

**GENERAL AGREEMENT
ON TRADE IN SERVICES**

GATS/SC/52
15 April 1994
(94-1050)

MALAYSIA

Schedule of Specific Commitments

(This is authentic in English only)

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			
<p>ALL SECTORS INCLUDED IN THIS SCHEDULE UNLESS OTHERWISE INDICATED</p>	<p>3) <u>Acquisition, Mergers and Take-overs</u> 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>3) <u>Land, Property and Real Estate</u> Approval may be denied if the acquisition, disposal or dealing of land or any interest in land, property and real estate is undertaken for speculative or non-productive purpose or for purposes which may conflict with the interest of the State.</p> <p><u>Incentives/Preferences</u> 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>	

	<p>c)control of Malaysian corporations through any form of joint-venture agreement, management agreement, technical assistance agreement or other arrangements.</p> <p>Approval is normally granted. However it may be denied in circumstances where the proposed investment conflicts with the interest of the State.</p> <p>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 organization having proprietary information of the organization and who exercise wide latitude in decision making relating to the establishment, control and operation of the organization being directly responsible to the CEO and receive only general supervision or direction from the board of directors or partners of the organization; and</p>	<p>Corporations in which the Government has an interest shall, in acquiring services, give first consideration to service suppliers in which the Government has an interest. This requirement does not prevent the acquisition of services from other service suppliers where their services are competitive in terms of price, quality and delivery.</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
--	---	---	--

MALAYSIA (continued)

	<p>b)two specialists or experts per organization being persons within the organization who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organization's new service products and technology, research equipment and techniques or management. Additional specialists or experts may be allowed subject to market test and the training of Malaysians through an acceptable training programme in the relevant services sector or subsector:</p> <p>Provided that such persons are employees of the foreign service supplier and have been in the employment of that foreign service supplier for a period of not less than one year immediately preceding the date of their application for a work permit and 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 organizations's products and services subject to market test and the employment of Malaysians as counterparts and/or</p>		
--	--	--	--

	<p>training of Malaysians through acceptable training programmes in the relevant services sector or subsector;</p> <p>b)professionals being persons who possess necessary academic credentials, professional qualifications, experience and/or expertise which have been duly recognized by the professional bodies in Malaysia and registered with those respective professional bodies; and</p> <p>c)business visitors being persons not based within Malaysia, receiving no remuneration from a source located within Malaysia, who have been employed for at least one year by a foreign service supplier, whose entry and temporary stay is for the purposes of negotiating for the sale of services or entering into agreements to sell services for that service supplier and who will not engage in direct sales to the general public.</p> <p>3)Entry and stay of natural persons defined in categories 1 a) and b) and 2 a) and b) shall not exceed a total of five years. For category 2 c), the period of stay shall not exceed a total of 90 days.</p>		
--	---	--	--

MALAYSIA (continued)

II. SECTOR-SPECIFIC COMMITMENTS ¹			
BUSINESS SERVICES			
<u>Professional Services</u>			
Legal services	1), 2) None	1), 2) None	
covering advisory and consultancy services relating only to home country laws, international law and offshore corporation laws of Malaysia (8619)	3) Only through a corporation incorporated in the Federal Territory of Labuan. Legal services shall only be supplied to offshore corporations established in the Federal Territory of Labuan. 4) Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section	3) None 4) Unbound except for the categories of natural persons referred to under market access	
Accounting, auditing and bookkeeping services (862)	1), 2) None 3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 30 per cent	1), 2) Auditing services must be authenticated by a licensed auditor in Malaysia 3) None	

¹An asterisk against a CPC code number indicates that the corresponding service subsector in this schedule covers only a part or parts of the service subsector classified under the CPC concordance.

MALAYSIA (continued)

<p>Taxation services (863)</p>	<p>4)Unbound except as indicated in the horizontal section</p> <p>In respect of 2 b), residency is required for registration</p> <p>1), 2) None</p> <p>3)Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests in the partnership shall not exceed 30 per cent</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) Taxation services must be authenticated by a licensed auditor in Malaysia</p> <p>3)None</p>	<p>4)The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language</p>
------------------------------------	---	---	---

MALAYSIA (continued)

<p>Architectural services (8671)</p>	<p>4)Unbound except as indicated in the horizontal section</p> <p>In respect of 2 b), residency is required for registration</p> <p>1), 2) None</p> <p>3)Architectural services may be supplied only by a natural person</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 wholly financed by a foreign government or implemented under a bilateral arrangement between governments subject to temporary registration for a period of one year per temporary registration</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) Architectural services must be authenticated by a registered architect in Malaysia</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	<p>4)The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language</p> <p>4)The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language</p>
--	--	--	---

MALAYSIA (continued)

Engineering services (8672)	<p>1), 2) None</p> <p>3)Engineering services may be supplied only by a natural person</p> <p>4)Unbound except as indicated in the horizontal section and in respect of 2 b), subject to temporary registration for a period of one year per temporary registration</p>	<p>1), 2) Engineering services must be authenticated by a registered professional engineer in Malaysia</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	<p>4)The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language</p>
Integrated engineering services (8673)	<p>1), 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>1), 2) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia</p> <p>3)None</p>	

MALAYSIA (continued)

	<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>4)Unbound except for the categories of natural persons referred to under market access</p>	<p>4)The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language</p>
--	---	---	---

MALAYSIA (continued)

<p>Medical speciality services covering forensic medicine, nuclear medicine, geriatrics, microvascular surgery, neurosurgery, cardiothoracic surgery, plastic surgery, clinical immunology and oncology, traumatology, anaesthesiology, intensive care specialist, child psychiatry and physical medicine (93122)</p>	<p>1), 2) None 3)Medical speciality services may be supplied only by a natural person 4)Unbound except as indicated in 2 a) in the horizontal section</p>	<p>1), 2) None 3)None 4)None other than: 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>	<p>4)The qualifying examination to determine the competence and ability to supply the service will be conducted in the English language</p>
<p><u>Computer and Related Services</u> Consultancy services related to the installation of computer hardware (841)</p>	<p>1), 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 30 per cent</p>	<p>1), 2) None 3)None</p>	

MALAYSIA (continued)

<p>Consultancy services related to software implementation covering advisory and implementation services for customised software (842)</p>	<p>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p> <p>1), 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 30 per cent</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p>	
<p>Database services (8440)</p>	<p>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p> <p>1), 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 30 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>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	

MALAYSIA (continued)

<p>Computer software development services covering development of new software for general application, including, ready-made software packaged for general application (842*)</p>	<p>1), 2), 3) None</p> <p>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2), 3) None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
<p><u>Research and Development Services</u></p>			
<p>Research and experimental development services on social sciences and humanities (8520 except 85203 and 85204)</p>	<p>1), 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 30 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), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	

MALAYSIA (continued)

<u>Rental/Leasing Services without Operators</u>			
Relating to ships exclude cabotage and offshore trades (83103)	1), 2) None 3)Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4)Unbound except as indicated in the horizontal section	1), 2) None 3)None 4)Unbound except for the categories of natural persons referred to under market access	
Relating to aircraft (83104)	1), 2) None 3)Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4)Unbound except as indicated in the horizontal section	1), 2) None 3)None 4)Unbound except as indicated in the horizontal section	
Relating to construction and mining equipment and industrial plant and equipment (83107*)	1), 2) None 3)Only through a representative office, regional office or Malaysian-controlled corporation acting as an agent 4)Unbound except as indicated in the horizontal section	1), 2) None 3)None 4)Unbound except for the categories of natural persons referred to under market access	

MALAYSIA (continued)

<p><u>Other Business Services</u></p> <p>Advertising services (8711, 8712, 8719)</p>	<p>1)Commercial presence is required</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 30 per cent</p> <p><u>Advertisement through electronic media</u></p> <p>Advertisement must have at least 80 per cent local content and be made in Malaysia</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 for the categories of natural persons referred to under market access</p>	
--	--	--	--

MALAYSIA (continued)

<p>Management consulting services covering advisory, guidance and operational assistance services concerning management of the transmission of non-conventional energy (8650*)</p>	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
<p>Management consulting services covering advisory, guidance and operational assistance on environmental management services including risk assessment services (8650*)</p>	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	

MALAYSIA (continued)

<p>Management consulting services covering advisory and guidance in the field of pharmacy as follows:</p> <p>-Basic material manufacturing consultancy in the manufacture of drugs in raw material form;</p> <p>-New systems of drug delivery;</p> <p>-Biotechnology-new techniques for influencing the process and products of living cells;</p> <p>-New techniques in drug development and methods of producing drugs and vaccine; and</p> <p>-Vaccine production. (8650*)</p>	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
--	--	--	--

MALAYSIA (continued)

<p>Management consulting services covering advisory and guidance on International Value-Added Network Services, rural telecom development and human resource development in telecommunications (8650*)</p>	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
<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. (881*, 882*)</p>	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	

MALAYSIA (continued)

Services incidental to manufacturing (884, 885 except 88442)	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
Technical testing and analysis services (8676 except 86764)	<p>1), 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>4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
<p>Student placement services covering promoting, recruiting and facilitating students for studies outside Malaysia (87909)</p> <p>Market research and public opinion polling services (864)</p>	<p>1), 2), 3) None</p> <p>4)Unbound except as indicated in the horizontal section</p> <p>1), 2) None</p> <p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals</p>	<p>1), 2), 3) None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p>	

MALAYSIA (continued)

<p>Translation and interpretation services (87905)</p>	<p>or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporals at least exceed 30 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), 2) None</p> <p>3)Translation and interpretation services may be supplied only by a natural person</p> <p>4)Unbound except as indicated in 2 a) in the horizontal section</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access.</p>	
--	--	---	--

MALAYSIA (continued)

		Translation and/or interpretation from the English language to the Malay language or vice-versa is not permitted	
Convention and exhibition management services	1), 2) None	1), 2) None	
covering the provision of planning, organizational, management and marketing services for conventions and other similar events (87909)	3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent 4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section	3)None 4)Unbound except for the categories of natural persons referred to under market access	
Landscaping services	1), 2) None	1), 2) None	
covering the provision of advisory, planning and designing services for the aesthetic landscaping of golf courses and theme parks (86742*)	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 30 per cent 4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section	3)None 4)Unbound except for the categories of natural persons referred to under market access	

MALAYSIA (continued)

<p><u>Operational Headquarters (OHQ) Services</u></p> <p>covering general management and administration, business planning, procurement of raw materials, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and fund management services and research and development carried out by a company in Malaysia for its offices and related companies outside Malaysia. Services rendered by OHQ companies are limited to establishments engaged in business related to the following sectors or subsectors:</p>	<p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)Only through a locally incorporated wholly foreign-owned company.</p> <p>A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia and a foreign-owned company which is already incorporated in Malaysia may seek to qualify as an OHQ.</p> <p>OHQ must operate in Malaysia and fulfil the following criteria:</p> <p>a)carry out at least 3 of the OHQ service activities;</p> <p>b)have a sizeable network of companies outside Malaysia which includes the parent company or its head office and related companies;</p> <p>c)have a well established foreign-owned company which is sizeable in terms of assets and employees;</p>	<p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)None</p>	
---	--	--	--

MALAYSIA (continued)

<p>Sea and air services, Communication services, Tourism services, Professional and Consulting services (87909)</p>	<p>d)have a network of companies with substantial number of qualified executives, professionals, technical and other supporting personnel;</p> <p>e)be able to make decisions independently without consultations with its head office or parent company located outside Malaysia;</p> <p>f)be able to contribute to the Malaysian economy by:</p> <p>i)using services such as legal, accounting etc. provided by Malaysians;</p> <p>ii)creating job opportunities for Malaysians;</p> <p>iii)enabling greater inflow of foreign funds.</p> <p>4)Unbound except as indicated in the horizontal section</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	--	---	--

MALAYSIA (continued)

<p><u>COMMUNICATION SERVICES</u></p> <p><u>Telecommunication Services</u> of which enhanced value-added services must be provided from channels or lines obtained only from licensed network operators</p> <p>Data and transmission services covering electronic mail, voice mail, on-line information and database retrieval, enhanced facsimile, code and protocol conversion (7523)</p>	<p>1), 2) None</p> <p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations; or</p> <p>Only through acquisition of shares of an existing licensed VAS operator/ corporation;</p> <p>Aggregate foreign shareholding shall not exceed 30 per cent;</p> <p>The licence shall specify the type of services to be provided; and</p> <p>Simple resale is not permitted.</p>	<p>1), 2) None</p> <p>3)None</p>	
--	---	----------------------------------	--

MALAYSIA (continued)

<p>Mobile data services (7523*)</p>	<p>4)Unbound except as indicated in the horizontal section</p> <p>1), 2) None</p> <p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations; or</p> <p>Only through acquisition of shares of an existing licensed VAS operator/ corporation; and</p> <p>Aggregate foreign shareholding shall not exceed 30 per cent</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p>	
<p>Telex and telegraph services (7523*)</p>	<p>4)Unbound except as indicated in the horizontal section</p> <p>1), 2) None</p> <p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations; or</p> <p>Only through acquisition of shares of an existing licensed telex and telegraph operator/corporation; and</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p>	

MALAYSIA (continued)

	Aggregate foreign shareholding shall not exceed 30 per cent		
	4)Unbound except as indicated in the horizontal section	4)Unbound except for the categories of natural persons referred to under market access	
<u>Audiovisual Services</u>			
Motion picture, video tape and audio recording distribution services (96113)	1)Commercial presence is required	1)Unbound	
	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 shall not exceed 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 for the categories of natural persons referred to under market access	

MALAYSIA (continued)

Broadcasting services covering transmission from foreign broadcast station of foreign broadcast matter from foreign territory through television or radio (7524*)	1)20 per cent of total screening time; and Dubbing into the national language may be required 2)None 3)Unbound due to lack of technical feasibility 4)Unbound due to lack of technical feasibility	1)Unbound for government channel 2)None 3)Unbound due to lack of technical feasibility 4)Unbound due to lack of technical feasibility	
---	--	--	--

MALAYSIA (continued)

<p>CONSTRUCTION AND RELATED ENGINEERING SERVICES</p> <p>Construction work (511, 512, 513, 514, 515, 516, 517)</p>	<p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)Only through a representative office, regional office, or locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent</p> <p>4)Unbound except as indicated in the horizontal section</p>	<p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	---	---	--

MALAYSIA (continued)

FINANCIAL SERVICES, INCLUDING INSURANCE			
<u>Horizontal Commitments Applicable to the Financial Services Sector</u>			
1)The offers in the financial services sector are in accordance with the Framework Agreement on Services and the Annex on Financial Services.			
2)The limitations listed under the all-sector horizontal section shall not apply to financial services, unless otherwise indicated.			
3)In respect of offshore banks, commercial banks, merchant banks, offshore insurance and offshore reinsurance companies, insurance companies and representative offices of commercial banks and merchant banks, the following conditions and limitations on market access and movement of natural persons shall apply in addition to specific limitations to the activity of each financial service as specified in each offer.			
ALL FINANCIAL SERVICES	1), 2) As indicated under each subsector 3)Limitations on investments as contained in the all-sector horizontal section 4)Limitations in the all-sector horizontal section will apply when indicated in each activity	1), 2) As indicated in each subsector 3)Limitations on land and other immovable property as contained in the all-sector horizontal section Unbound for current and future 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) 4)Limitations in the all-sector horizontal section will apply when indicated in each activity	

MALAYSIA (continued)

<p>(All Financial Services cont'd)</p> <p>1)Offshore banks, offshore insurance and offshore reinsurance companies</p> <p>2)Commercial banks and Merchant banks</p>	<p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)Entry is confined to the Federal Territory of Labuan</p> <p>Entry is limited to establishment of a branch or a subsidiary incorporated in Malaysia</p> <p>4)None</p> <p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)Existing foreign bank branches of commercial banks, after local incorporation, are permitted to be wholly-owned by the existing banks</p> <p>Unbound for new licences</p> <p>New entry is limited to equity participation in existing locally incorporated institutions and the setting up of representative offices. Aggregate foreign shareholding in a commercial bank or a merchant bank shall not exceed 30 per cent.</p>	<p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)None</p> <p>4)None</p> <p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)None except as indicated in the all financial services offer and in the respective activity listed below</p>	
--	---	---	--

MALAYSIA (continued)

<p>(All Financial Services, Commercial and Merchant banks cont'd)</p>	<p>Acquisition of an aggregate of 5 per cent or more of shareholding in a locally incorporated commercial bank or merchant bank requires approval. Acquisition of such shares is limited to foreign banks and subject to economic needs test, including ability to facilitate trade and contribute to financial and economic development in Malaysia, the country of the foreign bank has significant trade and investment interests in Malaysia and does not already have a significant representation in the Malaysian banking industry.</p> <p>An institution owned or controlled by a foreign Government or an agency of such a Government is not allowed to control a commercial bank or a merchant bank in Malaysia</p> <p>A licensed financial institution in Malaysia is not allowed to acquire a commercial bank or a merchant bank, but a commercial bank may acquire a merchant bank. A person holding 5 per cent or more of the shares of a licensed financial institution in Malaysia is not allowed to acquire 5 per cent or more of the shares of another commercial bank and merchant bank.</p>		
---	---	--	--

MALAYSIA (continued)

<p>(All Financial Services, Commercial and Merchant banks cont'd)</p>	<p>Representative offices can only undertake research, exchange of information and liaison services. They are not permitted to carry on commercial banking or merchant banking business.</p> <p>Unbound for new service products of commercial and merchant banks</p> <p>4)Unbound except the following:</p> <p>a)Unless otherwise specified, temporary presence of natural persons is offered only in respect of supply through the mode of commercial presence</p> <p>b)For banks, one senior manager for each institution. Specialists or experts are subject to an acceptable training programme for Malaysians to be conducted by these persons, market test and eligibility criteria. A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial services supplier. Specialists are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service suppliers.</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	---	---	--

MALAYSIA (continued)

(All Financial Services, Commercial and Merchant banks cont'd)	<p>c)For a representative office, one foreign national for a management post</p> <p>d)Movement of a manager or specialist can be through intra-corporate transfers or otherwise</p> <p>e)Entry shall be limited to a maximum period of five years</p>		
3)Insurance companies	<p>3)Local incorporation of existing foreign branches is required. Aggregate foreign shareholding of the parent company shall not exceed 30 per cent.</p> <p>Unbound for new licences</p> <p>New entry is limited to equity participation in existing locally incorporated insurance companies. Aggregate foreign shareholding in an existing locally incorporated insurance company shall not exceed 30 per cent.</p>	3)None, except as indicated in the all financial services offer and the respective activity below	

MALAYSIA (continued)

<p>(All Financial Services, insurance companies cont'd)</p>	<p>Acquisition of 5 per cent or more of shareholding in a locally incorporated company requires approval. Acquisition of such shares is limited to foreign insurance companies subject to economic needs test, including ability to contribute to financial and economic development in Malaysia, the country of the insurance company has significant trade and investment interests in Malaysia and does not already have a significant presence in the Malaysian insurance industry.</p> <p>An insurance company is not allowed to acquire a licensed insurance broking company or another insurance company that carries on the same class of insurance business as that carried on by it. A person holding 5 per cent or more of the shares of an insurance company is not allowed to acquire 5 per cent or more of the shares of another insurance company carrying on the same class of insurance business as that carried on by the insurance company or a licensed insurance broking company of which he is a shareholder.</p>		
---	---	--	--

MALAYSIA (continued)

<p>(All Financial Services, insurance companies cont'd)</p>	<p>4)Unbound except the following:</p> <p>a)Unless otherwise specified, temporary presence of natural persons is offered only in respect of supply through the mode of commercial presence</p> <p>b)For insurance companies, one senior manager for each institution. Specialists or experts are subject to an acceptable training programme for Malaysians to be conducted by these persons, market test and eligibility criteria. A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment,</p> <p>control and operation of the services of the financial services supplier. Specialists are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service providers.</p> <p>c)Movement of a manager or specialists can be through intra-corporate transfers or otherwise</p> <p>d)Entry shall be limited to a maximum period of five years</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	--	---	--

MALAYSIA (continued)

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>BANKING AND OTHER FINANCIAL SERVICES, EXCLUDING INSURANCE</p> <p>Acceptance of deposits, and other repayable funds from the public, wholesale and retail</p>	<p>1)Soliciting, advertising and acceptance of deposits in Malaysia are not allowed</p> <p>2)Soliciting and advertng in Malaysia for acceptance of deposits are not allowed</p> <p>3)Only permitted through existing institutions licensed as a commercial bank, a merchant bank or an offshore bank.</p> <p>Offshore banks in Labuan are permitted to accept foreign currency deposits only</p> <p>Merchant banks are only permitted to accept term deposits from non-individuals. The minimum amount of each term deposit shall be specified by the Central Bank from time to time.</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	<p>1)None</p> <p>3)For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia. For merchant banks, branching is permitted when foreign equity does not exceed 30 per cent.</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	

MALAYSIA (continued)

<p>Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions</p>	<p>1), 2) Financial services associated with lending to residents in any currency must be undertaken jointly with banks incorporated in Malaysia</p> <p>3)Entry as a non-bank for scheduled businesses is limited to establishment of a locally incorporated joint-venture company or a representative office. Aggregate foreign shareholding in such a company shall not exceed 30 per cent and shall be confined to foreign financial institutions.</p> <p>Representative offices can only undertake research and liaison services and cannot carry on any scheduled business</p> <p>Provision of factoring services by a commercial bank requires the setting up of a separate entity. Shareholding by a foreign-controlled commercial bank shall not exceed 30 per cent.</p> <p>For merchant banks, consumer credit and home mortgages are not permitted</p> <p>Overdraft facilities are not permitted, except when supplied by a commercial bank</p> <p>Offshore banks are permitted to lend in foreign currencies only</p>	<p>1), 2) None</p> <p>3)Non-resident controlled companies are permitted to obtain up to a maximum of 40 per cent of their total credit facilities (including factoring and leasing) from foreign-controlled banks in Malaysia. (60 per cent must be sourced from Malaysian controlled institutions).</p> <p>For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia. For merchant banks, branching is permitted when foreign equity does not exceed 30 per cent.</p>	
---	--	---	--

MALAYSIA (continued)

<p>Financial leasing</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except one foreign national for a management post other than the CEO, for each establishment. For representative offices of scheduled businesses, one foreign national for a management post.</p> <p>1), 2) Leasing services to residents in any currency must be undertaken jointly with banks incorporated in Malaysia</p> <p>3)Entry as a non-bank is limited to establishment of a locally incorporated joint-venture company or a representative office. Aggregate foreign shareholding in such a company shall not exceed 30 per cent and shall be confined to foreign financial institutions.</p> <p>Leasing operations by a commercial bank require setting up a separate entity. Shareholding by a foreign-controlled bank shall not exceed 30 per cent.</p> <p>Representative offices can only undertake research and liaison services and cannot carry on any form of leasing business</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access</p> <p>Residency requirements are required for lending of money</p> <p>1), 2) None</p> <p>3)None</p>	
--------------------------	--	--	--

<p>All payment and money transmission services, namely credit and debit cards, travellers cheques and bankers drafts</p>	<p>4)Unbound except one foreign national for a management post other than the CEO, for each establishment. For representative offices, one foreign national for a management post.</p> <p>1), 2) Electronic fund transfer system requires approval</p> <p>3)Offshore banks are permitted to extend payment and money transmission services to non-residents only</p> <p>Issue of credit cards and debit cards are not allowed, other than by commercial banks</p> <p>Issue, sale and purchase of ringgit travellers cheques is confined to Malaysian controlled banks</p> <p>Sale and purchase of foreign currency travellers cheques other than by commercial banks require a money changer's licence. Entry is limited to establishment of a locally incorporated joint-venture company. Aggregate foreign shareholding in such a company shall not exceed 30 per cent.</p> <p>Checking account services are not permitted, except when provided by a commercial bank in Malaysia</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)For commercial banks, unbound for branches (including off-premises ATMs) and networking with ATMs in Malaysia. For merchant banks, branching is permitted when foreign equity does not exceed 30 per cent.</p> <p>Sale and purchase of travellers cheques by individuals require citizenship status</p> <p>Branches (including dispensers) of travellers cheques companies are permitted when foreign equity does not exceed 30 per cent</p>	
--	---	--	--

MALAYSIA (continued)

<p>Charge cards</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, one foreign national for a management post other than the CEO post, for each establishment</p> <p>1), 2) None</p> <p>3)Entry is limited to establishment of a company incorporated in Malaysia. (There is no limit on foreign equity).</p> <p>4)Unbound except one manager for each establishment</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except for the categories of natural persons referred under market access</p> <p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
<p>Guarantees and commitments</p> <p>(Guarantees and commitments undertaken by non-residents are governed by rules relating to foreign exchange)</p>	<p>1), 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 finance sector and all-sector horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except as indicated in the finance sector and all-sector horizontal section</p>	
<p>Money and foreign exchange broking services</p>	<p>1), 2) Broking services, involving Ringgit Malaysia and financial instruments issued in Malaysia must be effected through authorized dealers and money and foreign exchange brokers incorporated in Malaysia</p>	<p>1), 2) None</p>	

MALAYSIA (continued)

<p>Trading for own account or account of customers in the following:</p> <ul style="list-style-type: none"> -money market instruments -foreign exchange -transferable securities -exchange rate and interest rate instruments -derivative products, including future and options -other negotiable instruments, including bullion 	<p>3)Entry other than through equity participation in existing institutions is not permitted. Aggregate foreign shareholding in each company shall not exceed 30 per cent.</p> <p>4)Unbound</p> <p>1)Dealing is limited to contracts traded on specified exchanges abroad</p> <p>2)None</p> <p>3)Transactions by offshore banks in Labuan must be conducted in foreign currencies, except for the sale and purchase of currencies with authorized banks in Malaysia. Transactions for own account are limited to instruments created and issued abroad.</p> <p>Trading for accounts of customers by offshore banks and offshore companies in Labuan is confined to non-resident customers and in instruments created and issued abroad. Trading in shares of Malaysian companies is confined to non-resident customers who are not offshore companies registered or incorporated in Labuan.</p>	<p>3)None</p> <p>4)Unbound</p> <p>1)None</p> <p>2)None</p> <p>3)None</p>	
---	---	--	--

MALAYSIA (continued)

<p>Services related to the issues of all kinds of securities and placement as agents (whether publicly or privately) (excluding issuing and rating houses)</p>	<p>Trading in foreign currency is not permitted, except by commercial banks and offshore banks</p> <p>Trading and dealing in securities and financial futures and derivative products other than by designated financial institutions requires establishment of a locally incorporated joint-venture company. Aggregate foreign shareholding in such company shall not exceed 30 per cent.</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p> <p>1), 2) Participation in issues and services related to such issues requires authorization</p> <p>3)Participation by offshore banks in Labuan is limited to non-resident customers and for issues of securities outside Malaysia</p> <p>Submissions for new issues requiring approval of the Securities Commission must be made through licensed merchant banks</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p> <p>1), 2) None</p> <p>3)None</p>	
--	--	--	--

<p>Underwriting</p>	<p>Participation by non-banks requires establishment of a locally incorporated joint-venture company. Aggregate foreign shareholding in such company shall not exceed 30 per cent.</p> <p>Unbound for appointment as principal dealers</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p> <p>1), 2) Commercial presence is required</p> <p>3)Underwriting other than by a bank, requires a dealer's licence. Entry is limited to establishment of a locally incorporated joint-venture company. Aggregate foreign shareholding shall not exceed 30 per cent.</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p> <p>1), 2) Unbound due to lack of technical feasibility</p> <p>3)None</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
<p>Asset management as follows:</p>	<p>1)Commercial presence is required</p> <p>2)None</p>	<p>1)None</p> <p>2)None</p>	

MALAYSIA (continued)

<p>-cash or portfolio management -all forms of collective investment management -custodial and depository services</p>	<p>3)Asset management by offshore banks and offshore companies is confined to non-resident customers and foreign currency assets. Asset management by offshore banks and offshore companies in Malaysian equities or equity linked investments are confined to non-residents which are not offshore companies registered in Labuan.</p> <p>Entry as a non-bank is limited to establishment of a locally incorporated joint-venture company. Aggregate foreign shareholding in such a company shall not exceed 30 per cent.</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>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>3)None</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
--	---	---	--

<p>Advisory, intermediation and other auxiliary financial services including credit reference and analysis, investment advice on acquisitions, corporate restructuring and strategy</p>	<p>1), 2) Services to residents must be undertaken jointly with banks incorporated in Malaysia</p> <p>3)Entry as a non-bank is limited to establishment of a locally incorporated joint-venture company or a representative office. Aggregate foreign shareholding in each company shall not exceed 30 per cent</p> <p>Representative offices (including those of commercial banks, merchant banks and securities companies) are permitted to undertake research, information and liaison services only. Representative offices of securities companies are permitted to publish and circulate research work outside Malaysia only.</p> <p>Services by offshore banks and offshore companies in Labuan, are limited to non-resident customers</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)For banks, unbound except as indicated in the finance sector horizontal section</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section</p>	
---	---	--	--

MALAYSIA (continued)

<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, covering general management and administration, business planning, procurement of raw materials, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and fund management services and research and development)</p>	<p>1), 2) Unbound due to lack of technical feasibility 3)Only through a locally incorporated wholly foreign-owned company A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia, and a foreign-owned company which is already incorporated in Malaysia may seek to qualify as a OHQ OHQ must operate in Malaysia and fulfil the following criteria: 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;</p>	<p>1), 2) Unbound due to lack of technical feasibility 3)None</p>	
---	---	--	--

	<p>c)have a well established foreign-owned company which is sizeable in terms of assets and employees:</p> <p>d)have a network of companies with substantial number of qualified executives, professionals, technical and other supporting personnel;</p> <p>e)be able to make decisions independently without consultations with its head office or parent company located outside Malaysia;</p> <p>f)to be able to contribute to the Malaysian economy by:</p> <p>i)using services such as legal, accounting etc. provided by Malaysians;</p> <p>ii)creating job opportunities for Malaysians;</p> <p>iii)enabling greater inflow of foreign funds</p> <p>4)Unbound except as indicated in the all-sector horizontal section</p>	<p>4)Unbound except as indicated in the all-sector horizontal section</p>	
--	--	---	--

MALAYSIA (continued)

<p>Securities broking services comprising:</p> <p>a) broking services;</p> <p>b) credit reference and analysis;</p> <p>c) investment portfolio management and advice; and</p> <p>d) market research</p>	<p>1) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are members of the exchange</p> <p>Promotion in Malaysia of Malaysian stocks requires approval</p> <p>Provision of investment advisory services and credit reference services to residents requires commercial presence</p> <p>2) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are members of the exchange</p> <p>3) Entry is limited to equity participation in existing stockbroking companies or establishment of joint-venture companies with Malaysian stockbroking companies and incorporated in Malaysia or setting up of representative offices. Aggregate foreign shareholding in each company shall not exceed 30 per cent. Foreign entry is limited to recognized foreign stockbroking companies. A foreign stockbroking company is permitted to hold shares in one stockbroking company.</p> <p>New licences subject to economic needs test and/or geographical location</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
---	---	--	--

<p>Commodity futures broking services</p>	<p>Representative offices are permitted to undertake research, information and liaison services only. They are permitted to publish and circulate research work outside Malaysia only.</p> <p>4)Unbound for a stockbroking company, except as indicated in the all-sector horizontal section</p> <p>One foreign national for a senior management post per representative office</p> <p>1), 2) Trades on any Malaysian commodity futures exchange must be conducted through companies incorporated in Malaysia which are members of the exchange</p> <p>3)Entry is limited to establishment of a representative office or a locally incorporated joint-venture company. Aggregate foreign shareholding in such a company is limited to 30 per cent or any higher percentage as determined by the relevant authorities.</p> <p>Representative offices are permitted to undertake research, information and liaison services only</p> <p>Total membership of the exchange will be based on economic needs</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1), 2) None</p> <p>3)None</p>	
---	--	--	--

MALAYSIA (continued)

<p><u>INSURANCE SERVICES</u></p> <p>Direct insurance (non-life)</p>	<p>4)Unbound except one foreign national for a management post per establishment, subject to market test</p> <p>1)Soliciting and advertising in Malaysia is not allowed</p> <p>Other than marine and aviation insurance associated with goods in international transit, direct insurance abroad requires approval. Approval may be denied if underwriting capacity and skill are available in Malaysia.</p> <p>2)Other than marine and aviation insurance associated with goods in international transit, direct insurance abroad requires approval. Approval may be denied if underwriting capacity and skill are available in Malaysia.</p> <p>3)Offshore insurance companies in Labuan are not permitted to accept direct insurance of Malaysian risks</p> <p>Direct insurance in Malaysia is permitted only through existing licensed insurance companies</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1)None</p> <p>2)None</p> <p>3)Branching is only permitted for insurance companies with foreign equity not exceeding 30 per cent</p> <p>Unbound for special assistance to Malaysian-owned insurance companies to promote their development</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	
---	---	--	--

MALAYSIA (continued)

<p>Direct insurance (life)</p>	<p>1), 2) Unbound</p> <p>3)Investment-linked insurance business and new life insurance products provided by offshore insurance companies require approval</p> <p>Underwriting of life insurance of Malaysian residents by offshore insurance companies in Labuan is not allowed</p> <p>Life insurance in Malaysia is only permitted through existing licensed insurance companies</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	<p>1), 2) Unbound</p> <p>3)Branching is only permitted for insurance companies that have foreign equity not exceeding 30 per cent</p> <p>Unbound for special assistance to Malaysian-owned insurance companies to promote their development</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p>	
<p>Reinsurance and retrocession (life and non-life)</p>	<p>1), 2) Outward reinsurance is permitted only if local capacity is not available</p>	<p>1), 2) Voluntary cession up to 30 per cent of each class of non-life reinsurance business to the Malaysian National Reinsurance Bhd.</p> <p>Unbound for fiscal incentives to promote reinsurance in Malaysia</p>	

MALAYSIA (continued)

<p>Insurance intermediation as follows:</p> <p>-offshore broking -offshore underwriting; and -offshore insurance management services</p>	<p>3)Unbound for new licences</p> <p>Entry is limited to acquisition of existing companies. Aggregate foreign equity in each company shall not exceed 30 per cent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan only</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p> <p>1), 2) Insurance intermediation is not allowed except for reinsurance broking. Insurance broking services are further limited to offshore companies in Labuan</p> <p>3)Establishment is confined to the Federal Territory of Labuan</p> <p>Broking for direct insurance of Malaysian risk is not permitted</p> <p>Insurance broker shall only broke direct insurance product of licensed offshore insurance companies in Malaysia</p> <p>Underwriting manager shall only provide services to licensed offshore insurance companies in Malaysia</p>	<p>3)Obligation on all registered insurers to maximise national capacity before any outward reinsurance</p> <p>Measures granting special position to Malaysian National Reinsurance Berhad shall not apply</p> <p>4)Unbound except as indicated in the finance sector horizontal section</p> <p>1), 2) None</p> <p>3)None</p>	
<p>Services auxiliary to insurance, as follows:</p>	<p>4)Unbound except as indicated in the finance sector horizontal section</p> <p>1)Provision of actuarial services is only permitted for offshore insurance and reinsurance companies</p>	<p>4)Unbound except as indicated in the finance sector horizontal section</p> <p>1)None</p>	

MALAYSIA (continued)

	in Labuan		
a)Consultancy (excludes insurance agency services to insurance industry);	2)None	2)None	
b)Actuarial risk assessment;	3)Offshore companies in Labuan are not allowed to provide services to Malaysian residents	3)None	
c)Risk management; and	4)Unbound except as indicated in the finance sector horizontal section	4)Unbound except as indicated in the finance sector horizontal section	
d)Maritime loss adjusting			

MALAYSIA (continued)

<p>HEALTH RELATED SOCIAL SERVICES</p> <p><u>Hospital Services</u></p> <p>Private hospital services (93110*)</p>	<p>1), 2) None</p> <p>3)Economic needs test;</p> <p>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</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>1), 2) None</p> <p>3)Establishment of feeder outpatient clinics is not permitted</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	---	---	--

MALAYSIA (continued)

TOURISM AND TRAVEL RELATED SERVICES			
<p>Hotel, tourist resort and restaurant services covering the management and operation of hotels or resorts, including outlets which may not necessarily include ownership of such properties</p> <p>1.(641, 642, 643) 2.(87909)</p>	<p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)Entry for service activities under CPC 641, 642, 643 is permitted only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent; or</p> <p>Entry for service activity under CPC 87909 is permitted only for the purposes of services contract awarded in Malaysia and implemented through a branch</p>	<p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)None</p>	
<p>Travel agency and tour operator services</p> <p>(7471)</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 due to lack of technical feasibility</p> <p>2)None</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p>	

MALAYSIA (continued)

<p>RECREATIONAL, CULTURAL AND SPORTING SERVICES</p> <p>Other entertainment services (96191, 96192, 96194)</p>	<p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent; and</p> <p>Establishment of another office requires additional licence</p> <p>4)Unbound except as indicated in 1 a) in the horizontal section</p> <p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)Entertainment services may be supplied only by a natural person</p>	<p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p> <p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)None</p>	
---	---	---	--

<p>Sports events management services (96411, 96412)</p>	<p>4)Unbound except as indicated in 2 a) in the horizontal section</p> <p>1)Unbound due to lack of technical feasibility</p> <p>2)None</p> <p>3)Only through a Malaysian-controlled corporation acting as the local sponsor</p> <p>4)Unbound except as indicated in 2 a) in the horizontal section</p>	<p>4)Unbound except for the categories of natural persons referred to under market access</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 for the categories of natural persons referred to under market access</p>	
<p>TRANSPORTATION SERVICES</p>			
<p>International maritime transportation services excludes cabotage (7211, 7212)</p>	<p>1), 2) None</p>	<p>1), 2) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p>

MALAYSIA (continued)

	<p>3)Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent</p> <p><u>Malaysian registered vessels</u></p> <p>To register a vessel in Malaysia, the following conditions must be met:</p> <p>1)Owner of that vessel must be a Malaysian citizen or corporation incorporated in Malaysia; 2)Majority shareholding to be held by Malaysians; 3)Majority of the board of directors to be Malaysians; and 4)Principal place of business to be in Malaysia.</p> <p>4)Unbound except as indicated in 1 a) and b) and 2 c) in the horizontal section. For manning vessels, ratings is permitted up to 25 per cent. Ship crew is permitted to disembark only for duration of berth.</p>	<p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	<p>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</p>
--	---	---	---

MALAYSIA (continued)

<p>Maritime agency services covering marketing and sales of maritime transport and related services and acting on behalf of the companies organizing the call of the ship or taking over cargoes when required (7454*)</p>	<p>1), 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 30 per cent 4)Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>1), 2) None 3)None 4)Unbound except for the categories of natural persons referred to under market access</p>	
<p>Vessel salvage and refloating services except on inland waters (74540)</p>	<p>1), 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 30 per cent 4)Unbound except as indicated in 1 a) and b) and 2 a) in the horizontal section</p>	<p>1), 2) None 3)None 4)Unbound except for the categories of natural persons referred to under market access</p>	

MALAYSIA (continued)

<p>OTHER SERVICES</p> <p>Skills training services covering the provision of training for technical, supervisory and production related functional levels in new and emerging technologies as follows:</p> <p>1)automated manufacturing technology;</p> <p>2)advanced materials technology;</p> <p>3)biotechnology;</p> <p>4)electronics;</p> <p>5)information technology; and</p> <p>6)avionics/aviation technology (97090)</p>	<p>1), 2) None</p> <p>3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent; and</p> <p>Establishment of local branches requires additional licenses</p> <p>4)Unbound except as indicated in the horizontal section</p>	<p>1), 2) None</p> <p>3)None</p> <p>4)Unbound except for the categories of natural persons referred to under market access</p>	
---	--	--	--