

MALAYSIA

Schedule of Specific Commitments
(For the First Package of Commitments)

MALAYSIA - SCHEDULE OF SPECIFIC COMMITMENTS

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
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> <ul style="list-style-type: none"> 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 RM10 million in value; b) any proposed acquisition of any assets or interests by any means which will result in ownership or control passing to foreign interest; and c) control of Malaysian corporations through any form of joint-venture agreement, management agreement, technical assistance agreement or other arrangements. <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>3) <u>Land, Property and Real Estate</u></p> <p>Approval may be denied if the acquisition, disposal or dealing of land or any interest in land, property and real estate is undertaken for speculative or non-productive purpose or for purposes which may conflict with the interest of the State.</p> <p><u>Incentives/Preferences</u></p> <p>Incentives are limited to eligible Malaysian-owned corporations engaged in service sectors promoted by the Government.</p> <p>Any measure and special preference granted to Bumiputera, Bumiputera status companies, trust companies and institutions set up to meet the objectives of the New Economic Policy (NEP) and the National Development Policy (NDP) shall be unbound.</p> <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</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
		suppliers where their services are competitive in terms of price, quality and delivery.	
	<p>4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below:</p> <ol style="list-style-type: none"> 1. <u>Intra-corporate Transferees</u> <ol style="list-style-type: none"> 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 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 sub sector; 	<p>4) Unbound except for the categories of natural persons referred to under market access</p>	

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	<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 organization's products and services subject to market test and the employment of Malaysians as counterparts and/or training of Malaysians through acceptable training programmes in the relevant services sector or sub sector;</p> <p>b) professionals being persons who possess necessary academic credentials, professional qualifications, experience and/or expertise which have been duly 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</p>		

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	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.		
	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		
SECTOR SPECIFIC COMMITMENTS ¹			
BUSINESS SERVICES A. Professional Services			
Legal Services (CPC 8619) covering advisory and consultancy services relating only to home country laws, international law and offshore corporation laws of Malaysia	(1) None (2) None (3) Only through a corporation incorporated in the Federal Territory of Labuan. Legal services shall only be supplied to offshore corporations established in the Federal Territory of Labuan.	(1) None (2) None (3) None	

¹ An 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.

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	(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	
Accounting, auditing and bookkeeping services (CPC862)	(1) None (2) None (3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 40 per cent. (4) Unbound except as indicated in the horizontal section. In respect of 1(b), additional 2 specialists/experts for each firm.	(1) None but subject to domestic regulations. (2) None but subject to domestic regulations. (3) None (4) Unbound, except for the categories of natural persons referred to under market access	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.
Taxation Services (CPC863 / 8630)	(1) None (2) None	(1) Taxation services must be authenticated by an authorised tax agent in Malaysia. (2) Taxation services must be authenticated by an authorised tax agent in Malaysia.	

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	<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 30 per cent.</p> <p>(4) 2 specialists/experts for each institution, subject to registration as a tax agent under Section 153 of the Income Tax Act and fulfilment of residency requirements. Entry shall be limited to maximum period of two years, subject to domestic regulations.</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 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>(1) None</p> <p>(2) None</p>	<p>(1) For Architectural Services consumed in Malaysia, it must be authenticated by a licensed Professional Architect in Malaysia.</p> <p>(2) For Architectural Services consumed in Malaysia, it must be authenticated by a licensed Professional Architect in Malaysia.</p>

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Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	<p>(3) a) Architectural services may be supplied only by natural person;</p> <p>b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of ten 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 2b), only an architect who is a consultant to a project in collaboration with a Malaysian Professional Architect for wholly foreign funded projects.</p>	<p>(3) a) None</p> <p>b) Unbound</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access</p>	<p>(3a) For Architectural Services consumed in Malaysia, it must be authenticated by a licensed Professional Architect in Malaysia.</p> <p>(4) The qualifying 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>
<p>Engineering services (CPC 8672) covering: (CPC 86721-7, CPC 867219)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) a) Engineering services may be supplied only by natural person;</p> <p>b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity</p>	<p>(1) Engineering services must be authenticated by a registered professional Engineer in Malaysia</p> <p>(2) None</p> <p>(3) None</p>	

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	<p>up to a maximum of ten 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>(4) Engineering services must be authenticated by a registered professional engineer in Malaysia.</p>	<p>(4) The qualifying examination to determine the competence and ability to supply the service for the purpose of registration with the professional bodies will be conducted in English language.</p>
<p>Integrated engineering services (CPC 8673)</p> <p>covering:</p> <p>(CPC 86731-3, CPC 86739)</p>	<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 for the purpose of services contract awarded in Malaysia.</p> <p>The aggregate foreign shareholding in the joint-venture</p>	<p>(1) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia</p> <p>(2) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia</p> <p>(3) None</p>	

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	<p>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 purpose of registration with the professional bodies will be conducted in English language.</p>
<p>Landscaping services, covering the provision of advisory, planning and designing services for the aesthetic landscaping of golf courses and theme parks</p> <p>(CPC 86742*)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and 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) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access</p>	

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Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
B. Computer and Related Services Consultancy services related to the installation of computer hardware (CPC 841) Software implementation service (CPC 842) Data Processing Services (843) Data base services (CPC 844 / 84400)	(1) None (2) None (3) None (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 for the categories of natural persons referred to under market access	
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 30 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 for the categories of natural persons referred to under market access	

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

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	<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>(3) None</p> <p>(4) Unbound, except as indicated in the horizontal section</p>	
Leasing or rental services relating to construction and mining equipment and industrial plant and equipment (CPC 83107*)	<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 for the categories of natural persons referred to under market access</p>	
F. OTHER SERVICES Advertising services (CPC8711, 8712, 8719)	<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> Advertisement must have at least</p>	<p>(1) Unbound</p> <p>(2) None</p> <p>(3) None</p>	

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	<p>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>(4) Unbound, except for the categories of natural persons referred to under market access</p>	
Market research and public opinion polling services (CPC 864)	<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 corporations 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) None</p> <p>(2) None</p> <p>(3) None</p>	
<p>Management Consulting Services</p> <p>a) covering advisory, guidance and operational assistance services concerning management of the transmission of non-conventional energy (CPC8650*)</p> <p>b) covering advisory, guidance and operational assistance on environmental management services including risk assessment</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and 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>	

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services (CPC8650*)	(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	
c) Covering advisory and guidance in the field of pharmacy as follows: <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 cells; - New techniques in drug development and methods of producing drugs and vaccine; and - Vaccine production. (CPC 8650*) 	(1) None (2) None (3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint- venture corporation is at least 30 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 for the categories of natural persons referred to under market access	
d) covering advisory and guidance on International Value-Added Network Services, rural telecom development and human resource development in telecommunications (CPC8650*)	(1) None (2) None (3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent	(1) None (2) None (3) None	

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	(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	
Technical Testing and Analysis Services (CPC8676 except 86764)	(1) None (2) None (3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 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 for the categories of natural persons referred to under market access	
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*)	(1) None (2) None (3) Only through a locally incorporated	(1) None (2) None (3) None	

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Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	<p>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>(4) Unbound, except for the categories of natural persons referred to under market access</p>	
Services Incidental to Manufacturing (CPC884, 885 except 88442)	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 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 for the categories of natural persons referred to under market access</p>	
Translation and interpretation services (CPC87905)	<p>(1) None</p> <p>(2) None</p> <p>(3) Supplied by natural person</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	

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	(4) No limitation subject to domestic regulation	(4) No limitation subject to domestic regulation	
Student Placement Services, covering promoting, recruiting and facilitating students for studies outside Malaysia (CPC87909)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except for the categories of natural persons referred to under market access	
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 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 sub-sectors: Sea and air services, Communication services, Tourism services, Professional and	(1) Unbound due to lack of technical feasibility (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 an OHQ. OHQ must operate in Malaysia and fulfil the following criteria:	(1) Unbound due to lack of technical feasibility (2) Unbound due to lack of technical feasibility (3) None	

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Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Consulting services (CPC87909)	<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 of qualified executives, professionals, technical and other supporting personnel; e) be able to make decisions independently without consultations with its head office or parent company located outside Malaysia; f) be able to contribute to the Malaysian economy by: <ul style="list-style-type: none"> i) using services such as legal, accounting etc. provided by Malaysians; ii) creating job opportunities for Malaysians iii) enabling greater inflow of foreign funds <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>	

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COMMUNICATIONS SERVICES Telecommunication Services			
Basic Telecommunications 1. Voice service (wired or wireless) (CPC 7521) 2. Packet-switched data transmission services, including frame-relay services (CPC 7523) 3. Circuit switched data transmission services (CPC 7523) 4. Facsimile Service(CPC 7521**, CPC 7529**) 5. Private leased circuit service (CPC 7522**& CPC 7523**)	(1) None (2) None (3) a) Only through acquisition of shares of existing appropriately licensed service providers b) Foreign shareholding of up to 49 percent in these service providers is allowed (4) Unbound	(1) None (2) None (3) None (4) Unbound	Pro-competition regulatory principle in respect of interconnection arrangement and competition (Refer to Annex I)
6. Paging services (CPC 75291)	(1) None (2) None	(1) None (2) None	

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	<p>(3) Only through locally incorporated JV corporation with Malaysian individuals or Malaysia controlled corporations or only through acquisitions of shares of existing appropriately licensed service providers</p> <p>Foreign shareholding of up to 49 percent in these service providers is allowed.</p> <p>(4) Unbound</p>	<p>(3) None</p> <p>(4) Unbound</p>	
<p>Other telecommunication services</p> <p>7. Domestic/ International satellite services and satellite links/capacities (inclusive of mobile satellite)</p> <p>8. Satellite earth station</p> <p>9. International switching and other international gateway</p> <p>10. Mobile services analogue/digital cellular</p> <p>11. Trunked radio services</p> <p>12. Video transport services</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) a) Only through acquisition of shares of existing appropriately licensed service providers</p> <p>b) Foreign shareholding of up to 49 percent in these service providers is allowed</p> <p>(4) Unbound</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound</p>	<p>Pro-competition regulatory principle in respect of interconnection arrangement and competition (Refer to Annex I)</p>
Data and message transmission services	<p>(1) None</p> <p>(2) None</p>	<p>(1) None</p> <p>(2) None</p>	

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Covering electronic mail, voice mail, on-line information and database retrieval, enhanced facsimile, code and protocol conversion (CPC7523)	<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 appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49 percent in these service providers is allowed.</p> <p>(4) Two specialists/experts for each institution, for a maximum period of two years, subject to domestic regulations.</p>	<p>(3) None</p> <p>(4) None</p>	
Voice telephone services (CPC7521)	<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 appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	

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	<p>per cent in these service providers is allowed.</p> <p>(4) Unbound</p>	<p>(4) Unbound</p>	
Mobile telephone service (CPC 75213)	<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 appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49 per cent in these service providers is allowed.</p> <p>(4) Unbound</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound</p>	
Telegraph services (CPC7522)	<p>(1) None</p> <p>(2) None</p>	<p>(1) None</p> <p>(2) None</p>	

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Sector or Subsectors	Limitation on Market Access	Limitation 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 appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49 per cent in these service providers is allowed.</p> <p>(4) Unbound</p>	<p>(3) None</p> <p>(4) Unbound</p>	
Telex services (CPC7523)	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a JV corporation with Malaysian individuals or Malaysian controlled corporations; or</p> <p>Only through acquisitions of shares of an existing appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49 per cent in these service providers is allowed</p> <p>(4) Unbound</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) None</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
Mobile data services (CPC7523)	<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 appropriately licensed service providers.</p> <p>Foreign shareholding of up to 49 per cent in these service providers is allowed.</p> <p>(4) Two specialists/experts for each institution, for a maximum period of two years, subject to domestic regulations.</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except for the categories of natural persons referred to under market access.</p>	
Audiovisual Services Motion picture, video tape and audio recording distribution services (CPC96113)	<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 shall not exceed 30 per cent</p> <p>(4) Unbound, except as indicated in 1</p>	<p>(1) Unbound</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except for the categories</p>	

Mode of Supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or Subsectors	Limitation on Market Access		Limitation on National Treatment	Additional Commitments
	a) and b) and 2 a) and c) in the horizontal section		of natural persons referred to under market access	
Broadcasting services covering transmission from foreign broadcast station of foreign broadcast matter from foreign territory through television or radio (CPC7524*)	(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		
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		
Construction Work for Buildings (CPC 512)	(2) None	(2) None		
Construction Work for Civil Engineering (CPC5 13)	(3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian controlled corporations or both and aggregated foreign shareholding in the joint venture corporation shall not exceed 30 per cent	(3) None		
Assembly and Erection of Prefabricated Constructions (CPC 514)				
Special Trade Construction (CPC 515)				
Installation Work (CPC516)				
Building Completion and Finishing Work (CPC517)	(4) Unbound except as indicated in the horizontal section	(4) Unbound, except for the categories of natural persons referred to under market access		

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
DISTRIBUTION SERVICES			
Wholesale, and Retail Trade Businesses (CPC 6111, 6113, 6121, 6221, 6222, 6223, 6224, 6225, 6226, 6227, 6228, 631, 632) except CPC 613 (petroleum products)	<p>(1) Unbound due to lack of technical feasibility</p> <p>(2) None</p> <p>(3) Entry is limited to:</p> <ul style="list-style-type: none"> i) <u>Legal entity</u> The foreign company involved in wholesale and retail businesses must be incorporated locally under the Companies Act 1965; ii) <u>Equity Structure</u> The aggregate of foreign equity shall not exceed 30%, while local shareholding in the joint-venture corporation should be 70% out of which 30% must be for Bumiputras. iii) <u>Minimum Capital Requirement</u> Minimum capital investment in terms of company's shareholding funds should be: <ul style="list-style-type: none"> • RM 50 million for hypermarkets. • RM 20 million for departmental stores. • RM 25 million for superstores. • For other types of distributive business, the minimum capital requirement will be RM 1 million. 	<p>(1) Unbound due to lack of technical feasibility</p> <p>(2) None</p> <p>(3) None</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	<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 indicated in the horizontal section</p>	
HEALTHCARE SERVICES			
A. Medical and Dental Services	(1) None	(1) None	
Medical speciality services (CPC93122) covering forensic medicine, nuclear medicine, geriatrics, microvascular	(2) None (3) Medical specialty services may be supplied only by a natural person	(2) None (3) None	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
surgery, neurosurgery, cardiothoracic surgery, plastic surgery, clinical immunology and oncology, traumatology, anaesthesiology, intensive care specialist, child psychiatry and physical medicine	(4) Unbound, except indicated in 2 a) in the horizontal section	(4) None other than: - practice only in private hospitals of at least 70 beds; - practice to be only at a specified location and a change of location requires approval; and - the setting up of individual or joint group practices is not permitted.	The qualifying examination to determine the competence and ability to supply the service will be conducted in English language.
B. Health and Social Related Private hospital services (CPC 93110*)	(1) None (2) None (3) Economic needs test; Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporations shall not exceed 40 per cent; and The joint-venture corporation shall operate a hospital with a minimum of 100 beds. (4) Unbound, except as indicated in the horizontal section.	(1) None (2) None (3) Establishment of feeder outpatient clinics is not permitted (4) Unbound, except for the categories of natural persons referred to under market access	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
EDUCATION SERVICES			
<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>	<p>(1) Unbound except for requirements for commercial presence</p> <p>(2) None</p> <p>(3) Only through a joint-venture with foreign equity not exceeding 49 per cent and subject to the requirement of a needs test if necessary.</p>	<p>(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 citizen/permanent residents.</p> <p>(2) 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 citizen/permanent residents.</p> <p>(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.</p>	<p>(3) Not more than 51 per cent foreign equity can be considered subject to additional needs test which include among others:</p> <p>(a) courses deemed important to attain Malaysia's educational objectives.</p> <p>(b) potential to generate export revenues.</p>

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	<p>(4) Unbound except as indicated in the 1(a) and 2 (c) of the horizontal section and as below:</p> <p>Lecturers and experts</p> <p>(a) 10 lecturers and/or experts but not more than 20% of lecturers employed in an educational institution who possess the necessary qualifications, knowledge credentials and/or experience.</p> <p>(b) 2 professionals being persons who possess necessary professional qualifications, industry and/or who are employed on the basis of their expertise in an educational institution.</p>	<p>(4) Unbound except as listed in the market access column.</p>	
TOURISM AND TRAVEL RELATED SERVICES			
A. Hotel and Restaurant Services (CPC 64110)			
<p>Hotel, tourist resort and restaurant services</p> <p>covering the management and operation of hotels or resorts, including outlets which may not necessarily include ownership of such property.</p>	<p>(1) None</p> <p>(2) None</p>	<p>(1) None</p> <p>(2) None</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
necessarily include ownership of such properties (CPC 641, 642, 643)	<p>(3) a. 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;</p> <p>b. For CPC 64110 covering 4 & 5 star establishments, 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 35 %.</p> <p>(4) Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section</p>	<p>(3) a. None</p> <p>b. None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access</p>	
Travel Agencies and Tour Operators Services (CPC 7471)	<p>(1) None</p> <p>(2) None</p>	<p>(1) None</p> <p>(2) None</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	<p>(3) a. Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent; and Establishment of another office requires additional licence.</p> <p>b. For inbound travel only, joint-venture with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 35 %.</p> <p>(4) Unbound except as indicated in 1 (a) in the horizontal section.</p>	<p>(3) a. None</p> <p>b. For inbound travel only, joint-venture with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 35 %.</p> <p>(4) Unbound except for the categories of natural persons referred to under market access.</p>	
D. Other Convention Centre (CPC 87909) (Convention and exhibition	<p>(1) None</p> <p>(2) None</p>	<p>(1) None</p> <p>(2) None</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
management services covering the provision of planning, organisational, management and marketing services for conventions and other similar events)	<p>(3) a. Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.</p> <p>b. For Convention Centres with over 3,000 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 35 %.</p> <p>(4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.</p>	<p>(3) a. None b. None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access.</p>	
RECREATIONAL, CULTURAL AND SPORTING SERVICES			
Other entertainment services (CPC96191, 96192, 96194)	(1) Unbound due to lack of technical feasibility	(1) Unbound due to lack of technical feasibility	
Theme Parks (part of CPC 96194)	(2) None	(2) None	
(A family based recreational area/amusement centre which may consist of rides, mechanical and/or			

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
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 and adventure. The concept of the park can either be outdoor or indoor or a combination of both)	<p>(3) a. Entertainment services may be supplied only by a natural person.</p> <p>b. For theme parks (part of CPC 96194), 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 35%.</p> <p>(4) Unbound except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.</p>	<p>(3) a. None</p> <p>b. None</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 relevant Ministry</p>	
Sports events management services (CPC96411, 96412)	<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>(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>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
TRANSPORT SERVICES			
<p>A. Maritime Transport Services</p> <p>International passenger/freight transportation services (Services excludes cabotage and government cargo)</p> <ul style="list-style-type: none"> • Passenger transportation (CPC 7211) • Freight transportation (CPC 7212) 	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 per cent (foreign equity).</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;</p> <p>2) Majority shareholding to be held by Malaysians;</p> <p>3) Majority of the board of directors to be Malaysians; and</p> <p>4) Principal place of business to be in Malaysia.</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <p>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>

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
	(4) Unbound, except as indicated in the horizontal section. Ship crew is permitted to disembark only for duration of berth.	(4) Unbound, except for the categories of natural persons referred to under market access	
Rental of cargo vessels with crew for international shipping (CPC 7213) Rental of cargo Vessels without crew (Bareboat Charter) for international shipping (CPC 83103) (Relating to ships exclude cabotage and offshore trades)	(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 the joint-venture corporation shall not exceed 49 per cent (foreign equity). (4) Unbound, except ships crew (for vessel with crew) is permitted to disembark only for duration of berth subject to applicable domestic regulations.	(1) None (2) None (3) None (4) Unbound	
F. Supporting services for maritime transport Vessel salvage and refloating services (CPC74540) (except on inland waters)	(1) None (2) None	(1) None (2) None	

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

Sector or Subsectors	Limitation on Market Access	Limitation 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 aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 per cent (foreign equity).</p> <p>(4) Unbound, except as indicated in the horizontal section</p>	<p>(3) None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access.</p>	
<p>Maritime agency services (Covering marketing and sales of maritime transport and related services and acting on behalf of the companies organising the call of the ship or taking over cargoes when required) (CPC 7454*)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 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 for the categories of natural persons referred to under market access</p>	
<p>Maintenance and repair vessels (CPC 8868**) (these are limited to businesses)</p>	<p>(1) Unbound (due to the lack of technical feasibility)</p>	<p>(1) Unbound (due to the lack of technical feasibility)</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
related to maintenance and repair of ocean going vessels at anchor or alongside and maintenance and repair of local vessels)	<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. Foreign equity allowable up to maximum of 49 per cent.</p> <p>(4) Unbound, except, as indicated in the horizontal commitments.</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>H. Services Auxiliary to All Modes of Transport (Under revised list 7480)</p> <p>Maritime freight forwarding services (Consist of organizing and monitoring shipment operations on behalf of shippers, through the procurement of transport and related services, preparation of documentation and provision of business information)</p>	<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. Foreign equity allowable up to maximum of 49 per cent.</p> <p>(4) Unbound, except as indicated in the horizontal commitments</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access</p>	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
AIR TRANSPORT			
a) Selling and marketing of air transport services (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. The activities do not include the pricing of air transport services nor the applicable conditions).	(1) None (2) None (3) Unbound (4) Unbound	(1) None (2) None (3) Unbound (4) Unbound	
b) Computer reservation system services (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.	(1) None (2) None (3) Unbound (4) Unbound	(1) None (2) None (3) Unbound (4) Unbound	
(c) Aircraft Repair and Maintenance Services (such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and does not include so-called line maintainence)	(1) None (2) None (3) Unbound (4) Unbound	(1) None (2) None (3) Unbound (4) Unbound	
OTHER SERVICES			
Skills training services covering the provision of training for technical, supervisory and	(1) None (2) None	(1) None (2) None	

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

Sector or Subsectors	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
<p>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 (CPC97090)</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 Establishment of local branches requires additional licenses</p> <p>(4) Unbound, except as indicated in the horizontal section</p>	<p>(3) None</p> <p>(4) Unbound, except for the categories of natural persons referred to under market access</p>	

ANNEX I
Annex to Additional Commitments (Telecommunication Services)

Principles	Procedural Requirements
1. Competition safeguards	<p>The regulatory body must take measure to:</p> <ul style="list-style-type: none"> - Maintain fair competition among network operators; - Safeguard the interest of consumers;
2. Universal Service Obligation	<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	<p>To ensure that the following principles pertaining to interconnection arrangement are adhered to:</p> <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.

Mode 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
7. FINANCIAL SERVICES, INCLUDING INSURANCE			
Horizontal Commitments Applicable to the Financial Services Sector			
<p>1. The commitments in the financial services sector are in accordance with the General 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, merchant banks, offshore insurance and offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers, offshore insurance managers, insurance companies, and representative offices of commercial banks and merchant banks, the following 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>			
ALL FINANCIAL SERVICES	<p>3) Limitations on investments as contained in the all-sector horizontal section.</p> <p>4) Limitations in the all-sector horizontal section will apply when indicated in each activity.</p>	<p>3) Limitations on land and other immovable property as contained in the all-sector horizontal section.</p> <p>Unbound for measures affecting financial services accorded, to any Bumiputera or to assist development of any Bumiputera financial institution to achieve objectives of the National Development Policy (NDP).</p> <p>4) Limitations in the all-sector horizontal section will apply when indicated in each activity.</p>	
1. Offshore banks, offshore investment banks, offshore direct insurance companies, offshore	1), 2) Unbound* except as otherwise specified in this schedule.	1), 2) Unbound*, except as otherwise specified in this schedule.	

* Due to lack of technical feasibility

Mode 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
reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers and offshore insurance managers.	<p>3) Entry is confined to Labuan. Entry is limited to establishment of a branch registered or a subsidiary incorporated in Malaysia.</p> <p>4) Unbound, except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	<p>3) None.</p> <p>4) Unbound, except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	
2. Commercial banks and merchant banks.	<p>1), 2) Unbound* except as otherwise specified in this schedule.</p> <p>3) The 13 wholly-foreign owned commercial banks are permitted to remain wholly-owned by their existing shareholders.</p> <p>Unbound for new licences.</p>	<p>1), 2) Unbound* except as otherwise specified in this schedule.</p> <p>3) None except as indicated in the all financial services horizontal section and in the respective activity listed below.</p> <p>Acquisition by a foreign bank of an aggregate of 5 percent or more of shareholding in a Malaysian-owned or controlled commercial bank or merchant bank must meet the following criteria:</p>	

* Due to lack of technical feasibility

Mode 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>Entry is limited to equity participation by foreign banks in Malaysian-owned or controlled commercial banks and merchant banks and aggregate foreign shareholding in a commercial bank or a merchant bank shall not exceed 30 percent. Shareholding by a single person individually or jointly with related persons is limited to a maximum of 20 percent.</p> <p>A commercial bank is not allowed to acquire any share in another commercial bank but may acquire shares in one merchant bank.</p> <p>A merchant bank is not allowed to acquire any share in a commercial bank or another merchant bank.</p> <p>Other persons are not permitted to acquire 5 percent or more of shareholding in a commercial bank or merchant bank if the person already holds 5 percent or more of shareholding in another licensed financial institution.</p>	<p>(a) The foreign bank has the ability to facilitate trade and contribute to financial and economic development of Malaysia;</p> <p>(b) The country of the foreign bank has significant trade and investment interests in Malaysia; and</p> <p>(c) The country of the foreign bank does not have significant representation in the Malaysian banking industry.</p>	

Mode 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
All financial services- commercial banks and merchant banks - cont'd)	<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> <ul style="list-style-type: none"> (a) Unless otherwise specified, temporary presence of natural persons is offered only in respect of supply through the mode of commercial presence. (b) Two senior managers and five specialists or experts for each bank 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. Specialists or experts for each bank for areas relating to: <ul style="list-style-type: none"> (i) trade financing; (ii) corporate finance; (iii) treasury management; and (iv) information technology. (c) For a representative office, two foreign nationals. Only one foreign national for the two top 	<p>4) Unbound except for the categories of natural persons referred to under market access.</p>	

Mode 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>posts.</p> <p>(d) Entry shall be limited to a maximum period of five years.</p>		
3. Direct insurance companies.	<p>1), 2) Unbound* except as otherwise specified in this schedule.</p> <p>3) Branches of foreign insurance companies are required to be locally incorporated in accordance with the Insurance Act 1996 and foreign shareholding not exceeding 51 percent is permitted.</p> <p>Foreign shareholding not exceeding 51 percent is also permitted for the existing foreign shareholders of locally incorporated insurance companies which were the original owners of these companies. Provided aggregate foreign shareholding in such companies does not exceed 51 percent.</p> <p>New entry is limited to equity participation by foreign insurance companies in locally incorporated insurance companies and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Unbound for new licences.</p>	<p>1), 2) Unbound* except as otherwise specified in this schedule.</p> <p>3) None except as indicated in the all financial services horizontal section and in the respective activity listed below.</p> <p>Acquisition by a foreign insurance company of an aggregate of more than 5 percent shareholding in a locally incorporated insurance company must meet at least one of the following criteria:</p> <p>(a) The foreign insurance company has the ability to facilitate trade and contribute to 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> <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</p>	

* Due to lack of technical feasibility

Mode 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
		has the ability to provide technical expertise and know-how to contribute to the financial and economic development of Malaysia.	
	<p>An insurance company is not allowed to acquire more than 5 percent share:</p> <ul style="list-style-type: none"> (a) In another insurance company in Malaysia that carries on the same class of insurance business as that carried on by it; or (b) In an insurance broking company. <p>Other persons holding more than 5 percent shareholding in an insurance company are not permitted to acquire more than 5 percent shareholding in:</p> <ul style="list-style-type: none"> (a) Another insurance company carrying on the same class of insurance business as that carried on by the insurance company in which the person is a shareholder; or (b) An insurance broking company. 		

Mode 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>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) Two senior managers and five specialists or experts for branches of foreign insurance companies and locally incorporated insurance companies.</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 institution for areas relating to:</p> <ul style="list-style-type: none"> (i) underwriting of specialized classes of general business; (ii) information technology; and (iii) actuarial functions. <p>(c) 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>	

Mode 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>A. BANKING AND OTHER FINANCIAL SERVICES, EXCLUDING INSURANCE</p> <p>Acceptance of deposits, and other repayable funds from the public, wholesale and retail.</p> <p>Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions.</p>	<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, a merchant bank or an offshore bank.</p> <p>Offshore banks in Labuan are permitted to accept foreign currency deposits only. Offshore investment banks in Labuan are not permitted to accept deposits.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p> <p>1), 2) Financial services associated with lending to residents in any currency in excess of an equivalent of RM25 million must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p> <p>1), 2) None.</p>	

Mode 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>3) Entry as a non-bank for scheduled businesses is limited to:</p> <p>(a) Foreign financial institutions through the establishment of a locally incorporated joint-venture company and aggregate foreign shareholding in such company shall not exceed 30 percent; or</p> <p>(b) A representative office.</p> <p>Representative offices can only undertake research and liaison services.</p> <p>Provision of factoring services by a commercial bank requires the setting up of a separate entity and shareholding by a foreign-controlled commercial bank shall not exceed 30 percent.</p> <p>Merchant banks are not permitted to provide consumer credit and home mortgages.</p> <p>Only commercial banks are permitted to provide overdraft facilities.</p> <p>Offshore banks and offshore investment banks are permitted to lend in foreign currencies only.</p>	<p>3) Foreign-controlled banking institutions in Malaysia are allowed to extend credit facilities (including factoring and leasing) up to a maximum of 50 percent of the total credit facilities obtained by non-resident controlled companies from banking institutions.</p> <p>For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia</p>	

Mode 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
(Lending of all types - cont'd)	<p>(4) For banks, unbound except as indicated in all financial services horizontal section.</p> <p>For non-banks, unbound except one foreign national for a management post which is not the CEO post, for each establishment.</p> <p>For representative offices of scheduled businesses, two foreign nationals subject to only one foreign national for the two top posts.</p> <p>Entry shall be limited to a maximum period of five years.</p>	<p>(4) For banks, unbound except as indicated in the all financial services horizontal section.</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access.</p>	
Financial leasing.	<p>1), 2) Leasing services to residents in any currency must be undertaken jointly with leasing companies or merchant banks in Malaysia.</p>	<p>1), 2) None.</p>	

Mode 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>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 percent.</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 percent; or</p> <p>(b) A representative office.</p> <p>Representative offices can only undertake research and liaison services.</p>	<p>3) None.</p>	

Mode 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>Entry is permitted through the establishment of a branch or subsidiary in Labuan by reputable foreign leasing companies. Such 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 management post which is not the CEO post and one technical post, for each establishment.</p> <p>For representative offices, two foreign nationals subject to one foreign national for the two top posts.</p> <p>Entry shall be limited to a maximum period of five years.</p> <p>For offshore leasing companies, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	<p>4) Unbound except for the categories of natural persons referred to under market access.</p> <p>For offshore leasing companies, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	

Mode 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
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 transmission services to non-residents only.</p> <p>Only commercial banks are permitted to issue credit cards, debit cards or provide checking account services.</p> <p>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 percent.</p> <p>4) For banks, unbound except as indicated in the all financial services horizontal section.</p> <p>For non-banks, unbound except one foreign national for a management post which is not the CEO post, for each establishment.</p> <p>Entry shall be limited to a maximum period of five years.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) For commercial banks, unbound for branching (including off-premises ATMs) and networking with ATMs in Malaysia.</p> <p>Branching (including dispensers) is permitted for travellers cheques companies with foreign shareholding not exceeding 30 percent.</p> <p>4) For banks, unbound except as indicated in the all financial services horizontal section.</p> <p>For non-banks, unbound except for the categories of natural persons referred to under market access.</p>	

Mode 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
Charge cards.	<p>1), 2) None</p> <p>3) Entry is limited to establishment of a company incorporated in Malaysia. Approval of the Central Bank is required.</p> <p>4) Unbound except two senior managers for each establishment. Entry shall be limited to a maximum period of five years.</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access.</p>	
Guarantees and commitments.	<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 all financial services and all-sector horizontal section.</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the all financial services and all-sector horizontal section.</p>	
Money and foreign exchange broking services.	<p>1), 2) Broking services, involving Ringgit Malaysia and financial instruments issued in Malaysia must be effected through authorized dealers and money and foreign exchange brokers incorporated in Malaysia.</p> <p>3) Entry is limited to:</p> <p>(a) equity participation in existing institutions and aggregate foreign shareholding in such institutions shall not exceed 30 percent; or</p>	<p>1), 2) None</p>	

Mode 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>(b) the establishment of a branch or subsidiary, by a money and foreign exchange broker, registered or incorporated in Labuan.</p> <p>Money and foreign exchange broking services by offshore entities are confined to foreign currencies only.</p> <p>4) Unbound.</p> <p>For offshore money and foreign exchange brokers, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	<p>3) None</p> <p>4) Unbound</p> <p>For offshore money and foreign exchange brokers, unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	
<p>Trading for own account or account of customers in the following:</p> <ul style="list-style-type: none"> - money market instruments - foreign exchange - transferable securities - exchange rate and interest rate instruments - derivative products, including futures and options - other negotiable instruments, including bullion 	<p>1) Dealing is limited to contracts traded on specified exchanges abroad.</p> <p>2) None</p>	<p>1) None</p> <p>2) None</p>	

Mode 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>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 authorized banks in Malaysia.</p> <p>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>Trading for accounts of customers by offshore banks, offshore investment banks and offshore companies in Labuan is confined to non-resident customers and in instruments created and issued by offshore companies in Labuan and foreign companies abroad.</p> <p>Trading in shares of Malaysian companies by offshore banks, offshore investment banks and offshore companies in Labuan is confined to non-resident customers who are not offshore companies registered or incorporated in Labuan.</p> <p>Only commercial banks, offshore banks and offshore investment banks are permitted to trade in foreign currency.</p>	<p>3) None</p>	

Mode 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
(Trading for own account or account of customers - cont'd)	<p>Trading and dealing in securities and financial futures and derivative products other than by designated financial institutions require establishment of a locally incorporated joint-venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Trades for own account and account of customers who are outside Malaysia may be routed to participating organisations of the stock exchange for execution by a foreign stock broking company that is incorporated in Malaysia subject to all terms and conditions which are being finalized.</p> <p>4) For banks, unbound except as indicated in the all financial services 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 all financial services horizontal section.</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section.</p>	

Mode 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
Services related to the issues of all kinds of securities and placement as agents (whether publicly or privately) (excluding issuing and rating houses).	<p>1), 2) Participation in issues and services related to such issues requires authorization.</p> <p>3) Participation by offshore banks and offshore investment banks in Labuan is limited to non-resident customers and for issues of securities outside Malaysia.</p> <p>Only merchant banks are permitted to make submissions to the Securities Commission for new issues.</p> <p>Participation by non-banks requires establishment of a locally incorporated joint-venture company and aggregate foreign shareholding in such company shall not exceed 30 percent.</p> <p>Unbound for appointment as principal dealers.</p> <p>4) For banks, unbound except as indicated in the all financial services 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 all financial services horizontal section.</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section.</p>	

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

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

Mode 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>Entry as an FFMC is limited to the establishment of a company incorporated locally with more than 50 percent foreign shareholding in the company and requires the approval of the Securities Commission. Sourcing of local funds worth at least RM10 million is limited to FFMCs where the aggregate foreign shareholding is not more than 70 percent and the company is managing or has undertaken to manage funds sourced from outside Malaysia to the amount of at least USD100 million. Sourcing of local funds is limited to institutional funds and collective investment schemes other than unit trusts. Only ten FFMCs which have a maximum of 70 percent foreign shareholding may manage the funds of a local unit trust subject to the approval of the Securities Commission.</p> <p>4) For commercial banks and merchant banks, unbound except as indicated in the all financial services horizontal section. For non-banks, unbound except as indicated in the all-sector horizontal section.</p>	<p>4) For banks, unbound except as indicated in the all financial services horizontal section. For non-banks, unbound except as indicated in the all-sector horizontal section.</p>	

Mode 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
Advisory, intermediation and other auxiliary financial services, including credit reference and analysis, investment advice on acquisitions, corporate restructuring and strategy.	<p>1) Provision of investment and portfolio advice requires commercial presence.</p> <p>Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p> <p>2) Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks or merchant banks in Malaysia.</p> <p>3) Entry as a non-bank is limited to:</p> <p>(a) Establishment of a locally incorporated joint-venture company and aggregate foreign shareholding in such company shall not exceed 30 percent; or</p> <p>(b) A representative office.</p> <p>Representative offices (including those of commercial banks, merchant banks and securities companies) are permitted to undertake research, information and liaison services only.</p> <p>Representative offices of</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p>	

Mode 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>securities companies are not permitted to publish and circulate research work in Malaysia.</p> <p>Offshore banks, offshore investment banks and offshore companies in Labuan can only provide services to non-resident customers.</p> <p>4) For banks, unbound except as indicated in the all financial services horizontal section.</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section.</p> <p>For representative offices, two foreign nationals subject to only one foreign national for the two top posts. Entry shall be limited to a maximum period of five years.</p>	<p>4) For banks, unbound except as indicated in the all financial services horizontal section.</p> <p>For non-banks, unbound except as indicated in the all-sector horizontal section.</p>	

Mode 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>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>	<p>1), 2) Unbound 3) Only through a locally incorporated wholly foreign-owned company.</p> <p>A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia, and a foreign-owned company which is already incorporated in Malaysia, may seek to qualify as an OHQ.</p> <p>An OHQ must operate in Malaysia and fulfill the following criteria:</p> <ul style="list-style-type: none"> (a) Carry out at least three 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 a substantial number of qualified executives, professionals, technical and 	<p>1), 2) Unbound 3) None</p>	

* Due to lack of technical feasibility

Mode 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>other supporting personnel;</p> <p>(e) Be able to make decisions independently without consultation 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; (ii) Creating job opportunities for Malaysians; (iii) Enabling greater inflow of foreign funds. <p>4) Unbound except as indicated in the all-sector horizontal section.</p>		
<p>Securities broking services comprising:</p> <ul style="list-style-type: none"> - broking services; - credit reference and analysis; - investment portfolio management and advice; and - market research 	<p>1) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are participating organisations 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>4) None</p> <p>1) None</p>	

Mode 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>2) Trades on Malaysian stock exchanges must be transacted through companies incorporated in Malaysia which are participating organisations of the exchange.</p> <p>3) Entry is limited to recognized foreign stock broking companies through:</p> <ul style="list-style-type: none"> (a) Equity participation in an existing stockbroking company; or (b) Establishment of a locally incorporated joint-venture company with a Malaysian stockbroking company. <p>And aggregate foreign shareholding in such company shall not exceed 49 percent.</p> <p>A foreign stockbroking company is permitted to have shareholding in one stockbroking company only.</p> <p>Entry by recognized foreign stockbroking companies is also permitted through a representative office.</p> <p>Representative offices are permitted to undertake research, information and liaison services only. Representative offices are not permitted to publish and circulate research work in Malaysia.</p>	<p>2) None</p> <p>3) None</p>	

Mode 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>New licences subject to conditions, including geographical location, numerical quota and other conditions to be determined.</p> <p>4) Unbound for a stockbroking company, except as indicated in the all-sector horizontal section.</p> <p>For representative offices, two foreign nationals subject to only one foreign national for the two top posts. Entry shall be limited to a maximum period of five years.</p>	<p>4) Unbound except for the categories of natural persons referred to under market access.</p>	
Commodity futures broking services.	<p>1) 2) Trades on any Malaysian commodity futures exchange must be conducted through companies incorporated in Malaysia which are trading participants of the exchange.</p> <p>3) Entry is limited to:</p> <p>(a) Establishment of a locally incorporated joint-venture company and aggregate foreign shareholding in such company is limited to 30 percent or any higher percentage as determined by the relevant authorities; or</p>	<p>1), 2) None</p> <p>3) None</p>	

Mode 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>(b) A representative office.</p> <p>Representative offices are permitted to undertake research, information and liaison services only.</p> <p>Total participation of the exchange will be based on economic needs.</p> <p>4) Unbound except one foreign national for a management post per establishment, subject to market test.</p>	<p>4) Unbound except for the categories of natural persons referred to under market access.</p>	
B. INSURANCE SERVICES Direct insurance (non-life).	<p>1) Soliciting and advertising in Malaysia are not allowed.</p> <p>Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to third party requires approval. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p>	<p>1) None</p>	

Mode 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>2) Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to third party requires approval. 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 all financial services horizontal section.</p>	<p>2) None</p> <p>3) Branching is permitted for direct insurance companies with aggregate foreign shareholding of less than 50 percent. Direct insurance companies are permitted to maintain their existing network of branches.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p>	

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

Mode 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>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 percent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan.</p> <p>4) Unbound except for:</p> <p>(a) Two senior managers and three specialists or experts for each institution are permitted.</p> <p>A senior manager is an individual possessing proprietary knowledge and authority essential to the establishment, control and operation of the services of the financial service supplier.</p> <p>Specialists or experts are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service supplier.</p>	<p>3) Unbound for measures granting special position to Malaysian Reinsurance Berhad.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p> <p>For offshore reinsurance companies, unbound except as indicated in the all financial services horizontal section.</p>	

Mode 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>(b) Entry shall be limited to a maximum period of five years.</p> <p>For offshore reinsurance companies, unbound except as indicated in the all financial services horizontal section.</p>		
Reinsurance and retrocession (life).	<p>1), 2) Outward reinsurance is permitted only if local capacity is not available.</p> <p>3) National retention capacity is required to be optimised before any outward reinsurance by:</p> <p>(a) direct life insurance and life reinsurance companies in Malaysia; and</p> <p>(b) offshore direct life insurance and offshore life reinsurance companies which are permitted to insure or reinsure life insurance of high net worth residents.</p> <p>Unbound for new licences.</p> <p>Aggregate foreign shareholding in the Malaysian Life Reinsurance Group Berhad shall not exceed 30 percent.</p> <p>Entry as an offshore reinsurance company is confined to Labuan.</p>	<p>1), 2) Unbound for fiscal incentives to promote reinsurance in Malaysia.</p> <p>3) None</p>	

Mode 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
(Reinsurance and retrocession (life) - cont'd)	<p>4) Unbound except for:</p> <p>(a) Two senior managers and three specialists or experts for each institution are permitted. 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 are individuals who possess knowledge and expertise relating to new products and services, technique or management of the financial service supplier.</p> <p>(b) Movement of a senior manager, specialist or expert can be through intra-corporate transfers or otherwise.</p> <p>(c) Entry shall be limited to a maximum period of five years.</p> <p>For offshore reinsurance companies, unbound except as indicated in the all financial services horizontal section.</p>	<p>4) Unbound except as indicated in the all financial services horizontal section.</p> <p>For offshore reinsurance companies, unbound except as indicated in the all financial services horizontal section.</p>	

Mode 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
Insurance intermediation - insurance broking (excluding agency).	<p>1), 2) Direct insurance broking services can only be provided to offshore companies in Labuan.</p> <p>Reinsurance broking is permitted.</p> <p>3) Unbound for onshore insurance broking.</p> <p>Broking of direct insurance of Malaysian risks by offshore insurance brokers is not permitted.</p> <p>This limitation does not apply to broking of reinsurance of Malaysian risks.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p>	<p>1), 2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p>	
Insurance intermediation - insurance underwriting and insurance management.	<p>1), 2) Insurance underwriting and insurance management are not permitted.</p> <p>3) Unbound for onshore insurance underwriting and insurance management.</p> <p>An offshore insurance underwriting manager is not permitted to provide services to any person other than offshore insurance companies in Labuan.</p> <p>An offshore insurance manager is permitted to provide insurance management services to persons</p>	<p>1), 2) None</p> <p>3) None</p>	

Mode 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>other than residents.</p> <p>4) Unbound except as indicated in the all financial services horizontal section.</p>	<p>4) Unbound except as indicated in the all financial services horizontal section.</p>	
<p>Services auxiliary to insurance, as follows:</p> <p>(a) Consultancy (excludes insurance agency services to insurance industry)</p> <p>(b) Actuarial risk assessment</p> <p>(c) Risk management</p> <p>(d) Maritime loss adjusting.</p>	<p>1) Actuarial services can only be provided to offshore insurance companies and offshore reinsurance companies in Labuan.</p> <p>2) None.</p> <p>3) Limited to the establishment of:</p> <p>(a) Locally incorporated companies;</p> <p>(b) Branches; or</p> <p>(c) Partnerships.</p> <p>Offshore companies are not permitted to provide services to Malaysian residents.</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	<p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence.</p>	