship crew is permitted to disembark only for duration of berth.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	<p>terms and conditions:</p> <ol style="list-style-type: none"> 1) Pilotage 2) Towing and tug assistance 3) Provisioning, fuelling and watering 4) Garbage collection and ballast waste disposal 5) Port Captain's services 6) Navigation aids 7) Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8) Emergency repair facilities 9) Anchorage, berth and berthing services
Rental of cargo vessels with crew for international shipping (CPC 7213)	<p>(1) None.</p> <p>(2) None.</p>	<p>(1) None.</p> <p>(2) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Rental and leasing services of all types of self-propelled seagoing vessels with operator, such as passenger vessels (except pleasure bath), tankers, bulk dry cargo vessels, cargo and freight vessels.) * These are limited to services offhiring of a vessel with crew under charter party terms for voyage or period of time.	(3) None. (4) Ships crew (for vessels with crew) is permitted to disembark only for duration of berth subject to applicable domestic regulations.	(3) None. (4) Unbound except as indicated in the market access column.	
Maintenance and repair vessels (CPC 8868**) (these are limited to businesses related to maintenance and repair of ocean going vessels at anchor or alongside and maintenance and repair of local vessels).	(1) Unbound due to lack of technical feasibility. (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. Foreign equity allowable up to maximum of 49 per cent. (4) Unbound except as indicated in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
F. Supporting services for maritime transport Vessel salvage and refloating services (not applicable in harbour). (CPC 74540) (Vessels salvage services provided on ocean and seas. Such services consist of recovering distressed and sunk vessels\ and their cargoes, including the raising of sunken vessels, the righting of capsized vessels and the refloating of stranded vessels).	(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 of at least 40 percent. (4) Unbound except as indicated in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	
Classification Societies ¹ (Except for statutory services for Malaysia flag vessels)	(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 aggregate foreign shareholding in	(1) None. (2) None. (3) None.	

¹ Provision of rules on construction and safety of ships and issuance of certificate should be in accordance with specified rules stated in domestic legislation. Exclude survey and classification of Malaysian flag vessels which requires specific authorization by the relevant authority.

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(4) Unbound except as indicated in the market access column.</p>	
F. Road transport services			
Freight Transportation	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Foreign equity shall not exceed 70 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
H. Services Auxiliary to all modes of transport			
Maritime Cargo Handling Services (CPC 741 **) (Limited only for sea transport)	<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. Aggregate foreign shareholding in the joint-venture corporation shall not exceed 70 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access		Limitations on National Treatment		Additional Commitments
	(1)	None.	(1)	None.	
Storage and warehousing services. Covering private bonded warehousing services only. CPC 742	(2)	None.	(2)	None.	
	(3)	Only through a locally incorporated joint-venture with Malaysian individuals or Malaysian-control corporations or both and aggregate foreign shareholding shall not exceed 70 per cent.	(3)	None.	
	(4)	Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal section.	(4)	Unbound except as indicated in the market access column.	
Maritime freight forwarding services (CPC 7480) (Consist of organizing and monitoring shipment operations on behalf of shippers, through the procurement of transport and related services, reparation of documentation and provision of business information).	(1)	None.	(1)	None.	
	(2)	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 foreign equity allowable up to 70 percent.	(3)	None.	
	(4)	Unbound except as indicated in the horizontal section.	(4)	Unbound except as indicated in the market access column.	
Maritime agency services Covering marketing and sales of	(1)	None.	(1)	None.	
	(2)	None.	(2)	None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
maritime transport and related services and acting on behalf of the companies organising the call of the ship or taking over cargoes when required. (CPC 7454*)	(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 of at least 40 per cent. (4) Unbound except as indicated in the horizontal section.	(3) None. (4) Unbound except as indicated in the market access column.	
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: 1) automated manufacturing technology; 2) advanced materials technology; 3) biotechnology; 4) electronics; 5) information technology; and 6) 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 per cent; and establishment of local branches requires additional licenses. (4) Unbound except as indicated in the horizontal section.	(1) None. (2) None. (3) None. (4) Unbound except as indicated in the market access column.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Hair dressing and other beauty service (CPC 9702)	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) Foreign equity shall not exceed 51 per cent.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
Turkish cuisine culinary courses	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the horizontal section.</p>	<p>(1) Unbound.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the market access column.</p>	
FINANCIAL SERVICES, INCLUDING INSURANCE			
<p>1. The commitments in the financial services sector are in accordance with the Malaysia-Turkiye Free Trade Agreement on Trade in Services and the Annex on Financial Services.</p> <p>2. The limitations listed under the all-sector horizontal section shall not apply to financial services, unless otherwise indicated.</p> <p>3. In respect of offshore banks, offshore investment banks, commercial banks, investment banks, offshore direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers, offshore insurance managers, direct insurance companies, reinsurance companies, and representative offices of commercial banks and investment banks, the following limitations on market access and national treatment shall apply in addition to specific limitations to the activity of each financial service as specified for each activity in this Schedule.</p>			

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
4. For further clarity, Malaysia's commitments cannot be interpreted as applying to the supply of Shariah-compliant financial services, unless specific entries are made in the banking, insurance or capital markets sub-sectors accordingly ² .			
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 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 will apply when indicated in each activity.</p>	
I. FINANCIAL SERVICES HORIZONTAL COMMITMENTS			
A. 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) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) Entry is confined to Labuan.</p> <p>Entry is limited to establishment of a branch registered or a subsidiary incorporated in Malaysia.</p>	<p>(1) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) None.</p>	

² This approach is consistent with Malaysia's commitments at the WTO and under existing FTAs.

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. Commercial banks and investment banks	<p>(4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p> <p>(1) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) The 13 wholly foreign-owned commercial banks are permitted to remain wholly owned by their existing shareholders.³</p> <p>Unbound for new licences.</p> <p>Entry is limited to equity participation by foreign banks in Malaysian-owned or controlled commercial banks and investment banks and aggregate foreign shareholding in a commercial bank or an investment bank shall not exceed 30 per cent.</p> <p>Foreign commercial banks and investment banks are required to be locally incorporated in accordance with the Financial Services Act 2013 [Act 758].</p>	<p>(4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p> <p>(1) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) None except as indicated in the respective activities listed below.</p> <p>Acquisition by a foreign bank of an aggregate of five per cent or more of shareholding in a Malaysian-owned or controlled commercial bank or investment 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</p>	

³ Refers to the 13 wholly foreign-owned commercial banks specified in Malaysia's Schedule of Specific Commitments under GATS

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>A commercial bank is not allowed to acquire any share in another commercial bank but may acquire shares in one investment bank.</p> <p>An investment bank is not allowed to acquire any share in a commercial bank or another investment bank.</p> <p>Other persons are not permitted to acquire five per cent or more of shareholding in a commercial bank or investment bank if the person already holds five per cent or more of shareholding in another licensed financial institution.</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, presence of natural persons is offered only in respect of supply of a service through the mode of commercial presence;</p> <p>(b) Five senior managers and 10 specialists or experts for each commercial bank or investment bank.</p>	<p>and investment interests in Malaysia; and</p> <p>(c) The country of the foreign bank does not have significant representation in the Malaysian banking industry.</p> <p>(4) Unbound except for the categories of natural persons referred to under market access.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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>Specialists or experts for each commercial bank or investment bank for areas relating to:</p> <ul style="list-style-type: none"> (i) trade financing; (ii) corporate finance; (iii) treasury management; (iv) information technology; (v) risk management; (vi) capital market products; (viii) derivatives; (ix) instruments; (x) credit risk management; and (xi) internal control. <p>(c) For each representative office of a commercial bank or investment bank, two foreign nationals. Only one foreign national for the two top posts; and</p> <p>(d) Entry shall be limited to a maximum period of five years.</p>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. Direct insurance and reinsurance companies	<p>(1) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) Foreign insurance companies are required to be locally incorporated in accordance with the Financial Services Act 2013 [Act 758].</p> <p>Branches of foreign insurance companies that were required to be locally incorporated in accordance with the Insurance Act 1996 (Repealed by the Financial Services Act 2013 [Act 758]) are permitted to hold foreign shareholding not exceeding 51 percent.⁴</p> <p>Foreign shareholding not exceeding 51 per cent is also permitted for the existing foreign shareholders⁵ of locally incorporated insurance companies which were the original owners of these companies. Provided aggregate foreign shareholding in such companies does not exceed 51 per cent.</p>	<p>(1) Unbound* except as otherwise specified in this Appendix.</p> <p>(2) Unbound* except as otherwise specified in this Appendix.</p> <p>(3) None except as indicated in the respective activities listed below.</p> <p>Acquisition by a foreign insurance company of an aggregate of more than five per cent shareholding in a locally incorporated insurance company must meet at least one of the following criteria:</p> <p>(a) The foreign insurance company has the ability to facilitate trade and contribute to the financial and economic development of Malaysia;</p> <p>(b) The country of the foreign insurance company has significant trade and investment interests in Malaysia;</p>	

⁴ Refers to the branches of foreign insurance companies specified in Malaysia's schedule of Specific Commitments under GATS.

⁵ Refers to the existing foreign shareholders specified in Malaysia's Schedule of Specific Commitments under GATS

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>New entry by foreign insurance companies is limited to equity participation in locally incorporated insurance companies and aggregate foreign shareholding in such company shall not exceed 30 per cent.</p> <p>Unbound for new licenses.</p> <p>An insurance company is not allowed to acquire more than five per cent share:</p> <p>(a) in another insurance company in Malaysia that carries on the same class of insurance business as that carried on by it; or</p> <p>(b) in an insurance broking company.</p> <p>Other persons holding more than five per cent shareholding in an insurance company are not permitted to acquire more than five per cent shareholding in:</p> <p>(a) another insurance company carrying on the same class of insurance business as that carried on by the insurance company in which the persons a shareholder; or</p>	<p>(c) The country of the foreign insurance company does not have a significant representation in the Malaysian insurance industry; or</p> <p>(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> <p>Unbound for reinsurance companies.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(b) an insurance broking company.</p> <p>Unbound for reinsurance companies.</p> <p>(4) Unbound except the following:</p> <p>(a) Unless otherwise specified, presence of natural persons is offered only in respect of supply of a service through the mode of commercial presence;</p> <p>(b) Five senior managers and 10 specialists or experts for each locally incorporated insurance company.</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>Specialists or experts for each insurance institution for areas relating to:</p> <p>(i) underwriting of specialised classes of general business;</p> <p>(ii) information technology;</p>	<p>(4) Unbound except for the categories of natural persons referred to under market access.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(iii) actuarial functions; (iv) risk management; (v) investment management; (vi) product development; (vii) customer service; and (viii) servicing of foreign and regional business; and</p> <p>(c) Entry shall be limited to a maximum period of five years.</p>		
II. FINANCIAL SERVICES ACTIVITIES			
A. 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) None.</p> <p>(3) Only permitted through a commercial bank, an investment bank, or an offshore bank.</p> <p>Offshore banks in Labuan are permitted to accept foreign currency deposits only.</p> <p>Offshore investment banks in Labuan are not permitted to accept deposits.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) For commercial banks, unbound for branching (including off-premises Automated Teller Machines) and networking with Automated Teller Machines in Malaysia.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p>	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Lending of all types, including consumer credit, mortgage credit, factoring, and financing of commercial transactions	<p>(1) 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 investment banks in Malaysia.</p> <p>(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 investment banks in Malaysia.</p> <p>(3) Entry as a non-bank⁶ 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 per cent; or</p> <p>(b) a representative office.</p> <p>Representative offices can only undertake research and liaison services.</p> <p>Provision of factoring services by a commercial bank requires the setting</p>	<p>(1) None.</p> <p>(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 per cent of the total credit facilities obtained by non-resident controlled companies from banking institutions.</p> <p>For commercial banks, unbound for branching (including off-premises Automated Teller Machines) and networking with Automated Teller Machines in Malaysia.</p>	

⁶ Means any non-bank for scheduled businesses as referred to in Malaysia's Schedule of Specific Commitments under GATS

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>up of a separate entity and shareholding by a foreign-controlled commercial bank shall not exceed 30 per cent.</p> <p>Investment 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>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except one foreign national for a management post which is not the Chief Executive Officer post, for each establishment.</p> <p>For each representative office of a non-bank, 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 Horizontal Commitments.</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access.</p>	
Financial leasing	(1) Leasing services to residents in any currency must be undertaken jointly	(1) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>with leasing companies or investment banks in Malaysia.</p> <p>(2) Leasing services to residents in any currency must be undertaken jointly with leasing companies or investment banks in Malaysia.</p> <p>(3) Provision of leasing services by a commercial bank requires the setting up of a separate entity and shareholding by a foreign- controlled commercial bank shall not exceed 49 per cent.</p> <p>Entry as a non-bank 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 49 per cent; or</p> <p>(b) a representative office. Representative offices can only undertake research and liaison services.</p> <p>Entry is permitted through the establishment of a branch or subsidiary in Labuan by reputable foreign leasing companies. Such</p>	<p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>offshore entity can only transact in foreign currencies.</p> <p>Offshore banks and offshore investment banks are permitted to carry on financial leasing business in foreign currencies only.</p> <p>(4) Unbound except two foreign nationals, one for a management post which is not the Chief Executive Officer post and one technical post, for each establishment.</p> <p>For each representative office, 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 presence of natural persons in respect of supply of a service through the mode of commercial presence.</p>	<p>(4) Unbound except for the categories of natural persons referred to under market access.</p> <p>For offshore leasing companies, unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p>	
All payment and money transmission services, namely credit and debit cards, travellers cheques, and bankers drafts	<p>(1) Electronic fund transfer system requires approval.</p> <p>(2) None.</p> <p>(3) Offshore banks are permitted to extend payment and money</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) For commercial banks, unbound for branching (including off-premises</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>transmission services to non-residents only.</p> <p>Only commercial banks are permitted to issue credit cards or debit cards, or to provide checking account services.</p> <p>Sale or purchase of foreign currency and purchase of travellers cheques other than by commercial banks require money changer's licence. Entry is limited to establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 per cent.</p> <p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments. For non-banks, unbound except one foreign national for a management post which is not the Chief Executive Officer post for each establishment. Entry shall be limited to a maximum period of five years.</p>	<p>Automated Teller Machines) and networking with Automated Teller Machines in Malaysia.</p> <p>Branching(including dispensers) is permitted for travellers cheques companies with foreign shareholding not exceeding 30 per cent.</p> <p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments. For non-banks, unbound except for the category of natural persons referred to under market access.</p>	
Charge cards	<p>(1) None.</p> <p>(2) None.</p> <p>(3) Entry is limited to establishment of a company incorporated in Malaysia.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Approval of the Central Bank is required.</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>	(4) Unbound except for the category of natural persons referred to under market access.	
Guarantees and commitments	<p>(1) None except banks established in Malaysia may be given the right of first refusal.</p> <p>(2) None except banks established in Malaysia may be given the right of first refusal.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments herein, and in the Horizontal Commitments in the Schedule of Malaysia.</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments herein, and in the Horizontal Commitments in the Schedule of Malaysia.</p>	
Money and foreign exchange broking services	(1) Broking services, involving the Ringgit and financial instruments issued in Malaysia must be affected through authorised dealers and money and foreign exchange brokers incorporated in Malaysia.	(1) None	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(2) Broking services, involving the Ringgit and financial instruments issued in Malaysia must be affected 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 institutions⁷ and aggregate foreign shareholding in such institutions shall not exceed 30 per cent; 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 except for offshore money and foreign exchange brokers.</p> <p>For offshore money and foreign exchange brokers, unbound except for presence of natural persons in</p>	<p>(2) None.</p> <p>(3) None.</p> <p>(4) Unbound except for offshore money and foreign exchange brokers.</p> <p>For offshore money and foreign exchange brokers, unbound</p>	

⁷ Refers to the existing institutions specified in Malaysia's Schedule of Specific Commitments under GATS.




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Trading for own account or account of customers in the following: (a) money market instruments; (b) foreign exchange; (c) transferable securities; (d) exchange rate and interest rate instruments; (e) derivative products, including futures and options; and (f) other negotiable instruments, including bullion.	<p>respect of supply of a service through the mode of commercial presence.</p> <p>(1) Dealing in securities for account of customers is limited to securities traded on recognised stock exchanges. Dealing in derivatives for account of customers is limited to derivatives contracts traded on the derivatives market of a Specified Exchange and are not contracts prohibited by the Malaysian regulatory authorities.</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. Transactions by offshore banks and offshore investment banks in Labuan for own account are limited to instruments created and issued by offshore companies in Labuan and foreign companies abroad.</p>	<p>except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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, and 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>None for trading for own account in:</p> <p>(a) securities that are listed on the Malaysian stock exchange; and</p> <p>(b) standardised derivatives listed on the Malaysian derivatives exchange.</p> <p>Trading for accounts of customers by a non-bank in securities that are listed on the Malaysian stock</p>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>exchange is only permitted through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of license, registration, or approval, as the case may be.</p> <p>Trading for accounts of customers by a non-bank in standardised derivatives that are listed on the Malaysian derivatives exchange is only permitted through equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to deal in derivatives. Aggregate foreign shareholding in such a company is limited to 30 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of</p>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Services related to the issues of all kinds of securities and placement as agents (whether publicly or privately) (excluding issuing and rating houses)	Malaysia. Authorisation includes grant of license, registration, or approval, as the case may be.		
	(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.	(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.	
	For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.	For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.	
	(1) Participation in issues and services related to such issues requires authorisation. (2) Participation in issues and services related to such issues requires authorisation. (3) Participation by offshore banks and offshore investment banks in Labuan is limited to non- resident customers and for issues of securities outside Malaysia. Only persons who are authorised by the Securities Commission Malaysia and/or the Malaysian stock exchange are permitted to make submissions related to the issues of securities and offer services related	(1) None. (2) None. (3) None.	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>to the issues of securities and placement as agents.</p> <p>Participation by a non-bank is permitted only through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be.</p> <p>Unbound for appointment as principal dealers.</p> <p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p>	<p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p>	
Underwriting	(1) Commercial presence is required.	(1) Unbound.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(2) Authorisation is required.</p> <p>(3) Participation as a non-bank is only permitted through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be.</p> <p>Commercial banks are permitted to underwrite corporate bonds 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>(4) For commercial banks, investment banks, offshore banks, and offshore investment banks, unbound except as indicated in the</p>	<p>(2) None.</p> <p>(3) None.</p> <p>(4) For commercial banks, investment banks, offshore banks, and offshore investment banks, unbound except as</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>Asset management as follows:</p> <p>(a) cash or portfolio management;</p> <p>(b) all forms of collective investment management; and</p> <p>(c) custodial and depository services.</p>	<p>Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p> <p>(1) Commercial presence is required.</p> <p>(2) None.</p> <p>(3) 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-residents which are not offshore companies registered in Labuan.</p> <p>Asset management by a commercial bank requires establishment as a separate entity. Shareholding by a foreign-controlled commercial bank shall not exceed 30 per cent.</p>	<p>indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p> <p>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Entry as a non-bank to undertake fund management activities is only permitted through equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on fund management activities. Aggregate foreign shareholding in such a company is limited to 30 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration or approval, as the case may be.</p> <p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p>	<p>(4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p>	
Advisory, intermediation, and other auxiliary financial services, including credit reference and analysis,	(1) Commercial presence is required.	<p>(1) None.</p> <p>(2) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
investment advice on acquisitions, and corporate restructuring and strategy	<p>(2) Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks in Malaysia.</p> <p>(3) Entry as a non-bank is only permitted through:</p> <p>(a) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on corporate finance advisory activities. Aggregate foreign shareholding in such a company is limited to 30 per cent;</p> <p>(b) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on financial planning activities. Aggregate foreign shareholding in such a company is limited to 49 per cent;</p> <p>(c) equity participation in an existing locally</p>	(3) None.	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on investment advisory activities. Aggregate foreign shareholding in such a company is limited to 30 per cent; or</p> <p>(d) a representative office.</p> <p>Representative offices (including those of commercial banks, investment banks, and securities companies) are permitted to undertake information research and liaison services only. Representative offices are not permitted to publish and circulate research work in Malaysia.</p> <p>Authorisation to carry on the activities as mentioned in (a), (b), and (c) above will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be.</p>		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Offshore banks, offshore investment banks, and offshore companies in Labuan can only provide services to non-resident customers.</p> <p>(4) For banks, one specialist or expert per organisation.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p> <p>For each representative office, three foreign nationals subject to only one foreign national for the two top posts and the other two for managerial level 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 Horizontal Commitments.</p> <p>For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p>	
Operational headquarters (OHQ) for financial sector (provides 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) Unbound*</p> <p>(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</p>	<p>(1) Unbound*</p> <p>(2) None.</p> <p>(3) None.</p>	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>already incorporated in Malaysia, may seek to qualify as an OHQ.</p> <p>An OHQ must operate in Malaysia and fulfil the following criteria:</p> <ul style="list-style-type: none"> (a) carry out at least three of the OHQ service activities; (b) have a sizable network of companies outside Malaysia which includes the parent company or its head office and related companies; (c) have a well-established foreign-owned company which is sizeable in terms of assets and employees; (d) have a network of companies with a substantial number of qualified executives, professionals, technical, and other supporting personnel; (e) be able to make decisions independently without consultation with its head office or parent company located outside Malaysia; and (f) be able to contribute to the Malaysian economy by: 		

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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> <p>(4) Unbound except one specialist or expert per organisation subject to the following conditions:</p> <p>(a) such persons must possess knowledge at an advanced level of continued expertise and must possess proprietary knowledge of service products and technology, research equipment and techniques, or management; and</p> <p>(b) entry shall be limited to a period of five years which may be renewed.</p>	(4) None.	
Securities broking services	(1) Trades on Malaysian stock exchanges must be transacted through locally incorporated companies in Malaysia which are	(1) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>participating organisations of the stock exchange.</p> <p>(2) Trades on Malaysian stock exchanges must be transacted through locally incorporated companies in Malaysia which are participating organisations of the stock exchange.</p> <p>(3) Entry as a non-bank is only permitted through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent.</p> <p>Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of license, registration, or approval, as the case may be.</p> <p>Representative offices (including those of commercial banks, investment banks, and securities companies) are permitted to undertake information research and liaison services only. Representative offices are not permitted to publish</p>	<p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>and circulate research work in Malaysia.</p> <p>(4) For stockbroking companies, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia.</p> <p>For each representative office, 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.</p>	
Commodity futures broking services	<p>(1) Trades on any Malaysian derivatives exchange must be conducted through locally incorporated companies which are trading participants of the derivatives exchange.</p> <p>(2) Trades on any Malaysian derivatives exchange must be conducted through locally incorporated companies which are trading participants of the derivatives exchange.</p> <p>(3) Entry as a non-bank is only permitted through:</p> <p>(a) equity participation in an existing locally incorporated company or establishment of a locally incorporated company</p>	<p>(1) None.</p> <p>(2) None.</p> <p>(3) None</p>	

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>licensed by the Securities Commission Malaysia to deal in derivatives. Aggregate foreign shareholding in such a company is limited to 30 per cent.</p> <p>Authorisation will not be granted unless the application is determined by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be; or</p> <p>(b) a representative office.</p> <p>Representative offices (including those of commercial banks, investment banks, and securities companies) are permitted to undertake information research and liaison services only. Representative offices are not permitted to publish and circulate research work in Malaysia.</p> <p>(4) Unbound except one foreign national for a management post per</p>	<p>(4) Unbound except for the category of natural persons</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. INSURANCE SERVICES			
Direct insurance (non-life)	<p>(1) Soliciting and advertising in Malaysia are not allowed.</p> <p>Approval of the Central Bank is required for 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 third party.</p> <p>Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p> <p>(2) Approval of the Central Bank is required for 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 third party.</p>	<p>(1) None.</p> <p>(2) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</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 Horizontal Commitments.</p>	<p>(3) Branching is permitted for direct insurance companies with aggregate foreign shareholding of less than 50 per cent.</p> <p>Direct insurance companies are permitted to maintain their existing network of branches⁸.</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 Horizontal Commitments.</p>	
Direct insurance (life)	<p>(1) Unbound.</p> <p>(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</p>	<p>(1) Unbound.</p> <p>(2) Unbound.</p> <p>(3) Branching is only permitted for direct insurance companies with aggregate foreign shareholding of less than 50 per cent. Direct insurance companies are permitted to</p>	

⁸ Refers to network of branches specified in Malaysia's Schedule of Specific Commitments under GATS.

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>insurance companies require approval.</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 by offshore direct insurance companies in Labuan.</p>	<p>maintain their existing network of branches⁹.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development.</p>	
	(4) Unbound except as indicated in the Financial Services Horizontal Commitments.	(4) Unbound except as indicated in the Financial Services Horizontal Commitments.	
Reinsurance and retrocession (non-life)	<p>(1) Outward reinsurance is permitted only if local capacity is not available.</p> <p>(2) Outward reinsurance is permitted only if local capacity is not available.</p>	<p>(1) Voluntary cession up to 30 per cent of each class of non-life reinsurance business to the Malaysian Reinsurance Berhad.</p> <p>Unbound for fiscal incentives to promote reinsurance in Malaysia.</p> <p>(2) Voluntary cession up to 30 per cent of each class of non-life reinsurance business to the Malaysian Reinsurance Berhad.</p>	

⁹ Refers to the network of branches specified in Malaysia's Schedule of Specific Commitments under GATS.

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<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 Reinsurance Berhad shall not exceed 30 per cent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p>	<p>Unbound for fiscal incentives to promote reinsurance in Malaysia.</p> <p>(3) Unbound for measures granting special position to the Malaysian Reinsurance Berhad.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For offshore reinsurance companies, unbound except as indicated in the Financial Services Horizontal Commitments.</p>	
Reinsurance and retrocession (life)	<p>(1) Outward reinsurance is permitted only if local capacity is not available.</p>	<p>(1) Unbound for fiscal incentives to promote reinsurance in Malaysia.</p>	




MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(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 per cent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p>	<p>(2) Unbound for fiscal incentives to promote reinsurance in Malaysia.</p> <p>(3) None.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</p> <p>For offshore reinsurance companies, unbound except as</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment indicated in the Services Horizontal Commitments.	Additional Commitments
Insurance intermediation – insurance broking (excluding agency)	(1) Direct insurance broking services can only be provided to offshore companies in Labuan. Reinsurance broking is permitted.	(1) None.	
	(2) Direct insurance broking services can only be provided to offshore companies in Labuan. Reinsurance broking is permitted.	(2) None.	
	(3) Unbound for onshore insurance broking. 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.	(3) None.	
	(4) Unbound except as indicated in the Financial Services Horizontal Commitments.	(4) Unbound except as indicated in the Financial Services Horizontal Commitments.	
Insurance intermediation – insurance underwriting and insurance management	(1) Insurance underwriting and insurance management are not permitted.	(1) None.	
		(2) None.	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(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 Horizontal Commitments.</p>	<p>(3) None.</p> <p>(4) Unbound except as indicated in the Financial Services Horizontal Commitments.</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; and</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>(1) None.</p> <p>(2) None.</p> <p>(3) None.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(d) maritime loss adjusting.	<p>(b) branches; or (c) partnerships.</p> <p>Offshore companies are not permitted to provide services to Malaysian residents.</p> <p>(4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p>	<p>(4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.</p>	

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MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

ANNEX I Annex to Additional Commitments on Telecommunication Services

Principles	Procedural Requirements
1. Competition safeguards	The regulatory body must take measures to: <ul style="list-style-type: none"> - Maintain fair competition among network operators; - Safeguards the interest of consumers;
2. Universal Service	<ul style="list-style-type: none"> - Ensure that network operators contribute to Universal Service Obligation particularly the extension of services into rural and other underserved areas as stipulated in the licences;
3. Public availability of licensing criteria	<ul style="list-style-type: none"> - To advise other network operators on the licensed status of each network operator including terms and conditions pertaining to the operator's licence which govern the right of the licensee to interconnect with operators;
4. Independent regulator	<ul style="list-style-type: none"> - To exercise its functions with respect to the conduct of telecommunications operators and the running of telecommunications services in Malaysia as provided for under Section 3B of the Telecommunications Act;
5. Interconnection arrangements	<ul style="list-style-type: none"> - To ensure that the following principles pertaining to interconnection arrangements are adhered to: <ul style="list-style-type: none"> - Interconnection and access between network operators shall be on an equitable and non-discriminatory basis; - Charges for interconnection facilities and services provided by network operators shall be fair and equitable; - 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; - A domestic network operator in any of the market segments shall not abuse its market power to limit access to essential facilities only for interconnection; - The network operator that provides the access connection to the customer should be allowed to tell him (the customer); - 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.

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TÜRKİYE – LIST OF MFN EXEMPTIONS REFERRED TO IN ARTICLE 15.7

Sector or Subsector	Description of measure indicating its inconsistency with Article 15.7	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
ALL SECTORS	<p>(a) Extending full national treatment for the investments of the nationals or companies of countries with which a Bilateral Investment Treaty is concluded.</p> <p>(b)(i) Executing the transfers, in specific periods, of the nationals and companies of certain countries which made investments in Türkiye.</p> <p>(ii) Granting foreign exchange risk guarantee for certain countries for the transfers which are not realized due to the difficulties in balance of payments.</p> <p>(c) Covering "trade risk" in subrogation for one country.</p> <p>(d) The agreements with three countries, the MFN Articles of which do not include the derogation paragraphs relating to the privileges which are accorded to the investors of the third countries resulting from its membership in or associated with a free trade zone, an economic cooperation, a customs union or a common market.</p>	<p>All countries with which agreements are or will be in force.</p> <p>Belgium-Luxembourg, Kuwait</p> <p>Japan</p> <p>Japan, Bangladesh, Germany</p>	Indefinite	Desire to create favourable conditions for a greater economic cooperation between Türkiye and mentioned countries and to encourage investments by nationals and companies of one country in the territory of the other countries.
ALL SECTORS	The restriction in the transfer of the premiums for long-term insurance schemes and the employment of the foreign country workers by foreign companies is waived for one country.	Libya	Indefinite	To ensure social security and continuous employment of Turkish workers in the mentioned country.
ALL SECTORS	If the amount of the consulate duties collected from the Turkish nationals by any country is higher than the amounts written in the tariff list, the amounts of consulate duties which are collected from the nationals of that country will be increased reciprocally.	All countries	Indefinite	Desire to ensure equal treatment to Turkish nationals.

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Sector or Subsector	Description of measure indicating its inconsistency with Article 15.7	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
ALL SECTORS	On the condition that the legal provisions are reserved and with the condition of reciprocity, the foreign real persons could own real estates in Türkiye by acquisition or by inheritance.	All countries	Indefinite	To secure the right of Turkish nationals to acquire real estates in a foreign country.
Professional Services	If any foreign country lays down legal and administrative conditions against Turkish citizens for performing arts and supplying services, the similar activities of the citizens of that country could be prohibited in Türkiye.	All countries	Indefinite	Desire to create favourable circumstances for Turkish citizens to perform their activities under equal conditions in the other countries.
Transportation Services	The income and corporate tax rates for the foreign road, maritime and air transport companies can reciprocally be decreased down to zero or increased to a new rate not exceeding one fold of the existing rate can be determined, as a country by country basis either for each transportation type separately or for all types of them.	All countries	Indefinite	Desire to facilitate and to lower the costs of transportation services between Türkiye and other countries.
Transportation Services	Transit or bilateral transportation services, can be excluded from VAT. This exception is granted, with the condition of reciprocity, to the related countries' tax payers who do not have the residence, legal and business centre in Türkiye.	All countries	Indefinite	Desire to lower costs and to create favourable conditions for the provision of services in this sector.
Transportation Services	To apply, on the basis of reciprocity, restrictions, prohibitions, different treatments and different tariffs to the goods and transportation vehicles of the countries which apply restrictions, prohibitions and different treatments to the Turkish road, air and maritime transportation vehicles.	All countries	Indefinite	Desire to secure the smooth functioning of mutual transportation services.
Air Transport Services - Ground Handling Services	Reciprocity condition applies	All countries	Indefinite	Desire to ensure effective market access and equivalent treatment for Turkish service suppliers.

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Sector or Subsector	Description of measure indicating its inconsistency with Article 15.7	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Road Transport Services	To grant, on the basis of reciprocity, the privileges about the quotas and fees, the exemptions from the permission procedures.	All countries with which agreements are or will be in force.	Indefinite	Desire to facilitate road transport services between Türkiye and other countries.
Rail Transport Services	The bilateral reduction in the renting fees of railway wagons of countries mentioned aside (paragraph a) and the application of national treatment to tariff rates on the reciprocal transportation of goods with the countries mentioned aside (paragraph b).	a) Syria, Iraq, Iran, Lebanon b) Commonwealth of Independent States and the Baltic Republics.	Indefinite	Desire to facilitate rail transport services between Türkiye and other countries.
Accounting, Auditing and Book-keeping Services	In order to perform the services under the title of "financial advisor", the citizens of the countries which have officially codified the principles for the profession of financial advisory may be authorised, under reciprocal conditions, provided that these persons should have the characteristics required for the professional of financial advisory in Türkiye and should have rights to perform similar services in their own countries.	All countries	Indefinite	Desire to create favourable conditions for Turkish financial advisors to perform their jobs under equal conditions all over the world.

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ANNEX 15-8

MALAYSIA – LIST OF MFN EXEMPTIONS REFERRED TO IN ARTICLE 15.7

Sector or Subsector	Description of measure indicating its inconsistency with Article 15.7	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
All Sectors	Liberalization of measures affecting movement of foreign semi-skilled and unskilled workers into Malaysia may be carried out in a differentiated manner based on reasons including proximity, either contiguous or regional, religious and/or cultural compatibility.	All countries	Indefinite	The measure is required to: (1) maintain the arrangements under existing bilateral agreements; and (2) ensure that the movement of foreign semi-skilled and unskilled workers contributes to the social stability and industrial harmony in Malaysia.
All sectors	Waiver of measures in existing or future policies limiting foreign equity or interests in companies and businesses in Malaysia shall be carried out in a preferential and differentiated manner.	All countries	Indefinite	The measure would be applied in a differentiated manner to those investments that match Malaysia's specific development requirements with the abilities and facilities provided by foreign enterprises and their home countries. The objective is to maximize economic benefits of foreign participation in the Malaysian economy.
Advertising services	20 per cent foreign content limitation for advertising is waived for these countries.	Brunei Darussalam Indonesia Philippines Singapore Thailand	5 years	The measure is required to promote intra-ASEAN tourism.

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ANNEX 18-1 EXPROPRIATION

1. An action or a series of related actions by a Party cannot constitute an expropriation unless it interferes with a tangible or intangible property right or property interest in an investment.
2. Article 18.12 (Expropriation) addresses two situations:
 - (a) the first situation is direct expropriation, where an investment is nationalised or otherwise directly expropriated through formal transfer of title or outright seizure; and
 - (b) the second situation is indirect expropriation, where an action or series of related actions by a Party has an effect equivalent to direct expropriation without formal transfer of title or outright seizure.
3. The determination of whether an action or series of related actions by a Party, in a specific fact situation, constitutes an indirect expropriation requires a case-by-case, fact-based inquiry that considers, among other factors:
 - (a) the economic impact of the government action, although the fact that an action or series of related actions by a Party has an adverse effect on the financial value of an investment, standing alone, does not establish that an indirect expropriation has occurred;
 - (b) whether the government action breaches the government's prior binding written commitment to the investor whether by contract, licence or other legal document; and
 - (c) the character of the government action, including its objective and whether the action is disproportionate to such objective.
4. Non-discriminatory regulatory actions by a Party that are designed and applied to achieve legitimate public welfare objectives, such as the protection of public health, safety and the environment, do not constitute indirect expropriation.

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ANNEX 18-A

SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES FOR INVESTMENT

REPUBLIC OF TÜRKİYE

LIST I

EXPLANATORY NOTES

1. The Schedule of Türkiye to this Annex sets out, pursuant to, Article 18.10 (Non-Conforming Measures) of Chapter 18 (Investment), the existing measures by Türkiye that are not subject to some or all of the obligations imposed by:
 - (a) Article 18.5 (National Treatment);
 - (b) Article 18.6 (Most-Favoured-Nation Treatment);
 - (c) Article 18.8 (Performance Requirements) or; and
 - (d) Article 18.9 (Senior Management and Boards of Directors).
2. Each reservation sets out the following elements:
 - (a) **Sector** refers to the sector for which the reservation is made;
 - (b) **Sub-sector** refers to the specific sub-sector for which the reservation is made;
 - (c) **Type of Reservation** specifies the obligation(s) (National Treatment, Most-Favoured-Nation Treatment, Performance Requirements, and Senior Management and Board of Directors) for which a reservation is taken;
 - (d) **Source of Measure**¹ identifies the laws, regulations, rules, procedures, administrative actions or any other form for which the reservation is taken. A measure cited in the **Source of Measure** element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
 - (e) **Description of Reservation**, sets out the non-conforming measures to which the reservation applies.
3. For the purposes of this Schedule, **foreign person** means a foreign national or an enterprise organized under the domestic law of Malaysia or any non-Party.
4. For greater certainty, measures relating to qualification requirements and procedures, technical standards and licensing requirements which do not constitute a national treatment limitation within the meaning of National Treatment shall not be listed.

¹ For greater certainty, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in Articles related to NCMs in Investment Chapter.

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1.

Sector	All Sectors
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5)
Source of Measure	Turkish Commercial Code (Law No. 6102), Article 40
Description of Reservation	Establishment of a branch of an enterprise headquartered abroad requires the appointment of a natural person representative with domicile in Türkiye, who is duly authorized by the enterprise to fully represent it.

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2.

Sector	Pharmaceuticals and Medical Products
Sub-sector	-
Type of Reservation	Senior Management and Boards of Directors (Article 18.9)
Source of Measure	<ul style="list-style-type: none"> - Law on Pharmaceuticals and Medical Products (Law No. 1262, as amended by Law No. 6243 February 8, 1954), Article 5 - Law on Veterinary Services, Plant Health, Food and Feed (Law no 5996, June 11, 2010) Article 12 - Regulation on Veterinary Medical Products (OG: December 24, 2011) Article 22 - Law on Pharmacists and Pharmacies (Law no 6197, December 18, 1953) Article 2 - Law on the Exercise of Veterinary Profession (Law No. 6343, March 9, 1954) Article 2
Description of Reservation	<p>An enterprise which will produce pharmaceuticals or medical products has to be directed by a responsible director "<i>mesul müdür</i>", who is a medical doctor, a pharmacist, or a chemist, or where the necessity of the specialization required so under the Law, a veterinarian or a dentist. The responsible director referred shall be a Turkish National. In order to be a pharmacist within the territory of the Republic of Türkiye, it is necessary to be a Turkish citizen.</p> <p>An enterprise which will produce veterinarian medical products has to be directed by a responsible director "<i>sorumlu yönetici</i>", who is a chemist, a chemical engineer, a pharmacist or veterinarian. The responsible director referred shall be a Turkish national.</p>

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3.

Sector	Tissue and Cell Products
Sub-sector	-
Type of Reservation	Senior Management and Boards of Directors (Article 18.9)
Source of Measure	<ul style="list-style-type: none"> - Law on Main Health Care (Law No. 3359, May 7, 1987), Article 3 - Law on Organ and Tissue Removal, Storage and Transplantation (Law no 2238, May 29, 1979) - Regulation on the Quality and Safety of Human Tissues and Cells and Related Centres (OG: October 27, 2010, No: 27742) - Directives of the European Parliament and the Council on Human Tissues and Cells (Directives no 2004/23/EC, 2006/17/EC and 2006/86/EC) - Notice on Licensing of Human Tissue and Cell Products and Centres Carrying out Production, Import, Export, Storage and Distribution Activities of These Products.
Description of Reservation	An enterprise that will produce tissue and cell products must be managed by a "centre officer", provided that they work full time at the centre, who have graduated from a medical school and graduated from departments of universities providing education in the fields of pharmacy and biological sciences, and those who have completed their doctoral education in the field related to the activity of the centre. The centre officer must be a Turkish citizen.

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4.

Sector	Mining
Sub-sector	-
Type of Reservation	Senior Management and Boards of Directors (Article 18.9)
Source of Measure	- <i>Law on Mining</i> (Law No. 3213, June 4, 1985), Article 16
Description of Reservation	Enterprises that have license to extract coccolith, sapropel and hydrogen sulfide from the sea are required to appoint at least one member of the board of directors and at least one auditor from the Turkish Petroleum Corporation (" <i>Türkiye Petrolleri Anonim Ortaklığı</i> ") or a subsidiary of it. These appointed persons from the Turkish Petroleum Corporation or a subsidiary of it must be Turkish nationals.

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5.

Sector	Petroleum
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Performance Requirements (Article 18.8)
Source of Measure	<ul style="list-style-type: none"> - Turkish Petroleum Law (Law No. 6491, May 30, 2013), Articles 18 and 22 - Petroleum Market Law (Law No. 5015, December 04, 2003), Article 10 - Regulation on Licensing in Petroleum Market (Published in the Official Gazette on June 17, 2004), Article 7 - Notice on Blending Ethanol with Gasoline Types (Published in the Official Gazette on July 7, 2012) Article 5
Description of Reservation	<p>A foreign person who will apply to obtain license for refinery of petroleum products must be resident in Türkiye, registered in trade or industrial register and must be an income or corporate taxpayer in Türkiye.</p> <p>Types of the gasoline that are delivered by a refinery license owner via tank truck filling units shall meet the local production requirements of Notice on Blending Ethanol with Gasoline Types.</p> <p>Refinery license holders must give priority to domestic crude oil and purchase domestic crude oil offered by domestic producers at the minimum price formed in the market. Refinery license holders must reply to offers in fifteen (15) days, price of which are over the minimum market price. Refinery license holders cannot offer or demand disadvantageous conditions to domestic oil producers.</p>

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6.

Sector	Agriculture
Sub-sector	Agricultural Credit Cooperatives
Type of Reservation	Senior Management and Boards of Directors (Article 18.9)
Source of Measure	<i>Articles of Incorporation of Turkish Agricultural Credit Cooperatives</i> , Articles 30 and 37
Description of Reservation	All members of the boards of directors and auditors of Turkish Agricultural Credit Cooperatives (" <i>Türkiye Tarım Kredi Kooperatifleri</i> ") must be Turkish nationals.

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7.

Sector	Fishery
Sub-sector	
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6)
Source of Measure	<i>Law on Fisheries</i> (Law No. 1380, March 22, 1971), Article 21 <i>Regulation on Fisheries</i> (Published in the Official Gazette on March 10, 1995), Article 5 <i>Notice on Commercial Fishing</i> (Notice No: 2020/20 Published in the Official Gazette on August 22, 2020) Article 21
Description of Reservation	Foreign persons cannot engage in fish hunting in the Turkish territorial sea and internal waters. Enterprises that are established in Türkiye in conformity with the legislation on Foreign Direct Investment are subject to prior authorization and license requirements of the Ministry of Agriculture and Forestry. Foreign persons cannot operate in tuna fishing by renting Turkish vessels.

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ANNEX 18-A

SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES FOR INVESTMENT

REPUBLIC OF TÜRKİYE

LIST II

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EXPLANATORY NOTES

1. The Schedule of Türkiye to this Annex sets out, pursuant to Article 18.10 (Non-Conforming Measures) of Chapter 18 (Investment), the reservations taken by Türkiye, provided that these reservations taken only for non-service sectors, for the specific sectors, subsectors, or activities for which Türkiye may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 18.5 (National Treatment);
 - (b) Article 18.6 (Most-Favored-Nation Treatment);
 - (c) Article 18.8 (Performance Requirements); or
 - (d) Article 18.9 (Senior Management and Boards of Directors).
2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Sub-sector** refers to the specific sub-sector for which the entry is made;
 - (c) **Type of Reservation** specifies the article(s) referred to in paragraph 1 that, pursuant to paragraph 2 of Article 18.10 (Non-Conforming Measures) of Chapter 18 (Investment) do not apply to the sectors, subsectors, or activities scheduled in the entry;
 - (d) **Description of Reservation** sets out the scope of the sectors, subsectors, or activities covered by the entry; and
 - (e) **Source of Measure**¹ identifies, for transparency purposes, existing measures that apply to the sectors, subsectors, or activities covered by the entry. The measures stipulated therein are not exhaustive.
3. In accordance with paragraph 2 of Article 18.10 of Chapter 18 (Investment), the articles of this Agreement specified in the **Type of Reservation** element of an entry do not apply to the sectors, subsectors, and activities identified in the **Description of Reservation** element of that entry.
4. For the purposes of this Schedule, **foreign person** means a foreign national or an enterprise organized under the domestic law of Malaysia or any non-Party.

¹For greater certainty, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in Articles related to NCMs in Investment Chapter.

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1.

Sector	All Sectors
Sub-sector	-
Type of Reservation	<p>National Treatment (Article 18.5)</p> <p>Most Favoured Nation Treatment (Article 18.6)</p> <p>Performance Requirements (Article 18.8)</p> <p>Senior Management and Board of Directors (Article 18.9)</p>
Description of Reservation	<p>Türkiye reserves the right to adopt or maintain any measure affecting the constitution, acquisition, maintenance or operation of foundations, trusts, associations or any other non-profit enterprise in its territory by foreign persons.</p> <p>Foreign non-profit enterprises must obtain prior authorization from the Ministry of Interior in order to establish an enterprise in the territory of Türkiye or to acquire shares of an existing enterprise or to do other business activities.</p>
Source of Measure	Turkish Civil Code (Law No. 4721, as amended by Law No. 4778, January 2, 2003), Articles 92 and 117

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2.

Sector	All Sectors
Sub-sector	-
Type of Reservation	Most-Favored-Nation Treatment (Article 18.6)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure that accords differential treatment to the European Union member states under any international agreement in force or signed after the date of entry into force of this Agreement.
Source of Measure	-

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3.

Sector	All Sectors
Sub-sector	-
Type of Reservation	Performance Requirements (Article 18.8)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with regard to hazardous chemicals and hazardous waste.
Source of Measure	Law on Environment (Law No. 2872, as amended by Law No. 5491, April 26, 2006), Article 13

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4.

Sector	All Sectors
Sub-sector	Acquisition of Immovable Property and Limited <i>Rights in rem</i>
Type of Reservation	<p>National Treatment (Article 18.5)</p> <p>Most-Favored-Nation Treatment (Article 18.6)</p> <p>Performance Requirements (Article 18.8)</p> <p>Senior Management and Boards of Directors (Article 18.9)</p>
Description of Reservation	<p>Türkiye reserves the right to adopt or maintain any measure affecting the acquisition of immovable property and limited rights in rem over them by foreign persons, and enterprises established in Türkiye in which foreign persons have shares.</p> <p>When it is deemed necessary for national interest or security, the President may ban, suspend partially or fully, restrict and/or determine acquisition of immovable property and limited rights in rem over them in respect of country, person, geographical zone, time period, number, proportion, type, qualification, area and/or quantity by foreign persons.</p>
Source of Measure	<ul style="list-style-type: none"> - Land Registry Law (Law No. 2644, as amended by Law No. 6302, May 3, 2012), Articles 35 and 36 - Military Forbidden Zones and Security Zones Law (Law No. 2565, December 22, 1981)

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5.

Sector	Firearms, Swords, Explosives, Munitions, War Materials and Similar Items
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to the firearms, swords, explosives, munitions or war materials sector, including the manufacture, use, sale, storage, transport, import, export, and possession of firearms, swords, explosives, munitions or war materials.
Source of Measure	-

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6.

Sector	Defense Industry
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to the defense industry.
Source of Measure	-

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7.

Sector	Manufacturing of Biological Products
Sub-sector	Blood products
Type of Reservation	National Treatment (Article 18.5) Performance Requirements (Article 18.8)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to manufacturing of blood products.
Source of Measure	-

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8.

Sector	Atomic Energy and Nuclear Energy, Atomic Materials, Radioactive materials, Radioactive Waste Management
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to the atomic energy and nuclear energy industry including generation, use, sale, storage, transport, import, export, and possession of atomic energy and nuclear energy, production of atomic and radioactive materials, and radioactive waste management.
Source of Measure	-

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9.

Sector	Aquaculture
Sub-sector	Aquaculture Private Sector Aquaculture Growers and Producers Central Union
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6)
Description of Reservation	Türkiye reserves the right to adopt and maintain any measure with respect to aquaculture activities in Türkiye's internal waters, territorial sea and Exclusive Economic Zone.
Source of Measure	Law on Aquaculture (Law No. 1380) Regulation on Aquaculture (published in the Official Gazette dated June 29, 2004 and numbered 25507) Regulation on Rental in Fisheries Production (published in the Official Gazette, dated October 31, 2020 and numbered 3190)

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10.

Sector	Manufacturing of Sugar
Sub-sector	-
Type of Reservation	Performance Requirements (Article 18.8)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to manufacturing of sugar.
Source of Measure	Law on Sugar (Law No. 4634) Regulation on Sugar and Raw Material Regulation on the Settlement and Implementation of Sugar Quotas

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11.

Sector	Manufacturing of Tobacco Products
Sub-sector	-
Type of Reservation	Performance Requirements (Article 18.8)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to manufacturing of tobacco and tobacco related products including but not limited to cigarette tube and cigarette paper.
Source of Measure	Law on the Regulation of Tobacco, Tobacco Products and Alcohol Market (Law No. 4733) (Amendment: Decree Law No. 696 on November 20, 2017; Adopted as Same: Law No. 7079 on February 1, 2018)

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12.

Sector	Natural Gas
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to the natural gas industry.
Source of Measure	-

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13.

Sector	Boron, Thorium and Uranium
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.56) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to boron, thorium and uranium minerals.
Source of Measure	Law on the Exploitation of Boron Salts, Trona and Asfaltit Minerals and Nuclear Energy Raw Materials, and Return of Lignite and Iron Fields, (Law No. 2840. June 13, 1983) Law on Mining, (Law No 3213, June 4, 1985), Article 50

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14.

Sector	Electric Power Generation
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favored-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure with respect to electric power generation sector.
Source of Measure	-

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15.

Sector	Disadvantaged Groups
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure that accords rights or preferences to socially or economically disadvantaged groups, such as the disabled persons and persons who have rendered distinguished services to the state.
Source of Measure	-

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16.

Sector	All sectors
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Senior Management and Board of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure relating to employment of expatriates.
Source of Measure	International Workforce Law No. 6735 The Regulation on the Enforcement of International Workforce Law

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17.

Sector	All sectors
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure affecting the issuance of a license or permit. This may include conditions imposed, numerical limitations, and non-issuance of licenses.
Source of Measure	-

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18.

Sector	All sectors
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure that it considers necessary for the protection of its essential security interests.
Source of Measure	-

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19.

Sector	All sectors
Sub-sector	-
Type of Reservation	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
Description of Reservation	Türkiye reserves the right to adopt or maintain any measure relating to investments other than those recognised or should have been recognised by the Government of Türkiye owing to the circumstances existing at the date of entry into force of this Agreement for Türkiye. Türkiye reserves the right to adopt or maintain any measure relating to investments which was not technically feasible at the date of entry into force of this Agreement for Türkiye.
Source of Measure	-

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20.

Sector	All sectors
Sub-sector	-
Type of Reservation	Performance Requirements (Article 18.8)
Description of Reservation	Türkiye reserves the right to adopt, maintain, impose requirements, or enforce a commitment or undertaking, in connection with transfer of technology, production process, or other proprietary knowledge.
Source of Measure	-

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ANNEX 18-B

SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES FOR INVESTMENT
MALAYSIA

LIST I

1. Description provides the non-conforming measures for which the entry is made.
2. In accordance with Article 18.10 (Non-Conforming Measures) the Articles of these Chapter specified in the Obligations Concerned element of an entry do not apply to the non-conforming measures identified in the Description element of that entry.

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LIST 1
EXPLANATORY NOTES

1. This List sets out, pursuant to Article 18.10 (Non-Conforming Measures), Malaysia's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 18.5 (National Treatment);
 - (b) Article 18.6 (Most-Favoured-Nation Treatment);
 - (c) Article 18.8 (Performance Requirements); or
 - (d) Article 18.9 (Senior Management and Boards of Directors).
2. Each entry in this List sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Subsector**, where referenced, refers to the specific subsector for which the entry is made;
 - (c) **Level of Government** indicates the level of government maintaining the listed measures;
 - (d) **Obligations Concerned** specifies the obligations referred to in paragraph 1 that, pursuant to Article 18.10 (Non-Conforming Measures), do not apply to the listed measures;
 - (e) **Description** sets out the non-conforming measure for which the entry is made; and
 - (f) **Measures** identifies the laws, regulations, or other measures, for which the entry is made. A measure cited in the Measures element:
 - (i) means the measure as amended, continued, or renewed, as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure.
3. In accordance with Article 18.10 (Non-Conforming Measures), the Articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the non-conforming measure identified in the Description element of that entry.
4. The Schedules of the other Party shall not be used to interpret Malaysia's commitments or obligations under Chapter 18 (Investment), of this Agreement.

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1.	Sector	:	All sectors
	Subsector	:	-
	Level of Government	:	Central and Regional
	Obligations Concerned	:	National Treatment (Article 18.5) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Only Malaysian nationals or permanent residents can register a sole proprietorship or partnership in Malaysia. Foreigners can register a Limited Liability Partnership (LLP), but the compliance officer shall be a citizen or permanent resident of Malaysia that resides in Malaysia. Foreigners are not allowed to establish or join cooperative societies in Malaysia.
	Measures	:	Registration of Businesses Act 1956 [Act 197] Limited Liability Partnerships Act 2012 [Act 743] Co-operative Societies Act 1993 [Act 502] Business Names Ordinance 1932 [Sarawak Cap. 64] (1958 Edition) Business, Professions and Trade Licensing Ordinance 1955 [Sarawak Cap. 33] (1958 Edition) Trades Licensing Ordinance (Sabah Cap. 144) Companies Act 2016 [Act 777] General Guidelines for Registration of Limited Liability Partnership

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2.	Sector	:	All sectors
	Subsector	:	-
	Level of Government	:	Central
	Obligations Concerned	:	National Treatment (Article 18.5) Senior Management and Boards of Directors (Article 18.9)
	Description	:	At least one director of a private company incorporated in Malaysia shall ordinarily reside in Malaysia by having a principal place of residence in Malaysia. At least two directors of a public company incorporated in Malaysia shall ordinarily reside in Malaysia by having a principal place of residence in Malaysia.
	Measures	:	Companies Act 2016 [Act 777]

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3.	Sector	:	Fisheries
	Subsector	:	Marine capture fisheries
	Level of Government	:	Central and Regional
	Obligations concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6)
	Description	:	<p>No foreign fishing vessel shall load or unload any fish, fuel, or supplies, or tranship any fish, or fish or attempt to fish or conduct any techno-economic research or waters survey of any fishery, in Malaysian fisheries waters¹ unless authorised to do so.</p> <p>An application for a permit to be issued in respect of a foreign fishing vessel to fish in Malaysian fisheries waters shall be made through a Malaysian agent who shall undertake legal and financial responsibility for the activities to be carried out by such vessel.</p> <p>For the purposes of this entry, "fishing vessel" means any boat, craft, ship, or other vessel which is used or equipped to be used for, or of a type used for:</p> <p>(a) fishing; or</p> <p>(b) aiding or assisting other boat, craft, ship or other vessel in the performance of any activity related to fishing, including any of the activities of preparation, processing, refrigeration, storage, supply, or transportation of fish.</p>
	Measures	:	<p>Fisheries Act 1985 [Act 317]</p> <p>Lembaga Kemajuan Ikan Malaysia Act 1971 [Act 49]</p> <p>Exclusive Economic Zone Act 1984 [Act 311]</p> <p>Continental Shelf Act 1966 [Act 83]</p>

¹ For greater certainty, under the *Fisheries Act 1985* [Act 317], "Malaysian fisheries waters" means maritime waters under the jurisdiction of Malaysia over which exclusive fishing rights or fisheries management rights are claimed by law and includes the internal waters of Malaysia, the territorial sea of Malaysia, and the maritime waters comprised in the exclusive economic zone of Malaysia.

4.	Sector	:	Manufacturing
	Subsector	:	-
	Level of Government	:	Central and Regional
	Obligations Concerned	:	National Treatment (Article 18.5)
	Description	:	Foreign equity is restricted to no more than 30 per cent for the manufacture of batik fabric and apparel of batik.
	Measures	:	Industrial Co-ordination Act 1975 [Act 156] Administrative Guidelines

5.	Sector	:	Manufacturing
	Subsector	:	-
	Level of Government	:	Central and Regional
	Obligations Concerned	:	Performance Requirements (Article 18.8)
	Description	:	<p>(a) Companies located within the Licensed Manufacturing Warehouse (LMW) and Free Industrial Zone (FIZ) are subject to export requirements.</p> <p>(b) Companies engaging in petroleum refining activities are subject to export requirements.</p> <p>(c) Expansion projects will be considered only for existing independent palm oil refineries which source 100 per cent from their own plantations. For Sabah and Sarawak, a manufacturing licence will only be considered for new integrated projects which source 50 per cent of crude palm oil from their own plantations. Integrated projects refer to projects with own plantations.</p> <p>(d) For pineapple canning, approval will only be granted for projects which source 100 per cent supply from their own plantations.</p>
	Measures	:	<p>Industrial Co-ordination Act 1975 [Act 156]</p> <p>Customs Act 1967 [Act 235]</p> <p>Free Zone Act 1990 [Act 438]</p> <p>Petroleum Development Act 1974 [Act 144]</p> <p>Pineapple Industry (Cannery Control) Regulations (Amendment) 1989</p> <p>Pineapple Industrial Act 1957 (Revised 1990) [Act 427]</p> <p>Administrative Guidelines</p>

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6.	Sector	:	All sectors
	Subsector	:	-
	Level of Government	:	Regional
	Obligations Concerned	:	Performance Requirements (Article 18.8)
	Description	:	Adoption of a given rate or amount of royalty under a licence contract may be subject to approval by the relevant State authority.
	Measures	:	Policies and Ministerial Statements Administrative Guidelines

ANNEX 18-B
SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES FOR INVESTMENT
MALAYSIA

LIST II

The reservations in this list shall apply to the central and regional levels of government.

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LIST II
EXPLANATORY NOTES

1. This List sets out, pursuant to Article 18.10 (Non-Conforming Measures), the specific sectors, subsectors, or activities, for which Malaysia may maintain existing, or adopt new or more restrictive measures that do not conform with obligations imposed by:
 - (a) Article 18.5 (National Treatment);
 - (b) Article 18.6 (Most-Favoured-Nation Treatment);
 - (c) Article 18.8 (Performance Requirements); or
 - (d) Article 18.9 (Senior Management and Boards of Directors).
2. Each entry in this List sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Subsector**, where referenced, refers to the specific subsector for which the entry is made;
 - (c) **Obligations Concerned** specifies the obligations referred to in paragraph 1 that, pursuant to Article 18.10 (Non-Conforming Measures), do not apply to the sectors, subsectors, or activities, listed in the entry;
 - (d) **Description** sets out the scope of the sectors, subsectors, or activities, covered by the entry; and
 - (e) **Existing Measures** where specified, identifies, for transparency purposes, a non-exhaustive list of existing measures that apply to the sectors, subsectors, or activities covered by the entry.
3. In accordance with Article 18.10 (Non-Conforming Measures), the Articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the sectors, subsectors, and activities, identified in the Description element of that entry.
4. The Schedules of the other Party shall not be used to interpret Malaysia's commitments or obligations under Chapter 18 (Investment) of this Agreement.

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1.	Sector	:	Land and real estate
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8)
	Description	:	Acquisitions or dealings of land or activities on land by non-citizens and juridical persons owned by foreign nationals must be approved by the relevant state authority, subject to such conditions and restrictions as may be imposed by that authority.
	Existing Measures	:	Federal Constitution Land Acquisition Act 1960 [Act 486] Land Conservation Act 1960 [Act 385] National Land Code [Act 56 of 1965] Federal Lands Commissioner Act 1957 (Revised 1988) [Act 349] National Land Code (Penang and Malacca Titles) Act 1963 [Act 518] Strata Titles Act 1985 [Act 318] Strata Management Act 2013 [Act 757] Federal Lands Commissioner Act 1957 (Revised 1988) [Act 349] Land (Group Settlement Areas) Act 1960 [Act 530] Malay Reservations Enactment 1933 [F.M.S. Cap 142] Malay Reservations Enactment 1930 [Enactment 29] Kelantan Malay Reservations Enactment 1930 [No.18 of 1930] Kelantan Land Settlement Act 1955 (Revised 1991) [Act 460] The Reservations Enactment 1353 [No. 7 of 1353] Perlis Land Settlement Enactment 1966 [No. 16 of 1966] Johore Malay Reservation Enactment 1936 [No. 1 of 1936] Terengganu Malay Reservation Enactment 1360 [No. 17 of 1360]

		<p>Terengganu Settlement Enactment 1356 [No. 65 of 1356]</p> <p>Malay Reservations (Selangor) (Amendment) Enactment No.15/1961</p> <p>Malay Reservations (Selangor) (Amendment) Enactment No.7/1985</p> <p>Customary Land Enactment 1926 [Cap 215]</p> <p>Customary Tenure (Lengkongan Land) Enactment 1960 [No. 4 of 1960]</p> <p>Undang of Rembau (Lands) Enactment 1949 [No. 2 of 1949]</p> <p>Land Ordinance [Sabah Cap 68]</p> <p>Sabah Land Acquisition Ordinance [Sabah Cap 69]</p> <p>Sarawak Land Code 1958 [Chapter 81]</p> <p>Local Government Act 1976 [Act 171]</p> <p>Town and Country Planning Act 1976 [Act 172]</p> <p>Federal Territory (Planning) Act 1982 [Act 267]</p> <p>Federal Capital Act 1960 [Act 190]</p> <p>Street, Drainage and Building Act 1974 [Act 133]</p>
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2.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure affecting the: (a) full or partial devolvement to the private sector of services provided in the exercise of governmental authority; (b) divestment of its equity interests in, or the assets of, a juridical person that is wholly or partially owned by the Government of Malaysia; and (c) privatisation of government-owned entities or assets.
	Existing Measures	:	Minister of Finance (Incorporation) Act 1957 [Act 375] Privatisation Master Plan Guidelines on Privatisation Companies Act 2016 [Act 777] Bursa Listing Requirements

3.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to Bumiputera, Bumiputera status companies, trust companies, and institutions, to meet development and social economic policy objectives.
	Existing Measures	:	Federal Constitution Policies and Ministerial Statements Treasury Instructions Treasury Circulars New Economic Policy (NEP) National Development Policy (NDP) Bumiputera Development Action 2030 (TBP2030)

4.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to national and state unit trusts. This includes unit trust schemes that are created or operated to pursue public policy objectives relating to Bumiputera or affirmative action for the socially disadvantaged.
	Existing Measures	:	-

5.	Sector	:	Mining and quarrying
	Subsector	:	Oil and Gas
	Obligations Concerned	:	<p>National Treatment (Article 18.5)</p> <p>Most-Favoured-Nation Treatment (Article 18.6)</p> <p>Performance Requirements (Article 18.8)</p> <p>Senior Management and Boards of Directors (Article 18.9)</p>
	Description	:	<p>Petroleum Nasional Berhad (PETRONAS) and its successor are vested with the entire ownership in, and the exclusive rights, powers, liberties, and privileges, which shall be irrevocable, in exploring, exploiting, winning, and obtaining petroleum, whether onshore or offshore of Malaysia.</p> <p>PETRONAS and its successor reserve the right to adopt or maintain any measure relating to the oil and gas upstream industry including related activities.</p>
	Existing Measures	:	<p>Petroleum Development Act 1974 [Act 144]</p> <p>Other Implementing Measures</p>

6.	Sector	:	Explosives, weapons, ammunitions, as well as military-related equipment or devices, and similar products
	Subsector	:	
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure affecting the arms and explosives sector.
	Existing Measures	:	Industrial Co-ordination Act 1975 [Act 156] Explosives Act 1957 [Act 207] Arms Act 1960 [Act 206] Chemical Weapons Convention Act 2005 [Act 641] Strategic Trade Act 2010 [Act 708]

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7.	Sector	:	Gaming, betting and gambling
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to the provision of gaming, betting and gambling.
	Existing Measures	:	Lotteries Act 1952 [Act 288] Common Gaming Houses Act 1953 [Act 289] Pool Betting Act 1967 (Revised 2018) [Act 809] Betting Act 1953 [Act 495] Racing (Totalisator Board) Act 1961 [Act 494] Racing Club (Public Sweepstakes) Act 1965 [Act 404] Customs Prohibition of Imports and Exports Orders Industrial Co-ordination Act 1975 [Act 156]

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8.	Sector	:	Application of atomic energy for nuclear power generation including nuclear fuel cycle and electric power generation and fuel cycle; and electric power plants based on fossil fuel or materials
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to application of atomic energy for nuclear power generation including nuclear fuel cycle and electric power generation and fuel cycle; and electric power plants based on fossil fuel or materials.
	Existing Measures	:	Atomic Energy Licensing Act 1984 [Act 304] Electricity Supply Act 1990 [Act 447]

9.	Sector	:	Manufacturing and services incidental to manufacturing
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Board of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to the manufacture of, and services incidental to manufacturing; (a) rice; (b) sugar; (c) flour; (d) liquor and alcoholic beverages; (e) tobacco, manufactured tobacco substitutes, cigarettes products, including e-cigarettes, similar apparatus or devices, and components and liquids used for e-cigarettes, similar apparatus or devices; (f) fabrics and apparels of batik; (g) biodiesel; (h) base metals and articles of base metal industry or products; and (i) cement and cement products.
	Existing Measures	:	Excise Act 1976 [Act 176] Free Zones Act 1990 [Act 438] Industrial Co-ordination Act 1975 [Act 156] Policies and Ministerial Statements Administrative Guidelines

10.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6)
	Description	:	Malaysia reserves the right to adopt or maintain any measure related to the non-internationalisation of the Ringgit which includes: (a) the requirement for international settlement to be made in foreign currency; (b) limitation on the access to Ringgit financing by non-residents for use outside Malaysia; and (c) limitation on the use of the Ringgit in Malaysia by non-residents.
	Existing Measures	:	Central Bank of Malaysia Act 2009 [Act 701] Financial Services Act 2013 [Act 758] Islamic Financial Services Act 2013 [Act 759] Foreign Exchange Notices

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11.	Sector	:	Utilities in relation to gas supply, power generation, power distribution, power transmission including for renewable energy.
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to utilities in relation to gas supply, power generation, power distribution, power transmission including for renewable energy.
	Existing Measures	:	Electricity Supply Act 1990 [Act 447] Gas Supply Act 1993 [Act 501] Renewable Energy Act 2011 [Act 725] Electricity Ordinance Sarawak [Cap. 50] Environmental Quality Act 1974 [Act 127] Green Technology Master Plan Malaysia 2017-2030 New Economic Policy (NEP) National Energy Efficiency Action Plan (NEEAP) 2015 National Renewable Energy Policy and Action Plan (NREPAP) 2009

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12.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5)
	Description	:	Where the constitution of a company imposes a prescribed foreign shareholding limit, the company may restrict certain entitlements with respect to shares that have exceeded the prescribed limit ¹ (excess shares).
	Existing Measures	:	Companies Act 2016 [Act 777] Securities Industry (Central Depositories) Act 1991 [Act 453] Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 [P.U.(A) 513/96]

¹ For example, a company may still grant certain entitlements i.e. dividend payment to the foreigner holding the excess shares but such foreigner may not be entitled to vote. For the purposes of this entry, the term "foreigner" can be found in the *Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996* [P.U.(A) 513/96].

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13.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5)
	Description	:	Malaysia reserves the right to adopt or maintain any measure with respect to securities to be listed or listed on a stock exchange, and any matter relating to the acquisition of interests or take-overs and mergers.
	Existing Measures	:	Capital Market and Services Act 2007 [Act 671] Companies Act 2016 [Act 777] The Malaysian Code on Take-overs and Mergers 2016 Financial Services Act 2013 [Act 758] Islamic Financial Services Act 2013 [Act 759]

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14.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to employment of expatriates.
	Existing Measures	:	Immigration Act 1959/63 [Act 155] Employment (Restriction) Act 1968 (Revised 2017) [Act 796] Policies and Ministerial Statements

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15.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to activities restricted to designated juridical persons ² where such activities are liberalised to those other than the designated juridical persons, or in the event where such designated juridical persons no longer operate on a non-commercial basis.
	Existing Measures	:	Industrial Co-ordination Act 1975 [Act 156] Policies and Ministerial Statements Administrative Guidelines

² For illustrative purposes, examples of designated juridical persons include Padiberas Nasional Berhad (BERNAS) and Kualiti Alam Sdn. Bhd.

16.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure affecting the issuance of a licence or permit. This may include conditions imposed, numerical limitations, and non-issuance of licences.
	Existing Measures	:	Policies and Ministerial Statements Industrial Co-ordination Act 1975 [Act 156] Petroleum Development Act 1974 [Act 144] Customs Act 1967 Customs Prohibition of Imports and Exports Orders Administrative Guidelines

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17.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure relating to the rights of statutory bodies ³ .
	Existing Measures	:	Policies and Ministerial Statements Administrative Guidelines

³ For illustrative purposes, examples of statutory bodies include the Employees Provident Fund and Lembaga Tabung Haji.

18.	Sector	:	Mining and quarrying
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Non-citizens and juridical persons owned by foreign nationals will need to seek the approval of the relevant state authority, and subject to such conditions and restrictions as may be imposed by the relevant state authority. Joint ventures with state or state-linked juridical persons may be required.
	Existing Measures	:	Mineral Development Act 1994 [Act 525] State Mineral Laws National Mineral Policy 2

19.	Sector	:	Agriculture
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Non-citizens and juridical persons owned by foreign nationals will need to seek the approval of the relevant state authority, and are subject to such conditions and restrictions as may be imposed by the relevant state authority.
	Existing Measures	:	National Land Code [Act 56 of 1965] Sarawak Land Code 1958 [Cap 81] Sabah Land Ordinance 1950 [Cap 68] Town and Country Planning Act 1976 [Act 172] Plant Quarantine Act 1976 [Act 167] Animals Act 1953 [Act 647] Animal Enactment 2015 National Agricultural Policy Customs Prohibition of Imports and Exports Orders Administrative Guidelines

20.	Sector	:	Forestry
	Obligations Concerned	:	<p>National Treatment (Article 18.5)</p> <p>Most-Favoured-Nation Treatment (Article 18.6)</p> <p>Performance Requirements (Article 18.8)</p> <p>Senior Management and Boards of Directors (Article 18.9)</p>
	Description	:	<p>Non-citizens and juridical persons owned by foreign nationals will need to seek the approval of the relevant state authority, and are subject to such conditions and restrictions as may be imposed by the relevant state authority.</p> <p>Extraction and harvesting of timber are closed to foreign investors in Peninsular Malaysia and Sabah. However, for Sarawak, local involvement and majority local control are required. Forest areas opened for such activities are subject to an Annual Allowable Cut to enable the resources to be managed sustainably. Services incidental to extraction and harvesting of timber are closed to foreign investors in Peninsular Malaysia and Sabah. However, for Sarawak, the maximum foreign equity ownership allowed is 30 per cent.</p>
	Existing Measures	:	<p>National Forestry Act 1984 [Act 313]</p> <p>Sabah Forest Enactment 1968 [No. 2 of 1968]</p> <p>Sarawak Forest Ordinance 2015 [Cap. 71]</p> <p>State Forestry Laws</p> <p>Administrative Guidelines</p> <p>International Trade in Endangered Species Act 2008 [Act 686]</p> <p>Wildlife Conservation Act 2010 [Act 716]</p> <p>Malaysia Policy on Forestry 2021</p>

21.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5) Most-Favoured-Nation Treatment (Article 18.6) Performance Requirements (Article 18.8) Senior Management and Boards of Directors (Article 18.9)
	Description	:	Malaysia reserves the right to adopt or maintain any measure that it considers necessary for the protection of its essential security interests.
	Existing Measures	:	Strategic Trade Act 2010 [Act 708] Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 [Act 613] Chemical Weapons Convention Act 2005 [Act 641] Arms Act 1960 [Act 206] Explosive Act 1957 [Act 207] Chemical Weapons Convention Regulations 2007 [PU(A) 361/2007] Customs Prohibition of Imports and Exports Orders

22.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	<p>National Treatment (Article 18.5)</p> <p>Most-Favoured-Nation Treatment (Article 18.6)</p> <p>Performance Requirements (Article 18.8)</p> <p>Senior Management and Boards of Directors (Article 18.9)</p>
	Description	:	<p>Malaysia reserves the right to adopt or maintain any measure relating to investments other than those recognised or should have been recognised by the Government of Malaysia owing to the circumstances existing at the date of entry into force of this Agreement for Malaysia.</p> <p>Malaysia reserves the right to adopt or maintain any measure relating to investments which was not technically feasible at the date of entry into force of this Agreement for Malaysia.</p>
	Existing Measures	:	-

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23.	Sector	:	All sectors
	Subsector	:	-
	Obligations Concerned	:	Performance Requirements (Article 18.8)
	Description	:	Malaysia reserves the right to adopt, maintain, impose requirements, or enforce a commitment or undertaking, in connection with transfer of technology, production process, or other proprietary knowledge.
	Existing Measures	:	-

24.	Sector	:	All Sectors
	Subsector	:	-
	Obligations Concerned	:	National Treatment (Article 18.5)
	Description	:	The purchase of a financial service by a resident from a financial service supplier abroad shall be subject to the requirements, restrictions, and conditions imposed under the Foreign Exchange Notices.
	Existing Measures	:	Central Bank of Malaysia Act 2009 [Act 701] Financial Services Act 2013 [Act 758] Islamic Financial Services Act 2013 [Act 759] Foreign Exchange Notices