ASEAN – HONG KONG, CHINA FREE TRADE AGREEMENT

CHAPTER 8 TRADE IN SERVICES

ANNEX 8-1
SCHEDULES OF SPECIFIC COMMITMENTS

SCHEDULE OF MALAYSIA

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITME	ENTS	,	
ALL SECTORS INCLUDED IN THIS SCHEDULE UNLESS OTHERWISE INDICATED	3) Acquisition, Mergers and Take-overs The acquisition of assets or interests of Malaysian companies and businesses, mergers or take-overs requires approval and apply to the following: (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	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. Incentives/Preferences Incentives are limited to eligible Malaysian-owned corporations engaged in services sectors promoted by the Government. 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	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Sector or Sub-sector	(c) control of Malaysian corporations through any form of joint-venture agreement, management agreement, technical assistance agreement or other arrangements. Approval is normally granted. However it may be denied in circumstances where the proposed investment conflicts with the interest of the State. 4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below or indicated in sectoral commitments 1. Intra-corporate Transferees	Treatment unbound. Corporations in which the Government has an interest shall, in acquiring services, give first consideration to services suppliers in which the Government has an interest. This requirement does not prevent the acquisition of services from other services suppliers where their services are competitive in terms of price, quality and delivery. 4) Unbound except for the categories of natural persons referred to under market access	Additional Communents
	(a) senior managers being persons within an organisation having proprietary information of the organisation and		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	who exercise wide		
	latitude in decision		
	making relating to		
	the establishment,		
	control and		
	operation of the		
	organisation being		
	directly responsible		
	to the CEO and		
	receive only general		
	supervision or direction from the		
	board of directors or		
	partners of the		
	organisation; and		
	organisation, and		
	(b) two specialists or		
	experts per		
	organisation being		
	persons within the		
	organisation who		
	possess knowledge		
	at an advanced level		
	of continued		
	expertise and who		
	possess proprietary		
	knowledge of the		
	organisation's new		
	service products and		
	technology, research		
	equipment and		
	techniques or		
	management.		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Additional specialists or experts may be allowed subject to market test and the training of Malaysians through an acceptable training programme in the relevant services sector or sub sector. Provided that such persons are employees of the foreign services supplier for a period of not less than one year immediately preceding the date of application for a work permit and he is to serve in at least a similar capacity. 2. Others		
	(a) specialists or experts being persons who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisation's		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	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		
	(b) professionals being		
	persons who		
	possess necessary		
	academic		
	credentials,		
	professional		
	qualifications,		
	experience and/or		
	expertise which		
	have been duly		
	recognised by the		
	professional bodies		
	in Malaysia and		
	registered with those		
	respective		
	professional bodies;		
	and		
	(c) business visitors		
	being persons not		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	based within Malaysia, receiving no remuneration from any source within Malaysia, who has been employed for at least one year by a foreign services 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 or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR-SPECIFIC COMI	WITMENTS		
1. BUSINESS SERVICES			
A. Professional Services	T	T	
Accounting, auditing and bookkeeping services	1) None	1) None	The qualifying examination to determine the
(CPC 862)	2) None	2) None	competence and ability to supply the service for the
	3) Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 49 per cent.	3) None	purposes of registration with the MIA will be conducted in the English language.
	4) Unbound except as indicated in the horizontal section. In respect of 1 (b), additional two specialists/experts for each firm/company In respect of 2 (b), residency is required for registration	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Taxation Services (CPC 863)	 None None 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. 	 None None None 	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.
	4) Unbound except as indicated in the horizontal section. In respect of 1 (b), additional two specialists/experts for each firm/company In respect of 2 (b), residency is required for registration	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Architectural services (CPC 8671)	1) None 2) None	 Architectural services must be authenticated by a licensed professional architect in Malaysia. Architectural services must be authenticated by a licensed professional architect in Malaysia. 	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.
	3) a) Architectural services may be supplied only by natural person.	3) a) None	
	b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 30 per cent for joint ventures by professionals who are registered in the country of origin. Foreign Directorship is not allowed.	b) Unbound	
	4) Unbound except as indicated in the horizontal section and, in respect of 2 (b) only an architect who is a consultant to a project in	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	collaboration with a Malaysian professional architect for wholly foreign funded projects		
Engineering services (CPC 8672)	1) None	Engineering services must be authenticated by a registered professional engineer in Malaysia.	4) The qualifying examination to determine the competence and ability to supply the service for the purpose of registration with
	2) None	Engineering services must be authenticated by a registered professional engineer in Malaysia.	the professional bodies will be conducted in English language.
	3) a) Engineering services may be supplied only by natural person.	3) a) None	
	b) For multi–disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 30 per cent for joint ventures by professionals who are registered in the country of origin. Foreign Directorship is not allowed.	b) Unbound	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as indicated in the horizontal section and, in respect of 2 (b), subject to temporary registration for a period of one year per temporary registration.	4) Unbound, except for the categories of natural persons referred to under market access.	
Integrated engineering services (CPC 8673)	1) None 2) None	Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia. Integrated engineering services must be	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.
		authenticated by the relevant registered professionals in Malaysia.	
	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. The aggregate foreign	3) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence

Sector or Sub-sector	Lir	nitations on Market Access		Limitations on National Treatment	,	Additional Commitments
		shareholding in the joint- venture corporation shall not exceed 30 per cent.				
		Establishment of such joint-venture corporation is only for duration necessary to complete the services contract.				
	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	4)	Unbound, except for the categories of natural persons referred to under market access.		
Urban Planning Services (CPC 86741)	1)	None	1)	None	4)	The qualifying examination to determine the
covering development services	2)	None	2)	None		competence and ability to supply the service for the
programmes regarding land use, site selection, control and	3)	Unbound	3)	Unbound		purpose of registration with the professional bodies will
utilisation, road systems and servicing of land with a view to	4)	Unbound except for:	4)	Unbound, except for the categories of natural		be conducted in English language.
creating and maintaining systematic, coordinated urban planning.		(i) independent professionals* with an employment contract with a registered		persons referred to under market access.		

^{*} Independent professionals is as defined in para 2 (b) in the horizontal section

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Malaysian town planning company. Independent professionals must possess recognised qualifications and obtained temporary registration with the relevant regulatory authorities; (ii) consultants (with recognised qualifications and subject to registration) for wholly public funded projects and in collaboration with a Malaysian urban planning company; and (iii) Any other requirements or provisions as spelt out under the relevant legislation		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Landscaping services	1) None	1) None	
covering the provision of advisory, planning and designing	2) None	2) None	
services for the aesthetic landscaping of golf courses and theme parks (CPC 86742*)	3) Only through a locally incorporated joint-venture corporation with Malaysian registered landscape architects or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
B. Computer and Related Se	ervices		
a. Consultancy services related to the installation of	1) None	1) None	
computer hardware (CPC 841)	2) None	2) None	
	3) None	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the	Unbound, except for the categories of natural persons referred to under	

	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		horizontal section	market access.	
b.	Consultancy services related to software implementation service covering advisory and implementation for customised software (CPC 842)	 None None None Unbound except as indicated in 1 (a) and (b) 	 None None None Unbound, except for the categories of natural 	
		and 2 (a) and (c) in the horizontal section.	persons referred to under market access.	
C.	Data processing services (CPC 843)	1) None	1) None	
	,	2) None	2) None	
		3) None	3) None	
		4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	
d.	Data base services (CPC 8440)	1) None	1) None	
	,	2) None	2) None	
		3) None	3) None	

					Limitations on National	, ·
	Sector or Sub-sector	Lir	nitations on Market Access		Treatment	Additional Commitments
		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.	
F.	Other Business Services	I .		l		
i)	Sale or leasing services of advertising space or time (CPC 8711)	1)	Commercial presence is required	1)	Unbound	
	(5. 5 5)	2)	None	2)	None	
		3)	Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent. Advertisement through electronic media Advertisement must have at least 80 per cent local content and be made in Malaysia.	3)	None	
		4)	Unbound except as indicated in 1 (a) and (b)	4)	Unbound, except for the categories of natural	

	Sector or Sub-sector	Lir	nitations on Market Access		Limitations on National Treatment	Additional Commitments
			and 2 (a) and (c) in the horizontal section.		persons referred to under market access.	
ii)	Planning, creating and placement services of advertising	1)	Commercial presence is required	1)	Unbound	
	(CPC 8712)	2)	None	2)	None	
		3)	Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.	3)	None	
			Advertisement through electronic media			
			Advertisement must have at least 80 per cent local content and be made in Malaysia.			
		4)	Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4)	Unbound, except for the categories of natural persons referred to under market access.	

	Sector or Sub-sector	Limitations on Market Access		Limitations on National Treatment	Additional Commitments
iii)	Other advertising services (CPC 8719)	Commercial presence is required	1)	Unbound	
		2) None	2)	None	
		3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.	3)	None	
		Advertisement through electronic media			
		Advertisement must have a least 80 per cent local content and be made in Malaysia.			
		4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4)	Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Market research services (CPC 864) and Public opinion polling services (CPC 864)	1) None 2) None	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 is at least 30 per cent.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	
Other Management Consulting Services	1) None	1) None	
covering advisory, guidance	2) None	2) None	
and operational assistance services concerning management of the trans- mission of non-conventional energy (CPC 8650*)	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	3) None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	least 30 per cent. 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.	
covering advisory, guidance and operational assistance	1) None	1) None	
on environmental management services	2) None	2) None	
including risk assessment services (CPC 8650*)	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
covering advisory and guidance in the field of pharmacy as follows:	 None None 	1) None 2) None	
 Basic material manufacturing consultancy in the manufacture of drugs in raw material form; New systems of drug delivery; Biotechnology-new 	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.	3) None	
techniques for influencing the process and products of living cells;	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.	
 New techniques in drug development and methods of producing drugs and vaccine; and 			
- Vaccine production (CPC 8650*)			

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
covering advisory and guidance on International Value-Added Network	 None None 	1) None 2) None	
Services, rural telecom development and human resource development in telecommunications (CPC 8650*)	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	
Technical Testing and Analysis Services	1) None	1) None	
i) Composition and purity	2) None	2) None	
testing and analysis services (CPC 86761)	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	3) None	

	Sector or Sub-sector	Limitations on Market Acc	Limitations on National Treatment	Additional Commitments
		least 30 per cent. 4) Unbound except as indicated in 1 (a) and (k and 2 (a) and (c) in the horizontal section		
ii)	Testing and analysis services of physical	1) None	1) None	
	properties (CPC 86762)	2) None	2) None	
		3) Only through a locally incorporated joint-ventucorporation with Malays individuals or Malaysial controlled corporations both and Bumiputera shareholding in the join venture corporation is a least 30 per cent.	sian n- or t-	
		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.	

	Sector or Sub-sector	Limitations on Market Access		Limitations on National Treatment	Additional Commitments
iii)	Testing and analysis services of integrated mechanical and electrical	1) None 2) None	1)	None None	
	systems (CPC 86763)	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.	3)	None	
		4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section	4)	Unbound, except for the categories of natural persons referred to under market access.	
iv)	Other technical testing and analysis services	1) None	1)	None	
	(CPC 86769)	2) None	2)	None	
		3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at	3)	None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	least 30 per cent. 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.	
Services incidental to agriculture and fishing covering only	1) None	1) None	
specialised consultancy, advisory and operational assistance on	2) None	2) None	
crop and fisheries management, including value added services such as preservation techniques, etc. (part of CPC 881* and 882*)	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Services incidental to manufacturing (884, 885 except 88442)	1) None 2) None	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.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	
Translation and interpretation services	1) None	1) None	
(CPC 87905)	2) None	2) None	
	Translation and interpretation services may be supplied only by a natural person.	3) None	
	Unbound except as indicated in 2 (a) in the horizontal section	4) Unbound, except for the categories of natural persons referred to under	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		market access. Translation and/or interpretation from English Language to the Malay language or vice versa is not permitted.	
Convention Centre (part of CPC 87909) (convention and exhibition management services covering the provision of planning, organisational, management and marketing services or conventions and other similar events)	1) None 2) None 3) a) 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 30 per cent. b) for Convention Centers with seating capacity of over 5,000 aggregate foreign shareholdings up to 49% shall be permitted.	1) None 2) None 3) None	

Sector or Sub-sector		nitations on Market Access		Limitations on National Treatment	Additional Commitments
	4)	Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4)	Unbound, except for the categories of natural persons referred to under market access.	
2. COMMUNICATION SERVI	CES		1		
C. Telecommunication Servi	ces				
Basic Telecommunication	1)	None	1)	None	Pro-competition regulatory principle in respect of
Based on domestic regulations, Malaysia has reclassified its	2)	None	2)	None	interconnection (Refer to Annex I)
communications services sector on the basis of provision of Network Service Provider (NSP), provision of Application Service Provider (ASP) Basic local, interexchange and international services; supplied over public telecommunications transport networks using any network technology, facilities regardless of whether the means of delivery services are wired or wireless are mapped into the aforementioned three categories.	3)	With respect to Network Facilities Provider (NFP) and NSP components of the service, only through an acquisition of shares of existing licensed NFP(I), NSP(I). With respect to ASP(I), through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian- controlled Corporations; or through acquisition of shares of an existing licensed ASP(I) operator/corporations.	3)	None	

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

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Individual license	- For NFP(I) and NSP(I) foreign shareholding of		
1. NFP(I) ¹	up to 30 per cent in		
2. NSP(I) ²	these services providers is allowed		
3. ASP(I) ³	- For ASP(I), foreign shareholding of up to 49 per cent in these services providers is allowed.		
	[The management control of such companies shall be in the case of Telekom Malaysia, the foreign shareholding permitted shall not exceed 30 per cent with not one single country holding more than 5 per cent of the equity at any one time.]		
	Unbound, except as indicated in the horizontal	Unbound, except for the categories of natural	

Explanatory Note for Individual Licence Categories

Network facilities provider (NFP) individual licence enables the provision of network facilities services such as earth stations, fixed links and cables public payphone facilities, radio communications transmitters and links, satellite hubs and towers, duct and pits used in conjunction with other network facilities.

Network service provider (NSP) individual licence enables the provision of network services such as bandwidth services, broadcasting transmission services, cellular mobile services, customer access services and mobile satellite services.

Application Service Provider (ASP) individual licence enables the provision of applications services such as PSTN telephony, public cellular telephone telephony services, IP telephony, public payphone service and public switched data service.

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

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	section	persons referred to under market access.	
Value-Added Services	1) None	1) None	
Telecommunication services of which enhanced value-added	2) None	2) None	
services must be provided from channels or lines obtained only from licensed NFP(I) and NSP(I) operators and are also mapped into the three categories below:	3) With respect to NFP and NSP components of the service, only through an acquisition of shares of existing licensed NFP(C), NSP(C).	3) None	
Class License	(-)		
1. NFP(C) ⁴	With respect to ASP, through a locally incorporated joint-venture		
2. NSP(C) ⁵	corporation with Malaysian individuals or Malaysian-		
3. ASP(C) ⁶	controlled Corporations; or through acquisition of shares of an existing licensed ASP(C) operator/corporations.		

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NFP class license enables the provision of niched or limited purpose network facilities such as radio communications transmitters for public mobile radio network services, radio communications transmitters and links for public wireless data network services, for sole purpose of end users in buildings or a single clustered building complex.

NSP class license enables the provision of niched customer access or niched connection services such as public mobile radio work services, one or two way radio paging network services, radio communications transmitters for public radio paging network services, radio communications transmitters and links for public wireless data network services, for sole purpose of end users in buildings or a single clustered building complex.

ASP class license enables the provision of application services such as audio text hosting services provided on an opt-in basis, directory services, messaging services.

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

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	- For NFP(C) and NSP(C) foreign shareholding of up to 30 per cent in these services providers is allowed		
	 With respect to ASP(C), foreign shareholding of up to 49 per cent in these services providers is allowed. 		
	Unbound, except as indicated in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	

Explanatory Note

- 1) This sector is governed by the Communications and Multimedia Act 1998 and it subsidiary rules and regulations.
- 2) Definitions as per Communications and Multimedia Act 1998
 - a. Network facilities mean any element or combination of elements of physical infrastructure used principally for, or in connection with, the provision of network services, but does not include customer equipment.
 - Network facilities provider means a person who is an owner of any network facilities.
 - b. Network services means a service for carrying communications by means of guided and/unguided electromagnetic radiation. Network service provider means a person who provides network services.
 - c. Application service means a service provided by means of, but not solely by means of, one or more network services.

	Modes of	supply: 1) Cross	border supp	ly 2) Consumption ab	road	3) Commercial presence	4) Presence of natural persons
	Sector	or Sub-sector	Limitatio	ns on Market Access		Limitations on National Treatment	Additional Commitments
	Application service provider mans a person who provide an applications service.						
3)	Definit	ions as per Commu	nications and	d Multimedia (Licensing)	(Ame	ndment) Regulations 2001	
	a.			licensee means a persons of the Act and these F			nission to provide a network facility
				lividual licensee means of the Act and these Re			to a network facilities provider in
	b.			licensee means a person ns of the Act and these F			ssion to provide a network service
				dual licensee means an nd these Regulations.	indivi	dual licence granted to a net	vork service provider in accordance
	C.			ss licensee means a per provisions of the Act and			nmission to provide an application
				dividual licensee means of the Act and these Re			an applications service provider in
D.	Audio	visual services					
audi		e, video tape and ng distribution	1) Com requi	mercial presence is red	1)	Unbound	
	(CPC 96113) 2) None 2) None						
	3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-						

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	controlled corporations or both and the aggregate foreign shareholding 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.	4) Unbound, except for the categories of natural persons referred to under market access.	
3. CONSTRUCTION AND RE	LATED ENGINEERING SERVICES		
Construction Work Building completion and finishing	Unbound due to lack of technical feasibility.	Unbound due to lack of technical feasibility.	
work (CPC 517)	2) None	2) None	
	3) (a) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.	3) (a) None	
	(b) Foreign construction companies that are not	(b) Unbound	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	locally incorporated may carry out the following construction projects jointly with local contractors, on project-by-project basis: i) Construction projects wholly financed by foreign investment and/or grants; ii) Construction projects financed by loans of international tendering according to the terms of the		
	loans; iii) Projects with foreign investment equal or more than 50 per cent where local expertise is not available. iv) 100 per cent		
	Malaysian funded construction projects where local expertise is not available. Subject to compulsory sub-		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	contracting to local sub- contractors. 4) Unbound, except as indicated in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
9. TOURISM AND TRAVEL	RELATED SERVICES		
Hotel, Tourist Resort And Restaurant Services	1) None	1) None	
Covering the management and	2) None	2) None	
operational of hotels or resorts including, outlet which may not include ownership of such properties (CPC 641)	3) (a) Entry for service activities under CPC 641 is permitted only through a locally incorporated jointventure 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;	3) None	
	(b) or CPC 64110 covering 4- and 5-star hotel establishments only, aggregate foreign		

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	shareholdings up to 49 per cent in the joint venture corporation is permitted		
	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.	
Food serving services (CPC 642)	1) None	1) None	
(0. 0 0.2)	2) None	2) None	
	3) Entry for service activities under CPC 642 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.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section.	4) Unbound, except for the categories of natural persons referred to under market access.	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Beverage serving services for consumption on the premises	1) None	1) None	
(CPC 643)	2) None	2) None	
	3) Entry for service activities under CPC 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.	3) None	
	4) Unbound except as indicated in 1 (a) and (b) and 2 (a) and (c) in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
Travel Agencies and Tour Operators Services	1) None	1) None	
for inbound travel only	2) None	2) None	
(CPC 7471)	3) Joint-venture with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not	3) None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National	Additional Commitments
Occioi oi oub-sectoi		Treatment	Additional Commitments
	exceed 49 per cent. 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.	
10. RECREATIONAL, CULTU	RAL AND SPORTING SERVICES		
Other Entertainment Services	Unbound due to lack of technical feasibility.	Unbound due to lack of technical feasibility.	
Theatrical producer, singer group, band and orchestra entertainment services	2) None	2) None	
(CPC 96191)	Entertainment services may be supplied only by a natural person.	3) None	
	4) Unbound except as indicated in 2 (a) in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
Services provided by authors, composers, sculptors, entertainers and other individual	Unbound due to lack of technical feasibility.	Unbound due to lack of technical feasibility.	
artists (CPC 96192)	2) None	2) None	
	Entertainment services may be supplied only by a natural person.	3) None	

Sector or Sub-sector	Limitations on Market Access	Limitations on National	Additional Commitments
	(Only through a Malaysian-controlled corporation acting as the local sponsor) 4) Unbound except as indicated in 2 (a) in the horizontal section	Unbound, except for the categories of natural persons referred to under market access.	
Sports events promotion services (CPC 96411)	Unbound due to lack of technical feasibility.	Unbound due to lack of technical feasibility.	
	2) None	2) None	
	Only through a Malaysian- controlled corporation acting as the local sponsor.	3) None	
	Unbound, except as indicated in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
Sports events organisation services (CPC 96412)	Unbound due to lack of technical feasibility.	Unbound due to lack of technical feasibility.	
(5. 5 551.12)	2) None	2) None	
	Only through a Malaysian- controlled corporation acting as the local sponsor.	3) None	

Sector or Sub-sector	Limitat	tions on Market Access		Limitations on National Treatment		Additional Commitments
	ind	bound, except as licated in the horizontal ction	4)	Unbound, except for the categories of natural persons referred to under market access.		
11. TRANSPORT SERVICES	l		I			
A. Maritime Transport Servi	ces		ı		1	
International maritime transportation services excluding	1) No		1)	None	are	e following services at the port e made available to
cabotage and government cargo	2) No	one	2)	None		ernational maritime transport opliers on reasonable and
Passenger transportation (CPC 7211) Freight transportation (CPC 7212)	repreginc corind cor bot sha verex of the vesting the	ally through a presentative office, gional office or locally-corporated joint-venture reporation with Malaysian lividuals or Malaysian-introlled corporations or the and aggregate foreign areholding in the joint-inture corporation shall not ceed 40 per cent. Calaysian registered in alaysia, the following inditions must be met:	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 40 per cent. Malaysian registered vessels To register a vessel in Malaysia, the following conditions must be met:	noi con a) b) c) d) e) f)	Provisioning, fuelling and watering Garbage collection and ballast waste disposal Port Captain's services Navigation aids Shore-based operational

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	a) Owner of that vessel must be a Malaysian citizen or corporation	a) Owner of that vessel must be a Malaysian citizen or corporation	communications, water and electrical supplies
	incorporated in Malaysia;	incorporated in Malaysia;	h) Emergency repair facilities
	b) Majority shareholding to be held by Malaysians;	b) Majority shareholding to be held by Malaysians;	i) Anchorage, berth and berthing services
	c) Majority of the board of directors to be Malaysians; and	c) Majority of the board of directors to be Malaysians; and	
	d) Principal place of business to be in Malaysia.	d) Principal place of business to be in Malaysia.	
	Unbound, except as indicated in the horizontal section	4) Unbound, except for the categories of natural persons referred to under market access.	
Rental/Leasing Services Concerning Vessels without	1) None	1) None	
Operator (Bareboat Charter) for International Shipping	2) None	2) None	
(CPC 83103)	Only through a representative office,	Only through a representative office,	
Excludes cabotage and offshore trades	regional office or Malaysian- controlled corporation acting as an agent	regional office or Malaysian-controlled corporation acting as an agent	

Sector or Sub-sector	Limitations on Market Access	Limitations 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 subject to applicable domestic regulations.	4) Unbound, except as indicated in the horizontal section	
SUPPORTING SERVICES FOR MARITIME TRANSPORT	1) None	1) None	
Vessel selvers and reflecting	2) None	2) None	
Vessel salvage and refloating services except on inland waters (CPC 74540) (Vessels salvage services provided on ocean and seas. Such services consist of Recovering distressed and sunk vessels\ and their cargoes, including the raising of sunken vessels, the righting of capsized vessels and the refloating of stranded vessels)	3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent.	3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent	
	4) Unbound, except as indicated in the horizontal section	Unbound, except as indicated in the horizontal section	

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 748*) 1) None 2) None 3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent 4) Unbound, except as indicated in the horizontal section 1) None 2) None 3) Only through a representative office, regional office or locally-incorporated joint-venture corporated joint-venture corporated joint-venture corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent 4) Unbound, except as indicated in the horizontal section	Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	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	None None None Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent Unbound, except as indicated in the horizontal	None None None Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 30 per cent Unbound, except as indicated in the horizontal	Additional Communitients

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Maritime freight forwarding services Consist of organising and monitoring shipment operations on behalf of shippers, through the procurement of transport and related services, reparation of documentation and provision of business information (CPC 7480)	 None None Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 per cent; and establishment of local branches requires additional licences. Unbound, except as indicated in the horizontal section 	1) None 2) None 3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 per cent; and establishment of local branches requires additional licences. 4) Unbound, except as indicated in the horizontal section	

ANNEX I

	Principles	Procedural Requirements
1.	Competition Safeguards	The regulatory body must take measures to: - Maintain fair competition among network operators; - Safeguards the interest of consumers;
2.	Universal Service	- Ensure that network operators contribute to Universal Service Obligation particularly the extension of services into rural and other undeserved areas as stipulated in the licences;
3.	Public availability of licensing criteria	- 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	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	To ensure that the following principles pertaining to interconnection arrangements are adhered to: - 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.