

[外務省]Annex 6 referred to in Chapter 8
Schedules of Specific Commitments
in relation to Article 99

Part 1
Schedule of Japan

Explanatory Notes

1. Alphabets indicated against individual sectors or sub-sectors and numbers in brackets are references to the Services Sectoral Classification List (GATT Document MTN.GNS/W/120, dated 10 July 1991) and the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991). These alphabetical and numerical divisions are indicated to enhance the clarity in the description of specific commitments, but shall not be construed as being a part of the specific commitments.
2. The scheduling of specific commitments follows the Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001). The Guidelines shall not, however, be construed as being legally binding.
3. The modes of supply 1), 2), 3) and 4) indicated in this Schedule correspond respectively to the supply of services defined in subparagraphs (v)(i), (ii), (iii) and (iv) of Article 95.
4. The entry "Unbound*" means unbound due to lack of technical feasibility. The entry of "SS" in a sector or sub-sector under paragraph 3 of Article 99 shall not prevent Japan from adopting nor maintaining any measure with respect to the modes where "Unbound*" is entered.
5. The use of "***" against individual CPC codes indicates that the specific commitment for that code does not extend to the total range of services covered under that code.
6. Measures affecting (a) passenger transport services by air; (b) freight transport services by air; and (c) rental/leasing services of aircraft with crew/operator are not listed in this Schedule, as these are measures affecting traffic rights or measures affecting services directly related to the exercise of traffic rights to which Chapter 8 does not apply. The commitment for freight transport agency services does not include freight forwarding services by air transport 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
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>4) With respect to the measures pursuant to immigration laws and regulations;</p> <p>unbound except for measures concerning the entry and temporary stay of a natural person of Malaysia who falls in one of the following categories:</p> <p>(a) Short-term business visitors</p> <p>A natural person of Malaysia who stays in the territory of Japan for a period not exceeding 90 days without acquiring remuneration from within the territory of Japan and without engaging in making direct sales to the general public or in supplying services himself, for the purposes of participating in business contacts including negotiations for the sale of services or other similar activities including those to prepare for establishing commercial presence in the territory of Japan.</p>	<p>4) With respect to the measures pursuant to immigration laws and regulations;</p> <p>unbound except for measures concerning the categories of natural persons referred to in the market access column</p>	

1 A juridical person is "affiliated" with another juridical person when the latter can significantly affect the decision making of the former on finance and business policy.

	<p>(b) Intra-corporate Transferees</p> <p>A natural person of Malaysia who has been employed by a juridical person that supplies services in the territory of Japan, for a period not less than one year immediately preceding the date of his application for the entry and temporary stay in the territory of Japan, who is being transferred, for a period not exceeding 3 years, to its branch office or its representative office in the territory of Japan, or a juridical person constituted or organised in the territory of Japan, owned or controlled by or affiliated with¹ the aforementioned juridical person, and who engages in one of the following activities during his temporary stay in the territory of Japan:</p> <ul style="list-style-type: none">(i) activities to direct a branch office or a representative office as its head;(ii) activities to direct a juridical person as its board member or auditor;(iii) activities to direct one or more departments of a juridical person;		
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	<p>(iv) activities which require technology or knowledge at an advanced level pertinent to physical sciences, engineering or other natural sciences, recognised under the status of residence of "Engineer" provided for in the Immigration Control and Refugee Recognition Act (Cabinet Order No. 319 of 1951); or</p> <p>(v) activities which require knowledge at an advanced level pertinent to human science, including jurisprudence, economics, business management and accounting, or which require ideas and sensitivity based on culture of a country other than Japan, recognised under the status of residence of "Specialist in Humanities/International Services" provided for in the Immigration Control and Refugee Recognition Act.</p>		
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	<p>Activities which require technology or knowledge at an advanced level pertinent to natural or human sciences referred to in subparagraphs (b) (iv) and (v) mean activities in which the natural person may not be able to engage without the application of specialised technology or knowledge of natural or human sciences acquired by the natural person, by completing college education (i.e. bachelor's degree) or higher education, or by having been engaged in the activities for at least 10 years.</p> <p>(c) Natural persons of Malaysia who engage in professional services</p> <p>A natural person of Malaysia who is a legal, accounting or taxation service supplier qualified under Japanese law and who engages, for a period not exceeding 3 years, in one of the following activities during his temporary stay in the territory of Japan:</p> <p>(i) legal services supplied by a lawyer qualified as "Bengoshi" under Japanese law;</p>		
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	<ul style="list-style-type: none"> (ii) legal advisory services on law of jurisdiction where the service supplier is a qualified lawyer on condition that the service supplier is qualified as "Gaikoku-Ho-Jimu-Bengoshi" under Japanese law; (iii) legal services supplied by a patent attorney qualified as "Benrishi" under Japanese law; (iv) legal services supplied by a maritime procedure agent qualified as "Kaijidairishi" under Japanese law; (v) accounting, auditing and bookkeeping services supplied by an accountant qualified as "Koninkaikeishi" under Japanese law; or (vi) taxation services supplied by a tax accountant qualified as "Zeirishi" under Japanese law. 		
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	<p>(d) Natural persons of Malaysia who engage in supplying services, which require technology or knowledge at an advanced level, on the basis of a personal contract with a public or private organisations in the territory of Japan</p> <p>A natural person of Malaysia who engages, for a period not exceeding 3 years, in one of the following activities of supplying services, during his temporary stay in the territory of Japan on the basis of a personal contract with a public or private organisation in the territory of Japan:</p> <p>(i) activities which require technology or knowledge at an advanced level pertinent to physical sciences, engineering or other natural sciences under the status of residence of "Engineer", whose scope is provided for in the Immigration Control and Refugee Recognition Act; or</p>		
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	<p>(ii) activities which require knowledge at an advanced level pertinent to human science, including jurisprudence, economics, business management and accounting, or which require ideas and sensitivity based on culture of a country other than Japan under the status of residence of "Specialist in Humanities/International Services", whose scope is provided for in the Immigration Control and Refugee Recognition Act.</p> <p>Activities which require technology or knowledge at an advanced level pertinent to natural or human sciences referred to in subparagraphs (d) (i) and (ii) mean activities in which the natural person may not be able to engage without the application of specialised technology or knowledge of natural or human sciences acquired by the natural person, by completing college education (i.e. bachelor's degree) or higher education, or by having been engaged in the activities for at least 10 years.</p>		
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	A period of stay, granted to a natural person of Malaysia who falls in one of the categories aforementioned, may be extended.		
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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	SS	Limitations on market access	Limitations on national treatment	Additional commitments
II. SECTOR-SPECIFIC COMMITMENTS				
1. BUSINESS SERVICES				
A. Professional Services				
a) Legal services supplied by a lawyer qualified as "Bengoshi" under Japanese law (CPC 861)	SS	1) None except: services must be supplied by a natural person or by a Legal Profession Corporation ² ; and commercial presence is required. 2) None except: services must be supplied by a natural person or by a Legal Profession Corporation; and commercial presence is required. 3) None except that services must be supplied by a natural person or by a Legal Profession Corporation.	1) None 2) None 3) None	

2 A Legal Profession Corporation under Japanese law is composed of one or more partners who are lawyers qualified as "Bengoshi" under Japanese law and have the right and obligation to execute activities of the Legal Profession Corporation.

		4) None except that commercial presence is required.	4) None	
<p>a) Legal advisory services on law of jurisdiction where the service supplier is a qualified lawyer (CPC 861**)</p> <p>(a) Legal advisory services on law does not include:</p> <p>(i) legal representational services for juridical procedures in courts and other government agencies as well as preparation of legal documents for such procedures;</p> <p>(ii) expression of legal opinions concerning laws other than laws of the jurisdiction where the service supplier is qualified as a lawyer (hereinafter referred to as the "jurisdiction" in this sector);</p>	SS	<p>1) None except: services must be supplied by a natural person; and commercial presence is required.</p> <p>2) None</p> <p>3) None except that services must be supplied by a natural person.</p> <p>4) None except that commercial presence is required.</p>	<p>1) None except that a service supplier is required to stay in the territory of Japan not less than 180 days in a year.</p> <p>2) None</p> <p>3) None</p> <p>4) None except that a service supplier is required to stay in the territory of Japan not less than 180 days in a year.</p>	<p>3) (a) Practice of international law is permitted, provided that the international law is or was in force in the jurisdiction.</p> <p>Practice of third country law is permitted, according to written advice on each issue from competent persons (e.g. lawyers qualified in the third country and engaging in legal business concerning the law of that country).</p> <p>Practice of Japanese law is not permitted.</p> <p>(b) Association with Bengoshi is permitted.</p> <p>Employment of Bengoshi is permitted.</p>

<p>(iii) legal representational services for the entrustment of the preparation of notarial deeds; and</p> <p>(iv) those activities concerning a legal case whose primary objective is the acquisition or loss or change of rights concerning real property in the territory of Japan or of industrial property rights, mining rights or other rights arising upon registration thereof with government agencies in the territory of Japan.</p>				<p>(c) Use of firm name is unrestricted, provided that it is followed with reference to "Gaikoku-Ho-Jimu-Bengoshi Jimusho" .</p> <p>(d) Representation in international arbitration is permitted.</p>
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(b) A service supplier shall be required to co-operate with Bengoshi or to ask for his advice in a legal case concerning family relations or inheritance, in which a Japanese national is involved as a party, or in a legal case whose objective is the acquisition or loss or change of rights concerning real property in the territory of Japan or of industrial property rights, mining rights or other rights arising upon registration thereof with government agencies in the territory of Japan, as long as the above objective is not the primary one.

Note to the Specific Commitment in the Sector of Legal Advisory Services on Law of Jurisdiction
Where the Service Supplier is a Qualified Lawyer

A service supplier must be recognised as "Gaikoku-Ho-Jimu-Bengoshi" by the Minister of Justice and register with the Japan Federation of Bar Associations.

The conditions for granting recognition by the Minister of Justice are as follows:

- (a) The service supplier is qualified as a lawyer in that jurisdiction.
- (b) The service supplier has been engaged as a lawyer for at least 3 years in that jurisdiction.
- (c) The service supplier is not subject to such conditions of disqualification in that jurisdiction which, if applied to Bengoshi, would disqualify the Bengoshi.
- (d) The service supplier possesses the intention to undertake the profession in good faith.

(e) The service supplier possesses plans, residence and financial basis to perform his functions properly and steadily.

(f) The service supplier possesses capability to compensate for damages caused to the client, if any.

<p>a) Legal services supplied by a judicial scrivener qualified as "Shiho-Shoshi" under Japanese law (CPC 861**)</p>	<p>SS</p>	<p>1) None except: services must be supplied by a natural person or by a Judicial Scrivener Corporation³; and commercial presence is required.</p> <p>2) None except: services must be supplied by a natural person or by a Judicial Scrivener Corporation; and commercial presence is required.</p> <p>3) None except that services must be supplied by a natural person or by a Judicial Scrivener Corporation.</p> <p>4) None except that commercial presence is required.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
<p>a) Legal services supplied by an administrative scrivener qualified as "Gyousei-Shoshi" under Japanese law (CPC 861**)</p>	<p>SS</p>	<p>1) None except: services must be supplied by a natural person or by an Administrative Scrivener Corporation⁴; and</p>	<p>1) None</p>	

3 A Judicial Scrivener Corporation under Japanese law is composed of two or more partners who are judicial scriveners qualified as "Shiho-Shoshi" under Japanese law and have the right and obligation to execute activities of the Judicial Scrivener Corporation.

4 An Administrative Scrivener Corporation under Japanese law is composed of two or more partners who are administrative scriveners qualified as "Gyousei-Shoshi" under Japanese law and have the right and obligation to execute activities of the Administrative Scrivener Corporation.

		<p>commercial presence is required.</p> <p>2) None except: services must be supplied by a natural person or by an Administrative Scrivener Corporation; and commercial presence is required.</p> <p>3) None except that services must be supplied by a natural person or by an Administrative Scrivener Corporation.</p> <p>4) None except that commercial presence is required.</p>	<p>2) None</p> <p>3) None</p> <p>4) None</p>	
a) Legal services supplied by a certified social insurance and labour consultant qualified as "Shakai-Hoken-Romushi" under Japanese law (CPC 861**)	SS	<p>1) None except: services must be supplied by a natural person or by a Certified Social Insurance and Labour Consultant Corporation⁵; and commercial presence is required.</p> <p>2) None except: services must be supplied by a natural person or by a Certified Social Insurance and Labour Consultant Corporation; and commercial presence is required.</p>	<p>1) None</p> <p>2) None</p>	

5 A Certified Social Insurance and Labour Consultant Corporation under Japanese law is composed of two or more partners who are certified social insurance and labour consultants qualified as "Shakai-Hoken-Romushi" under Japanese law and have the right and obligation to execute activities of the Certified Social Insurance and Labour Consultant Corporation.

		<p>3) None except that services must be supplied by a natural person or by a Certified Social Insurance and Labour Consultant Corporation.</p> <p>4) None except that commercial presence is required.</p>	<p>3) None</p> <p>4) None</p>	
<p>a) Legal services supplied by a patent attorney qualified as "Benrishi" under Japanese law (CPC 86119, 8612, 8613, 8619)</p>	SS	<p>1) None except: services must be supplied by a natural person or by a Patent Business Corporation⁶; and commercial presence is required for a Patent Business Corporation.</p> <p>2) None except: services must be supplied by a natural person or by a Patent Business Corporation; and commercial presence is required for a Patent Business Corporation.</p> <p>3) None except that services must be supplied by a natural person or by a Patent Business Corporation.</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	

⁶ A Patent Business Corporation under Japanese law is composed of two or more partners who are patent attorneys qualified as "Benrishi" under Japanese law and who have the right and obligation to execute activities of the Patent Business Corporation.

<p>a) Legal services supplied by a maritime procedure agent qualified as "Kaijidairishi" under Japanese law (CPC 861**)</p>	<p>SS</p>	<p>1) None except that services must be supplied by a natural person.</p> <p>2) None except that services must be supplied by a natural person.</p> <p>3) None except that services must be supplied by a natural person.</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
<p>a) Legal services supplied by a land and house surveyor qualified as "Tochi-Kaoku-Chosashi" under Japanese law. (CPC 861**)</p>	<p>SS</p>	<p>1) None except: services must be supplied by a natural person or by a Land and House Surveyor Corporation⁷; and commercial presence is required.</p> <p>2) None except: services must be supplied by a natural person or by a Land and House Surveyor Corporation; and commercial presence is required.</p> <p>3) None except that services must be supplied by a natural person or by a Land and House Surveyor Corporation.</p> <p>4) None except that commercial presence is required.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	

7 A Land and House Surveyor Corporation under Japanese law is composed of two or more partners who are land and house surveyors qualified as "Tochi-Kaoku-Chosashi" under Japanese law and have the right and obligation to execute activities of the Land and House Surveyor Corporation.

<p>b) Accounting, auditing and bookkeeping services (CPC 862)</p>	<p>SS</p>	<p>1) None except: provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation⁸ under Japanese law is restricted to a natural person or an Audit Corporation; and commercial presence is required for an Audit Corporation.</p> <p>2) None except: provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation under Japanese law is restricted to a natural person or an Audit Corporation; and commercial presence is required for an Audit Corporation.</p> <p>3) None except that provision of the services that must be supplied by an accountant qualified as "Koninkaikeishi" or an Audit Corporation under Japanese law is restricted to a natural person or an Audit Corporation.</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
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8 An Audit Corporation under Japanese law is composed of five or more partners who are accountants qualified as "Koninkaikeishi" under Japanese law and who have the right and obligation to execute activities of the Audit Corporation.

<p>c) Taxation services (CPC 863)</p>	<p>SS</p>	<p>1) None except that as for certified public tax accountant services stipulated in Certified Public Tax Accountant Law (Law No. 237 of 1951):</p> <p>services must be supplied by a natural person or by a Certified Tax Accountant Corporation⁹; and</p> <p>commercial presence is required.</p> <p>2) None except that as for certified public tax accountant services stipulated in Certified Public Tax Accountant Law:</p> <p>services must be supplied by a natural person or by a Certified Tax Accountant Corporation; and</p> <p>commercial presence is required.</p> <p>3) None except that as for certified public tax accountant services stipulated in Certified Public Tax Accountant Law, services must be supplied by a natural person or by a Certified Tax Accountant Corporation.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
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9 A Certified Tax Accountant Corporation under Japanese law is composed of two or more partners who are tax accountants qualified as "Zeirishi" under Japanese law and who have the right and obligation to execute activities of the Certified Tax Accountant Corporation.

		4) None except that as for certified public tax accountant services stipulated in Certified Public Tax Accountant Law, commercial presence is required.	4) None	
d), e) Architectural services which must be supplied by a service supplier qualified as "Kenchikushi" under Japanese law, or by a service supplier using "Kenchikushi" (CPC 86712, 86713, 86714 ¹⁰ , 86722, 86723, 86724 ¹⁰ , 86725 ¹⁰ , 86727 ¹⁰)	SS	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	
d), e), g) Architectural services which may be supplied by a service supplier not qualified as "Kenchikushi" under Japanese law, or by a service supplier not using "Kenchikushi" (CPC 8671, 8672 ¹¹ , 86742 ¹¹)	SS	1) None ¹² 2) None ¹² 3) None 4) None ¹²	1) None 2) None 3) None 4) None	

10 Limited to services necessary for building construction excluding post-construction services.

11 Limited to services necessary for building construction.

12 In the case where the services are supplied by a service supplier who is qualified as "Kenchikushi" under Japanese law, or by a service supplier using "Kenchikushi", commercial presence is required.

e), f) Engineering services and integrated engineering services (CPC 8672 ¹³ , 8673 ¹³)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
e), g) F e), F m) Civil engineering consulting services (CPC 86721 ¹⁴ , 86724 ¹⁴ , 86727 ¹⁴ , 86729 ¹⁴) (CPC 86741, 86742 ¹⁴) (CPC 86761 ¹⁴) (CPC 86751 ¹⁴ , 86752 ¹⁴)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
g) Urban planning and landscape architectural services (CPC 8674 ¹³)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
h) Medical and dental services (CPC 9312)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	
i) Veterinary services (CPC 932)	SS	1) Unbound*	1) Unbound*	

13 Excluding architectural services and civil engineering consulting services.

14 Limited to services necessary for civil engineering excluding engineering design services for buildings.

		2) None 3) None 4) None	2) None 3) None 4) None	
j) Services supplied by midwives, nurses and para-medical personnel (CPC 93191)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	
j) Services supplied by physiotherapists qualified as "Rigakuryohoushi", or by dietitians qualified as "Eiyoushi", under Japanese law (CPC 93191**)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) None	
B. Computer and Related Services (excluding air transport services: computer reservation system) (CPC 841, 842, 843, 844, 845, 849)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
C. Research and Development Services				
a) Research and development services on natural sciences (CPC 851)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

b) Research and development services on social sciences and humanities (CPC 852) c) Interdisciplinary research and development services (CPC 853)				
D. Real Estate Services				
a) Real estate services involving own or leased property (for property in the territory of Japan) (CPC 821)	SS	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	
a) Real estate services involving own or leased property (for property outside the territory of Japan) (CPC 821)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
b) Real estate services on a fee or contract basis (for property in the territory of Japan) (CPC 822)	SS	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	

b) Real estate services on a fee or contract basis (for property outside the territory of Japan) (CPC 822)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
E. Rental and Leasing Services without Operators				
a) Rental and leasing services, without operators, relating to ships ¹⁵ (CPC 83103)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None except that prior notification is required for coastwise ship leasing services in accordance with the Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949). 4) None	
b) Rental and leasing services, without operators, relating to aircraft ¹⁶ (CPC 83104)		1) None 2) None 3) None 4) Unbound	1) None 2) None 3) None 4) Unbound	

15 In the case that services are supplied through the use of ship flying the flag of Japan, the ship must be owned by:

- (a) a natural person with Japanese nationality; or
- (b) a juridical person established under Japanese law, with all representatives ("daihyosha") and not less than two-thirds of executives administering the affairs of the juridical person ("gyomu-wo-shikkosuru yakuin") having Japanese nationality.

16 In the case that services are supplied through the use of aircraft registered as a Japanese aircraft, the aircraft must be owned by:

- (a) a natural person with Japanese nationality; or
- (b) a juridical person established under Japanese law, with all representatives ("daihyosha") and not less than two-thirds of executives ("yakuin") having Japanese nationality and with not less than two-thirds of voting share held by Japanese persons.

c)	Rental and leasing services, without operators, relating to transport equipment other than vessels and aircrafts (CPC 83101, 83102, 83105)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
d), e)	Rental and leasing services, without operators, relating to machineries and equipment other than transport equipment, and personal and household goods (CPC 83106-83109) (CPC 832)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
F. Other Business Services					
a)	Advertising services (CPC 871)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
b)	Market research and public opinion polling services (CPC 864)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
c)	Management consulting services (CPC 865)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

d) Services related to management consulting (CPC 86601, 86609)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
e) Technical testing and analysis services for manufactured goods, excluding services covered by the Measurement Law (Law No. 51 of 1992) (CPC 8676**)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
e) Technical testing and analysis services covered by the Measurement Law as follows: (CPC 86763**) <ul style="list-style-type: none"> (a) periodic inspection of specified measuring instruments; (b) verification of specified measuring instruments; (c) measurement certification business, including specified measurement certification business; (d) inspection of specified measuring instruments used for the measurement certification; 	SS	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	

<p>(e) accreditation for a person engaged in specified measurement certification business; and</p> <p>(f) calibration of the measuring instruments and other services</p>				
<p>f) Services incidental to agriculture, hunting and forestry (CPC 881)</p>	SS	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p> <p>4) None</p>	
<p>h) Services incidental to mining (CPC 883, 5115)</p>	SS	<p>1) Unbound*</p> <p>2) None</p> <p>3) None except that services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law (Law No. 289 of 1950).</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None except:</p> <p>services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law; and</p> <p>prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p>	

		4) None except that services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law.	4) None except that services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law.	
i) Services incidental to manufacturing (CPC 884**, 885)				
(a) related to aircraft industry, explosives manufacturing industry, leather and leather products manufacturing industry, arms industry, space industry and biological preparation manufacturing industry		1) Unbound* 2) None 3) None except that the number of licences conferred to service suppliers may be limited. 4) Unbound	1) Unbound* 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) Unbound	
(b) other	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
j) Services incidental to energy distribution (CPC 887)				
(a) transmission services on a fee or contract basis of electricity		1) Unbound 2) None	1) Unbound 2) None	

		<p>3) None except that the number of licences conferred to service suppliers may be limited.</p> <p>4) Unbound</p>	<p>3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p> <p>4) Unbound</p>	
(b) transmission services on a fee or contract basis of steam and hot water	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p> <p>4) None</p>	
<p>k) Placement services of personnel within the territory of Japan except in the following occupations (limited to services to establish employment relationship between a job applicant and an employer seeking personnel on the basis of job applications and offers):</p> <p>(a) Port transport services;</p> <p>(b) Construction work; and</p>		<p>1) None except that commercial presence is required.</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) None except that commercial presence is required.</p>	<p>1) None</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) None</p>	

<p>(c) Work which is stipulated in the Ministry of Health, Labour and Welfare Ordinance as having a possibility of hindering worker's protection (such work is not stipulated now) (CPC 87201, 87202)</p>				
<p>k) Supply services of personnel within the territory of Japan¹⁷ except in the following categories of business (limited to services to dispatch workers employed by the service supplier to work under the direction of another person while employment relationship with the service supplier is maintained):</p> <p>(a) Port transport services;</p> <p>(b) Construction work;</p> <p>(c) Guarding; and</p> <p>(d) Other work stipulated in Cabinet Order after consulting the Labour Policy Council (such as medical-related work) (CPC 87203, 87209)</p>		<p>1) None except that commercial presence is required.</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) None except that commercial presence is required.</p>	<p>1) None</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) None</p>	

17 The dispatched worker may not be supplied from outside the territory of Japan through intra-corporate transfer.

1) Investigation services (CPC 87301)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
1) Security guard services (CPC 873, except 87301)		1) None except that commercial presence is required. 2) None 3) None 4) Unbound	1) None 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) Unbound	
m) Related scientific and technical consulting services (excluding services related to petroleum, petroleum products, gas, mineral and surveying) (CPC 86751, 86752)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
m) Related scientific and technical consulting services related to petroleum, petroleum products, gas, mineral ¹⁸ (CPC 86751, 86752)		1) Unbound 2) None 3) None 4) None	1) Unbound 2) None 3) None 4) None	

18 Excluding services requiring mining rights or mining lease rights in accordance with the Mining Law.

<p>m) Surveying services for the land in the territory of Japan (CPC 86753, 86754)</p>	<p>SS</p>	<p>1) None except that commercial presence is required except for the surveys conducted without the use of Basic Survey¹⁹ data or Public Survey²⁰ data, and where the survey is for small areas, or where the survey does not require high accuracy.</p> <p>2) None except that commercial presence is required except for the surveys conducted without the use of Basic Survey data or Public Survey data, and where the survey is for small areas, or where the survey does not require high accuracy.</p> <p>3) None</p> <p>4) None except that commercial presence is required except for the surveys conducted without the use of Basic Survey data or Public Survey data, and where the survey is for small areas, or where the survey does not require high accuracy.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
<p>m) Surveying services for the land outside the territory of Japan (CPC 86753, 86754)</p>	<p>SS</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

19 The term "Basic Survey" means a primary or fundamental survey, conducted by the Geographical Survey Institute of the Ministry of Land, Infrastructure and Transport, for all surveys.

20 The term "Public Survey" means a survey, other than Basic Survey, which:

- (a) does not include (i) surveying for small areas and (ii) surveying where high accuracy is not required; and
- (b) is conducted with the expenses borne or subsidised, in part or in full, by the Government or other public entities.

		4) None	4) None	
n) Maintenance and repair of equipment (excluding vessels, aircraft and other transport equipment) (CPC 633, 8861-8866)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
o) Building-cleaning services (CPC 87401, 87402, 87403, 87409)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
p) Photographic services (CPC 875)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
q) Packaging services (CPC 876)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
r) Printing and publishing services (CPC 88442)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

s) Convention services (CPC 87909)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
t) Credit reporting services (CPC 87901)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
t) Collection agency services: (CPC 87902**) <p>(a) which do not constitute the practice of law in respect of legal cases</p>	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
(b) which constitute the practice of law in respect of legal cases ²¹	SS	1) None except: services must be supplied by a natural person ²² , by a Legal Profession Corporation or by a juridical person established under the Special Measures Law Concerning Credit Management and Collection Business; and commercial presence is required.	1) None	

21 Excluding taking over and recovery of credits except for those stipulated in the Special Measures Law Concerning Credit Management and Collection Business (Law No. 126 of 1998).

22 In this sector, the term "natural person" means a lawyer qualified as "Bengoshi" under Japanese law.

		<p>2) None</p> <p>3) None except that services must be supplied by a natural person, by a Legal Profession Corporation or by a juridical person established under the Special Measures Law Concerning Credit Management and Collection Business.</p> <p>4) None except that commercial presence is required.</p>	<p>2) None</p> <p>3) None</p> <p>4) None</p>	
t) Telephone answering services (CPC 87903)	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
t) Duplicating services (CPC 87904)	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
t) Translation and interpretation services (CPC 87905)	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
t) Mailing list compilation and mailing services (CPC 87906)	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	

t) Specialty design services (CPC 87907)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
t) Trade fair and exhibition organisation services (CPC 87909)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
t) Services incidental to energy manufacturing related to heat supply industry and oil industry	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	
2. COMMUNICATION SERVICES				
B. Courier Services ²³				
Correspondence-delivery services supplied by Special Correspondence Delivery Business	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

23 Suppliers of courier services are subject to permission/registration requirements for related modes of transport services. Japan's commitments in courier services other than correspondence-delivery services including those supplied by Special Correspondence Delivery Business are indicated in the sector of Transport Services. (Refer to 11. TRANSPORT SERVICES.)

<p>Special Correspondence Delivery Business is the business which provides correspondence-delivery services of one or a combination of the following mail items as stipulated in the Law Concerning Correspondence Delivery Provided by Private-Sector Operators (Law No. 99 of 2002):</p> <p>(a) mail items that have dimensions totaling more than 90 cm or weight over 4 kg;</p> <p>(b) mail items that are to be delivered within three hours of being mailed; and</p> <p>(c) mail items that bear a delivery charge that exceeds the amount specified by an ordinance of the Ministry of Internal Affairs and Communications and is not less than 1,000 yen.</p>				
C. Telecommunications Services				
<p>Basic telecommunications services:</p> <p>a) Voice telephone services; (CPC 7521)</p> <p>b) Packet-switched data transmission services; (CPC 7523**)</p>	SS	<p>1) None</p> <p>2) None</p> <p>3) None except that foreign capital participation, direct and/or indirect, in Nippon Telegraph and Telephone Corporation (NTT)²⁴ must be less than one-third.</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that board members and auditors in NTT and the Regional Companies are required to have Japanese nationality.</p>	<p>Japan undertakes the ADDITIONAL COMMITMENTS described below.</p>

24 NTT must own all the shares issued by the Regional Companies.

c) Circuit-switched data transmission services; (CPC 7523**)		4) None	4) None	
d) Telex services; (CPC 7523**)				
f) Facsimile services; (CPC 7521**, 7529**)				
g) Private leased circuit services; and (CPC 7522**, 7523**)				
o) Other				

JAPAN: ADDITIONAL COMMITMENTS

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

- (a) the term "telecommunications" means the transmission and reception of signals by any electromagnetic means;
- (b) the term "public telecommunications transport service" means any telecommunications transport service required, explicitly or in effect, by Japan to be offered to the public generally. Such services may include, *inter alia*, telegraph, telephone, telex, and data transmission typically involving the real-time transmission of customer-supplied information between two or more points without any end-to-end change in the form or content of the customer's information;
- (c) the term "public telecommunications transport network" means the public telecommunications infrastructure which permits telecommunications between and among defined network termination points;
- (d) the term "essential facilities" means facilities of a public telecommunications transport network or service that:
 - (i) are exclusively or predominantly provided by a single or limited number of suppliers; and
 - (ii) cannot feasibly be economically or technically substituted in order to provide a service;
- (e) the term "major supplier" means a supplier that has the ability to materially affect the terms of participation having regard to price and supply in the relevant market for basic telecommunications services as a result of:
 - (i) control over essential facilities; or
 - (ii) use of its position in the market;
- (f) the term "facilities-based suppliers" means telecommunications carriers who establish telecommunications circuit facilities;

(g) the term "services-based suppliers" means telecommunications carriers other than the telecommunications carriers defined by subparagraph (f).

1. Competitive Safeguards

1.1 Prevention of Anti-competitive Practices in Telecommunications

Appropriate measures shall be maintained for the purposes of preventing suppliers, who alone or together are a major supplier, from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to in subparagraph 1.1 shall include in particular:

- (a) engaging in anti-competitive cross-subsidization or pricing services in a manner that gives rise to unfair competition;
- (b) discriminating specific persons unfairly in providing telecommunications services;
- (c) using information obtained from competitors with anti-competitive results; and
- (d) not making available to other service suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 Interconnection to be Ensured

Interconnection shall be ensured between a facilities-based supplier and any other facilities-based supplier or a services-based supplier to the extent provided for in its laws and regulations.

2.2 Interconnection with Major Suppliers

Interconnection with a major supplier shall be ensured at any technically feasible point in the network. Such interconnection is provided:

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services, for like services of non-affiliated service suppliers or of its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled (Note) so that the service supplier need not pay for network components or facilities that it does not require for the services to be provided; and

(Note) "Sufficiently unbundled" network components or facilities include unbundled local loop (including line sharing).
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Co-Location, etc.

It shall be ensured that a major supplier is required to allow other service suppliers who interconnect with the major supplier:

- (a) to locate their equipment which is essential for interconnection within the major supplier's buildings; or
- (b) to install their cables and lines which are essential for interconnection within the major supplier's buildings, conduits, cable tunnels or telephone poles,

where physically feasible and where no practical or viable alternatives exist, in order to interconnect smoothly with the essential facilities of the major supplier.

2.4 Interconnection Pursuant to an Approved Reference Interconnection Offer

It shall be ensured that major suppliers are required to provide a reference interconnection offer for approval by the relevant regulatory authorities. The reference interconnection offer shall be consistent with the principles of paragraph 1 and shall contain written statements of the charges and conditions on which a major supplier will interconnect with other service suppliers. At a minimum, the reference interconnection offer shall be required to contain the following:

- (a) a list and description of the interconnection-related services offered, the terms and conditions for such services, the operational and technical requirements, and the procedures or processes that will be used to order and provide such services;
- (b) a list of cost-oriented rates that a major supplier offers for all its interconnection-related services. Where feasible, the major supplier shall be required to use an established methodology based on incremental forward-looking economic cost;
- (c) standard periods between the dates of request and commencement which are stipulated in a clear manner and are reasonable; and
- (d) a statement regarding the duration of the proposed interconnection agreement, if it is fixed.

2.5 Section 2.2, 2.3 and 2.4 are applied only to a major supplier which has control over essential facilities.

2.6 Public Availability of the Procedures for Interconnection Negotiations

It shall be ensured that the procedures applicable for interconnection to a major supplier are made publicly available.

2.7 Transparency of Interconnection Arrangements

It shall be ensured that a major supplier makes publicly available either its interconnection agreements or reference interconnection offer.

2.8. Interconnection Dispute Settlement

A service supplier requesting interconnection with a major supplier shall have recourse, either:

- (a) at any time; or
- (b) after a reasonable period of time which has been made publicly known,

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal Service

Japan has the right to define the kind of universal service obligation it wishes to maintain. Such obligations shall not be regarded as anti-competitive per se, provided that they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by Japan.

4. Public Availability of Licensing Criteria

(a) Where a licence is required, the following shall be made publicly available:

- (i) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (ii) the terms and conditions of individual licences.

(b) The reasons for the denial of a licence shall be made known to the applicant upon request.

5. Independent Regulators

The regulatory body shall be separate from, and not accountable to, any supplier of telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and Use of Scarce Resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, shall be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands shall be made publicly available except for detailed identification of frequencies allocated for specific government uses.

e) Telegraph services (CPC 7522)		1) Unbound 2) None 3) Unbound 4) Unbound	1) Unbound 2) None 3) Unbound 4) Unbound	
Value-added services: h) Electronic mail services; (CPC 7523**) i) Voice mail services; (CPC 7523**)	SS	1) None 2) None 3) None except that foreign capital participation, direct and/or indirect, in Nippon Telegraph and Telephone Corporation (NTT) ²⁴ must be less than one-third. 4) None	1) None 2) None 3) None except that board members and auditors in NTT and the Regional Companies are required to have Japanese nationality. 4) None	

j) On-line information and data base retrieval services; (CPC 7523**) k) Electronic data interchange (EDI) services; (CPC 7523**) l) Enhanced/value added facsimile services including store and forward, store and retrieve; (CPC 7523**) m) Code and protocol conversion services; n) On-line information and/or data processing services (including transaction processing); and (CPC 843**) o) Other				
D. Audiovisual Services				
a) Motion picture and video tape production and distribution services (CPC 9611)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
b) Motion picture projection services (CPC 9612)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

c) Radio and television services (CPC 9613)		1) Unbound 2) None 3) Unbound 4) Unbound	1) Unbound 2) None 3) Unbound 4) Unbound	
d) Radio and television transmission services (CPC 7524)		1) Unbound 2) None 3) Unbound 4) Unbound	1) Unbound 2) None 3) Unbound 4) Unbound	
e) Sound recording services	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES				
A. General Construction Work for Buildings (CPC 512) B. General Construction Work for Civil Engineering (CPC 513) C. Installation and Assembly Work (CPC 514, 516) D. Building Completion and Finishing Work (CPC 517) E. Other (CPC 511, 515, 518)				

<p>(a) These services indicated above excluding those related to mining</p>	<p>SS</p>	<p>1) Unbound* 2) None 3) None 4) None except that commercial presence is required.</p>	<p>1) Unbound* 2) None 3) None 4) None</p>	
<p>(b) These services related to mining</p>	<p>SS</p>	<p>1) Unbound* 2) None 3) None except that services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law. 4) None except: services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law; and commercial presence is required.</p>	<p>1) Unbound* 2) None 3) None except: services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law; and prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None except that services requiring mining rights or mining lease rights must be supplied by a Japanese national or a juridical person established under Japanese law, in accordance with the Mining Law.</p>	

4. DISTRIBUTION SERVICES				
A. Commission Agents' Services (CPC 621, 61111, 61130, 61210)				
B. Wholesale Trade Services (CPC 622, 61111, 61130, 61210)				
C. Retailing Services (CPC 631, 632, 61112, 61130, 61210)				
D. Franchising Services (CPC 8929)				
(a) These services indicated above excluding those related to petroleum, petroleum products, alcoholic beverages, and those supplied at Public Wholesale Market ²⁵	SS	1) None 2) None 3) None 4) None		1) None 2) None 3) None 4) None
(b) These services related to petroleum and petroleum products	SS	1) None 2) None 3) None 4) None		1) None 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None

25 Public Wholesale Market is a market established under national or local government approval for commission agents' services and wholesale trade services of fresh foods including vegetables, fruits, marine products, meats and other daily foods, and flowers, with auction or bidding hall, parking lot and other facilities necessary for trade and disposal of aforementioned goods, which is operated on a permanent basis.

<p>(c) These services related to alcoholic beverages</p>	<p>SS</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that the number of licences conferred to service suppliers may be limited.</p> <p>4) None except that the number of licences conferred to service suppliers may be limited.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
<p>(d) These services supplied at Public Wholesale Market</p>	<p>SS</p>	<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) None except: the number of licences conferred to service suppliers may be limited; and services must be supplied by a juridical person established under Japanese law, at Central Public Wholesale Market, in accordance with the Public Wholesale Market Law (Law No. 35 of 1971).</p> <p>4) None except: the number of licences conferred to service suppliers may be limited; and services must be supplied by a juridical person established under Japanese law, at Central Public Wholesale Market, in accordance with the Public Wholesale Market Law.</p>	<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) None</p>	

<p>E. Other</p> <p>(a) Retail sales of motor fuel (CPC 613)</p>	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p> <p>4) None</p>	
<p>(b) Wholesale trade and retailing services of steam and hot water</p>	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law.</p> <p>4) None</p>	
5. EDUCATIONAL SERVICES				
<p>A. Primary Education Services</p> <p>Pre-school education services supplied by nursery schools (CPC 92110**)</p> <p>Child day-care services (CPC 93321)</p>		<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	

<p>Primary education services^{26,27}, supplied as formal education (CPC 92110**, 9219)</p>		<p>1) Unbound 2) Unbound 3) None except that Formal Education Institutions must be established by school juridical persons.²⁸ 4) Unbound</p>	<p>1) Unbound 2) Unbound 3) None 4) Unbound</p>	
<p>B. Secondary Education Services^{26,27}, supplied as formal education (CPC 9221, 9222, 9223)</p>		<p>1) Unbound 2) Unbound 3) None except that Formal Education Institutions must be established by school juridical persons. 4) Unbound</p>	<p>1) Unbound 2) Unbound 3) None 4) Unbound</p>	
<p>C. Higher Education Services^{26,27} (CPC 9231, 9239)</p>	<p>SS</p>	<p>1) None 2) None 3) None except that Formal Education Institutions must be established by school juridical persons. 4) None</p>	<p>1) None 2) None 3) None 4) None</p>	

26 These Educational Services supplied as formal education in the territory of Japan are supplied by Formal Education Institutions. "Formal Education Institutions" mean elementary schools, lower secondary schools, secondary schools, upper secondary schools, universities, junior colleges, colleges of technology, schools for the blind, schools for the deaf, schools for the handicapped and kindergartens.

27 Specific commitments on market access and national treatment through any mode of supply shall not be construed to apply to the recognition of credits, degrees and other certificates in Formal Education Institutions, specialised training colleges (Senshu-Gakko) and miscellaneous schools (Kakushu-Gakko) under Japanese law.

28 The term "school juridical person" means a non-profit juridical person established for the purposes of supplying educational services under Japanese law.

D. Adult Education Services ^{27,29} (CPC 924)	SS	1) None 2) None	1) None 2) None	
E. Other Education Services ^{27,29} (CPC 929)		3) None 4) None	3) None 4) None	
6. ENVIRONMENTAL SERVICES				
A. Sewage Services (CPC 9401)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
B. Refuse Disposal Services (CPC 9402)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
C. Sanitation and Similar Services (CPC 9403)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	

29 Formal Education Institutions must be established by school juridical persons. Specialised training colleges and miscellaneous schools may be required to be established by school juridical persons. Formal Education Institutions supply formal education, but at the same time they may supply educational services other than formal education, while specialised training colleges and miscellaneous schools supply educational services other than formal education.

D. Other				
Cleaning services of exhaust gases (CPC 9404)	SS	1) Unbound*	1) Unbound*	
Noise abatement services (CPC 9405)		2) None	2) None	
Nature and landscape protection services (CPC 9406)		3) None	3) None	
Other environmental protection services (CPC 9409)		4) None	4) None	
7. FINANCIAL SERVICES				
<p>For the purposes of this Schedule, the Understanding on Commitments in Financial Services (hereinafter referred to as the "Understanding") which is included in Japan's Schedule of Specific Commitments of the General Agreement on Trade in Services in Annex 1B to the WTO Agreement (WTO Document GATS/SC/46/Suppl.3) is incorporated into and made a part of this Schedule.</p> <p>Japan undertakes its specific commitments with respect to Financial Services in accordance with Chapter 8, Annex 5 and the Understanding.</p> <p>For prudential reasons within the context of paragraph 1 of Section 2 of Annex 5, Japan shall not be prevented from taking measures such as non-discriminatory limitations on juridical forms of a commercial presence. For the same reasons, Japan shall not be prevented from applying non-discriminatory limitations concerning admission to the market of new financial services which shall be consistent with regulatory framework aimed at achieving such prudential objectives. In this context, securities firms are allowed to deal in securities defined in the relevant Japanese law, and banks are not allowed to deal in those securities unless allowed in accordance with the said law.</p> <p>With respect to specific commitments in the sectors of Financial Services, services supplied in the territory of Malaysia to the service consumer in the territory of Japan without any active marketing from the service supplier are considered as services supplied under subparagraph (v) (ii) of Article 95.</p>				

<p>A. Insurance and Insurance-Related Services</p>	<p>Specific commitments in the market-access column with respect to the supply of a service under subparagraphs (v)(i) and (ii) of Article 95 are unbound except for obligations under paragraphs B3 and 4 of the Understanding respectively which are incurred in this sector additionally to those covered by the provisions of Articles 96, 97 and 98 and Annex 5, subject to conditions and qualifications set out below.</p> <p>1) None except:</p> <p>commercial presence is in principle required for insurance contracts on the following items and any liability arising therefrom:</p> <p>(a) goods being transported within the territory of Japan; and</p> <p>(b) ships of Japanese registration which are not used for international maritime transport; and</p> <p>commercial presence is required for insurance intermediation services in the territory of Japan.</p> <p>2) None except:</p> <p>commercial presence is in principle required for insurance contracts on the following items and any liability arising therefrom:</p>	<p>1) None</p> <p>2) None</p>	
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30 Insurance intermediation services may be supplied only for insurance contracts allowed to be supplied in the territory of Japan.

		<p>(a) goods being transported within the territory of Japan; and</p> <p>(b) ships of Japanese registration which are not used for international maritime transport; and</p> <p>commercial presence is required for insurance intermediation services in the territory of Japan.</p> <p>3) None³⁰</p> <p>4) Unbound</p>	<p>3) None</p> <p>4) Unbound</p>	
<p>B. Banking and Other Financial Services (excluding Insurance and Insurance-Related Services)</p>		<p>Specific commitments in the market-access column with respect to the supply of a service under subparagraphs (v)(i) and (ii) of Article 95 are unbound except for obligations under paragraphs B3 and 4 of the Understanding respectively which are incurred in this sector additionally to those covered by the provisions of Articles 96, 97 and 98 and Annex 5, subject to conditions and qualifications set out below.</p> <p>1) None except that commercial presence is required for discretionary investment management services.</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound</p>	<p>1) None</p> <p>2) None</p> <p>3) None except that the deposit insurance system does not cover deposits taken by branches of foreign banks.</p> <p>4) Unbound</p>	

8. HEALTH RELATED AND SOCIAL SERVICES				
A. Hospital Services (CPC 9311)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) None	
B. Other Human Health Services				
Medical services delivered in the ambulance (CPC 93192)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) None	
Residential health facilities services other than hospital services (CPC 93193)		1) Unbound* 2) Unbound 3) Unbound 4) Unbound	1) Unbound* 2) Unbound 3) Unbound 4) None	
Blood collection services stipulated in the Law to Secure the Stable Supply and Related Matters Regarding Safe Blood Products(Law No. 160 of 1956) (CPC 93199)		1) Unbound 2) None 3) Unbound 4) Unbound	1) Unbound 2) None 3) Unbound 4) None	

C. Social Services (excluding child day-care services) (CPC 933, except 93321)		1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	1) Unbound* 2) None 3) Unbound except that there is no limitation on the participation of foreign capital. 4) Unbound	
9. TOURISM AND TRAVEL RELATED SERVICES				
A. Hotels and Restaurants				
Hotels and restaurants services (excluding catering services) (CPC 641-643, except 6423)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
Catering services (CPC 6423)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
B. Travel Agencies and Tour Operators Services (CPC 7471)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
C. Tourist Guides Services (CPC 7472)	SS	1) Unbound*	1) Unbound*	

		2) None	2) None	
		3) None	3) None	
		4) None	4) None	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES				
A. Entertainment Services (including theatre, live bands and circus services) (CPC 9619)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
B. News Agency Services (CPC 962)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
C. Libraries, Archives, Museum and Other Cultural Services				
Libraries and archives services (CPC 96311, 96312)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
Museum services including preservation services of historical sites and buildings (CPC 9632)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
Other cultural services (CPC 9633)	SS	1) None	1) None	

		2) None 3) None 4) None	2) None 3) None 4) None	
D. Sporting and Other Recreational Services				
Sporting services (CPC 9641) Recreation parks and beach services (CPC 96491)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
Other recreational services n.e.c. (CPC 96499)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
11. TRANSPORT SERVICES				
A. Maritime Transport Services				
a), b) International maritime transport services (including services of passenger transportation and freight transportation) (CPC 7211, 7212)	SS	1) (a) Liner Shipping: None ³¹ (b) Bulk, tramp, and other international shipping, including passenger transportation: None ³¹ 2) None	1) (a) Liner Shipping: None ³¹ (b) Bulk, tramp, and other international shipping, including passenger transportation: None ³¹ 2) None	The following services will be made available to international maritime transport suppliers on reasonable and non- discriminatory terms and conditions:

31 Restriction or prohibition of a) entry in Japanese ports and b) loading or unloading of cargoes in Japanese ports for a designated period may be imposed as a countermeasure on operators of vessels who belong to the country in which interests of Japanese operators continue to be substantially damaged, in spite of prior notification of taking such measure, under unfavourable treatment imposed on them by that country or by local authorities or similar entities of that country.

		<p>3) (a) Establishment of a registered company for the purposes of operating a fleet flying the flag of Japan: None except that there is a nationality requirement³² for a ship to fly the flag of Japan.</p> <p>(b) Other forms of commercial presence for the supply of international maritime transport services (as defined in paragraph 1 of Note below): None</p> <p>4) (a) Ships' crews: None except that foreign nationals employed by Japanese juridical persons, except for the seafarers referred to in the relevant official notification, may not work on the vessels flying the Japanese flag.</p> <p>(b) Key personnel employed in relation to a commercial presence as defined under 3) (b): None</p>	<p>3) (a) Establishment of a registered company for the purposes of operating a fleet flying the flag of Japan: None except that there is a nationality requirement³² for a ship to fly the flag of Japan.</p> <p>(b) Other forms of commercial presence for the supply of international maritime transport services (as defined in paragraph 1 of Note below): None</p> <p>4) (a) Ships' crews: None except that foreign nationals employed by Japanese juridical persons, except for the seafarers referred to in the relevant official notification, may not work on the vessels flying the Japanese flag.</p> <p>(b) Key personnel employed in relation to a commercial presence as defined under 3) (b): None</p>	<p>(a) Pilotage services;</p> <p>(b) Pushing and towing services;</p> <p>(c) Provisioning, fuelling and watering services;</p> <p>(d) Garbage collecting and refuse disposal services;</p> <p>(e) Port captain's services;</p> <p>(f) Navigation aids services;</p> <p>(g) Shore based operational services essential to ship operations, including communications, water and electrical supplies;</p> <p>(h) Emergency repair services; and</p>
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32 In this sector, the term "nationality requirement" means that the ship must be owned by:

- (a) a natural person with Japanese nationality; or
- (b) a juridical person established under Japanese law, with all representatives ("daihyosha") and not less than two-thirds of executives administering the affairs of the juridical person ("gyomu-wo-shikkousuru yakuin") having Japanese nationality.

				(i) Anchorage, berths and berthing services.
c) Rental of vessels with crew (excluding vessels flying the Japanese flag) (CPC 7213)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
A. Maritime Auxiliary Transport Services				
d) Maintenance and repair of vessels (CPC 8868**)	SS	1) Unbound* 2) None 3) None except that establishing or extending docks or berths which can be used to manufacture or repair the vessels beyond a fixed scale are subject to an economic needs test. 4) None	1) Unbound* 2) None 3) None 4) None	
e) Pushing and towing services (CPC 7214)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
f) Salvaging and refloating services, watering services, fueling services, garbage collecting services (CPC 7454, 7459)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	

Maritime cargo handling services (as defined in paragraph 2 of Note below)	SS	<ul style="list-style-type: none"> 1) Unbound* 2) None 3) None except that the number of licences conferred to service suppliers may be limited in ports designated by the Government.³³ 4) None except that the number of licences conferred to service suppliers may be limited in ports designated by the Government.³³ 	<ul style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) None 	
Container station and depot services (as defined in paragraph 3 of Note below)	SS	<ul style="list-style-type: none"> 1) Unbound* 2) None 3) None except that the number of licences conferred to service suppliers may be limited in ports designated by the Government.³³ 4) None except that the number of licences conferred to service suppliers may be limited in ports designated by the Government.³³ 	<ul style="list-style-type: none"> 1) Unbound* 2) None 3) None 4) None 	
Maritime agency services (as defined in paragraph 4 of Note below)	SS	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) None 	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) None 	
Maritime freight forwarding services (as defined in paragraph 5 of Note below)	SS	<ul style="list-style-type: none"> 1) None except: commercial presence is required; and 	<ul style="list-style-type: none"> 1) None except that an operation permit or governmental registration will be granted on reciprocal basis. 	

33 Public utility concession or licensing procedures may apply in case of occupation of the public domain.

		<p>an operation permit or governmental registration will be granted on reciprocal basis.</p> <p>2) None</p> <p>3) None except that an operation permit or governmental registration will be granted on reciprocal basis.</p> <p>4) None except: commercial presence is required; and an operation permit or governmental registration will be granted on reciprocal basis.</p>	<p>2) None</p> <p>3) None except that an operation permit or governmental registration will be granted on reciprocal basis.</p> <p>4) None except that an operation permit or governmental registration will be granted on reciprocal basis.</p>	
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Note to the Specific Commitments in the Sectors
of Maritime Transport Services and Maritime Auxiliary Transport Services

Notwithstanding the fact that road, rail, inland waterways and related auxiliary services are not fully covered in this Schedule of Specific Commitments, a multimodal transport operator^(note 1) shall have the ability to rent or lease trucks, railway carriages or barges, and related equipment, for the purposes of inland forwarding of cargoes, or have access to, and use of, these forms of multimodal activities on reasonable and non-discriminatory terms and conditions^(note 2) for the purpose of carrying out multimodal transport operations.

(Note 1) "Multimodal transport operator" means the person on whose behalf the bill of lading, multimodal transport document or any other document evidencing a contract of multimodal carriage of goods is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.

(Note 2) "Reasonable and non-discriminatory terms and conditions" means, for the purposes of multimodal transport operations, the ability of the multimodal transport operator to arrange for the conveyance of its merchandise on a timely basis, including priority over other merchandise which has entered the port at a later date.

Definitions

1. "Other forms of commercial presence for the supply of international maritime transport services" means the ability for international maritime transport service suppliers of Malaysia to undertake in the territory of Japan all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the specific commitments undertaken in respect of services supplied under subparagraph (v) (i) of Article 95.)

These activities include, but are not limited to:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any domestic transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, but excluding air, necessary for the supply of the integrated service;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerized information systems and electronic data interchange (subject to the provisions of the Annex on Telecommunications to the GATS);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally with any locally established shipping agency; and
- (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.

2. "Maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:

- (a) the loading/discharging of cargo to/from a ship;
- (b) the lashing/unlashing of cargo; and
- (c) the reception/delivery and safekeeping of cargoes before shipment or after discharge.

3. "Container station and depot services" means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.

4. "Maritime agency services" means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:

- (a) marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information; and
- (b) acting on behalf of the companies organising the call of the ship or taking over cargoes when required.

5. "Maritime freight forwarding services" means an activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information. Maritime freight forwarding services include those provided by a person on whose behalf the bill of lading or any other document evidencing a contract of carriage of goods is issued and who is responsible for the carriage of goods pursuant to the contract of carriage.

B. Internal Waterways Transport					
d)	Maintenance and repair of vessels (CPC 8868**)	SS	1) Unbound* 2) None 3) None except that establishing or extending docks or berths which can be used to manufacture or repair the vessels beyond a fixed scale are subject to an economic needs test. 4) None	1) Unbound* 2) None 3) None 4) None	
e)	Pushing and towing services (CPC 7224)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
f)	Salvaging and refloating services, watering services, fuelling services and garbage collecting services (CPC 7454, 7459)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
C. Air Transport Services					
d)	Aircraft repair and maintenance services defined in subparagraph (a) of Article 95	SS	1) Unbound* 2) None 3) None except that the number of licences conferred to service suppliers may be limited. 4) None	1) Unbound* 2) None 3) None 4) None	

e)	Selling and marketing of air transport services defined in subparagraph (m) of Article 95	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
e)	Computer reservation system services defined in subparagraph (c) of Article 95	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
D.	Space Transport (CPC 733)		1) Unbound 2) None 3) Unbound 4) Unbound	1) Unbound 2) None 3) Unbound 4) Unbound	
E. Rail Transport Services					
a)	Passenger transportation (CPC 7111)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	
b)	Freight transportation (CPC 7112)	SS	1) Unbound* 2) None	1) Unbound* 2) None	

		3) None 4) None	3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	
c) Pushing and towing services (CPC 7113)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
d) Maintenance and repair services of rail transport equipment (CPC 8868**)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
d) Rental of rail transport equipment with operator	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
e) Supporting services for rail transport services (CPC 743)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	

F. Road Transport Services				
a) Passenger transportation (CPC 71211, 71212, 71213, 71214, 71221)	SS	1) Unbound* 2) None 3) None except that limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis. 4) None except: limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis; and commercial presence is required.	1) Unbound* 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	
b) Freight transportation services (CPC 7123)	SS	1) Unbound* 2) None 3) None except that limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis. 4) None except:	1) Unbound* 2) None 3) None 4) None	

		<p>limitations on the number of service suppliers, on the number of service operations or on the quantity of service output may be applied, on a temporary and non-discriminatory basis; and</p> <p>commercial presence is required.</p>		
c) Rental of commercial vehicles with operator (CPC 7124)	SS	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
d) Maintenance and repair services of road transport equipment (CPC 6112, 8867)	SS	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) None except that commercial presence is required.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	
e) Supporting services for road transport services (CPC 744)	SS	<p>1) None</p> <p>2) None</p> <p>3) None except that the number of licences conferred to service suppliers may be limited for motorway businesses.</p> <p>4) None except that the number of licences conferred to service suppliers may be limited for motorway businesses.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) None</p>	

G. Pipeline Transport				
a) Transportation of fuels (CPC 7131)				
(a) transportation services of natural gas on a fee or contract basis		1) Unbound 2) None 3) None except that the number of licences conferred to service suppliers may be limited. 4) Unbound	1) Unbound 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) Unbound	
(b) transportation services of petroleum on a fee or contract basis	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
b) Transport services of goods other than fuels (CPC 7139)	SS	1) None 2) None 3) None 4) None	1) None 2) None 3) None 4) None	
H. Services Auxiliary to All Modes of Transport				
a) Cargo-handling services (excluding services relating to maritime transport services) (CPC 741)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	

b)	Storage and warehouse services (excluding services relating to petroleum and petroleum products) (CPC 742)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None 4) None	
b)	Storage and warehouse services relating to petroleum and petroleum products (CPC 742)	SS	1) Unbound* 2) None 3) None 4) None	1) Unbound* 2) None 3) None except that prior notification is required in accordance with the Foreign Exchange and Foreign Trade Law. 4) None	
c)	Freight transport agency services (excluding services relating to maritime freight forwarding services) (CPC 748)	SS	1) None except that commercial presence is required. 2) None 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	
d)	Customs clearance agent services related to Japanese Customs	SS	1) None except that commercial presence is required. 2) None except that commercial presence is required. 3) None 4) None except that commercial presence is required.	1) None 2) None 3) None 4) None	

12. OTHER SERVICES NOT INCLUDED ELSEWHERE (CPC 95, 97, 98, 99)				
Washing, cleaning and dyeing services (excluding laundry collection services) (CPC 9701, except 97011)		1) Unbound*	1) Unbound*	
		2) None	2) None	
		3) None	3) None	
		4) Unbound*	4) Unbound*	
Laundry collection services (CPC 97011)		1) Unbound*	1) Unbound*	
		2) None	2) None	
		3) None	3) None	
		4) None	4) None	
Hairdressing and other beauty services (CPC 97021, 97022)		1) Unbound*	1) Unbound*	
		2) None	2) None	
		3) None	3) None	
		4) None	4) None	

[外務省1] Part 2
Schedule of Malaysia

Explanatory Notes

1. Alphabets indicated against individual sectors or sub-sectors and numbers in brackets are references to the Services Sectoral Classification List (GATT Document MTN.GNS/W/120, dated 10 July 1991) and the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991). These alphabetical and numerical divisions are indicated to enhance the clarity in the description of specific commitments, but shall not be construed as being a part of the specific commitments.

2. The scheduling of specific commitments follows the Guidelines for the Scheduling of Specific Commitments (WTO Document S/L/92, dated 28 March 2001). The Guidelines shall not, however, be construed as being legally binding.

3. The modes of supply 1), 2), 3) and 4) indicated in this Schedule correspond respectively to the supply of services defined in subparagraphs (v) (i), (ii), (iii) and (iv) of Article 95.

4. The entry "Unbound*" means unbound due to lack of technical feasibility.

5. The use of "***" against individual CPC codes indicates that the specific commitment for that code does not extend to the total range of services covered under that code.

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

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

	<p>Approval is normally granted. However it may be denied in circumstances where the proposed investment conflicts with the interest of the State.</p> <p>4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below:</p> <p>1. Intra-corporate Transferees</p> <p>(a) Senior managers being persons within an organisation having proprietary information of the organisation and who exercise wide latitude in decision making relating to the establishment, control and operation of the organisation being directly responsible to the CEO and receive only general supervision or direction from the board of directors or partners of the organisation; and</p>	<p>Corporations in which the Government has an interest shall, in acquiring services, give first consideration to service suppliers in which the Government has an interest. This requirement does not prevent the acquisition of services from other service suppliers where their services are competitive in terms of price, quality and delivery.</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
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	<p>(b) Two specialists or experts per organisation being persons within the organisation who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisation's new service products and technology, research equipment and techniques or management. Additional specialists or experts may be allowed subject to market test and the training of Malaysians¹ through an acceptable training programme in the relevant services sector or sub-sector,</p> <p>provided that such persons are employees of the foreign service supplier and have been in the employment of that foreign service supplier for a period of not less than one year immediately preceding the date of their application for a work permit and they are to serve in at least a similar capacity.</p>		
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	<p>2. Others</p> <p>(a) Specialists or experts being persons who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisation's products and services subject to market test and the employment of Malaysians as counterparts and/or training of Malaysians through acceptable training programmes in the relevant services sector or sub-sector;</p> <p>(b) Professionals being persons who possess necessary academic credentials, professional qualifications, experience and/or expertise which have been duly recognised by the professional bodies in Malaysia and registered with those respective professional bodies; and</p>		
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	<p>(c) Business visitors being persons not based within Malaysia, receiving no remuneration from a source located within Malaysia, who have been employed for at least one year by a foreign service supplier, whose entry and temporary stay is for the purposes of negotiating for the sale of services or entering into agreements to sell services for that service supplier and who will not engage in direct sales to the general public.</p> <p>3. Entry and stay of natural persons defined in categories 1(a) and (b) and 2(a) and (b) shall not exceed a total of five years. For category 2(c), the period of stay shall not exceed a total of 90 days.</p>		
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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons				
Sector or sub-sector	SS	Limitations on market access	Limitations on national treatment	Additional commitments
II. SECTOR-SPECIFIC COMMITMENTS				
1. BUSINESS SERVICES				
A. Professional Services				
a) Legal services covering advisory and consultancy services relating only to home country laws, international law and offshore corporation laws of Malaysia (CPC 8619**)		1) None 2) None 3) Only through a corporation incorporated in the Federal Territory of Labuan Legal services shall only be supplied to offshore corporations established in the Federal Territory of Labuan. 4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments	1) None 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column	
b) Accounting, auditing and bookkeeping services (CPC 862)		1) None 2) None	1) None for accounting and bookkeeping services for members of Malaysian Institute of Accountants (MIA) Auditing services must be authenticated by a licensed auditor in Malaysia. 2) None for accounting and bookkeeping services for members of MIA Auditing services must be authenticated by a licensed auditor in Malaysia.	

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

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

<p>e) Engineering services (CPC 8672)</p>		<p>1) None</p> <p>2) None</p> <p>3) (a) Engineering services may be supplied only by a natural person.</p> <p>(b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 10 percent for joint ventures by professionals who are registered in the country of origin. Foreign directorship is not allowed.</p> <p>4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), subject to temporary registration for a period of one year per temporary registration</p>	<p>1) Engineering services must be authenticated by a registered professional engineer in Malaysia.</p> <p>2) Engineering services must be authenticated by a registered professional engineer in Malaysia.</p> <p>3) (a) None</p> <p>(b) Unbound</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	<p>4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.</p>
<p>f) Integrated engineering services (CPC 8673)</p>		<p>1) None</p>	<p>1) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia.</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 corporation shall not exceed 30 percent.</p> <p>Establishment of such joint venture corporation is only for a duration necessary to complete the services contract.</p> <p>4) Unbound except as indicated in the horizontal commitments, and in respect of 2(b), for a period of up to one year or the duration necessary to complete the services contract</p>	<p>2) Integrated engineering services must be authenticated by the relevant registered professionals in Malaysia.</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	<p>4) The qualifying examination to determine the competence and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language.</p>
<p>g) Landscaping services covering the provision of advisory, planning and designing services for the aesthetic landscaping of golf courses and theme parks (CPC 86742**)</p>		<p>1) None</p> <p>2) None</p>	<p>1) None</p> <p>2) None</p>	

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

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

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

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

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

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

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

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

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

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

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

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

<p>covering the provision of planning, organisational, management and marketing services for conventions and other similar events (CPC 87909)</p>		<p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
<p>t) Translation and interpretation services (CPC 87905)</p> <p>excluding translation and/or interpretation from the English language to the Malay language or vice-versa</p>		<p>1) None</p> <p>2) None</p> <p>3) Translation and interpretation services may be supplied only by a natural person.</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
<p>t) Student placement services</p> <p>covering promoting, recruiting and facilitating students for studies outside Malaysia (CPC 87909)</p>		<p>1) None</p> <p>2) None</p> <p>3) None</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 column</p>	
<p>Operational Headquarters (OHQ) Services</p>		<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) Only through a locally incorporated wholly foreign-owned company</p>	<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) None</p>	

<p>covering general management and administration, business planning, procurement of raw materials, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and fund management services and research and development carried out by a company in Malaysia for its offices and related companies outside Malaysia.</p> <p>Services rendered by OHQ companies are limited to establishments engaged in business related to the following sectors or sub-sectors:</p> <p>Sea and air services, Communication services, Tourism services, Professional and Consulting services (CPC 87909)</p>		<p>A foreign-owned company, a regional office of a foreign-owned company which transfers its OHQ services to Malaysia, a regional office of a foreign-owned company established in Malaysia and a foreign-owned company which is already incorporated in Malaysia may seek to qualify as an OHQ.</p> <p>OHQ must operate in Malaysia and fulfil the following criteria:</p> <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 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; and (f) be able to contribute to the Malaysian economy by: 		
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		<p>(i) using services such as legal, accounting etc. provided by Malaysians;</p> <p>(ii) creating job opportunities for Malaysians; and</p> <p>(iii) enabling greater inflow of foreign funds.</p>		
		4) Unbound except as indicated in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
2. COMMUNICATION SERVICES				
C. Telecommunication Services		<p>1) None</p> <p>2) None</p> <p>3) With respect to NFP and NSP components of the service, only through acquisition of shares of an existing licensed NFP(I) and NSP(I) operators/corporations</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	Pro-competition regulatory principle in respect of interconnection arrangement and competition (Refer to Appendix)
<p><u>Basic Telecommunications</u></p> <p>Based on domestic regulations, Malaysia has reclassified its telecommunication services sector on the basis of provision of Network facilities service (NFP), provision of Network service (NSP) and provision of Applications service (ASP).</p>				

Explanatory note for Licence Categories

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

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

<p>Class licence</p> <p>1. NFP (C)⁵</p> <p>2. NSP (C)⁶</p> <p>3. ASP (C)⁷</p>		<p>With respect to ASP, through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations, or through acquisition of shares of an existing licensed ASP(C) operator/corporations</p> <ul style="list-style-type: none"> - For NFP(C) and NSP(C), foreign shareholding of up to 30 percent in the service providers is allowed. - For ASP(C), foreign shareholding of up to 49 percent in the service providers is allowed. <p>4) Unbound except as indicated in horizontal commitments</p>	<p>4) Unbound except as indicated in horizontal commitments</p>	
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Explanatory Note

- 1) This sector is governed by the Communications and Multimedia Act 1998 and its 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.

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

b. Network service means a service for carrying communications by means of guided and/or unguided electromagnetic radiation.
 Network service provider means a person who provides network services.

c. Applications service means a service provided by means of, but not solely by means of, one or more network services.
 Applications service provider means a person who provides an applications service.

3) Definitions as per Communications and Multimedia (Licensing) (Amendment) Regulations 2001

a. Network facilities provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide a network facility in accordance with the provisions of the Act and the Regulations.
 Network facilities provider individual licence means an individual licence granted to a network facilities provider in accordance with the provisions of the Act and the Regulations.

b. Network service provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide a network service in accordance with the provisions of the Act and the Regulations.
 Network service provider individual licence means an individual licence granted to a network service provider in accordance with the provisions of the Act and the Regulations.

c. Applications service provider class licensee means a person who is registered with the Malaysian Communications and Multimedia Commission to provide an application service in accordance with the provisions of the Act and the Regulations.
 Applications service provider individual licence means an individual licence granted to an applications service provider in accordance with the provisions of the Act and the Regulations.

<p>D. Audiovisual Services</p> <p>Motion picture, video tape and audio recording distribution services (CPC 96113)</p>	<p>1) Commercial presence is required.</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding shall not exceed 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
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3. CONSTRUCTION AND RELATED ENGINEERING SERVICES

<p>Construction work (CPC 511, 512, 513, 514, 515, 516, 517)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) (a) Only through a representative office, regional office, or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent.</p> <p>(b) Foreign construction companies that are not locally incorporated may carry out the following construction projects jointly with local contractors, on project-by-project basis:</p> <p>(i) construction projects wholly financed by foreign investment and/or grants;</p> <p>(ii) construction projects financed by loans of international tendering according to the terms of loans;</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) (a) None</p> <p>(b) Unbound</p>	
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		<p>(iii) construction projects with foreign investment equal to or more than 50 percent where local expertise is not available; and</p> <p>(iv) 100 percent Malaysian funded construction projects where local expertise is not available,</p> <p>subject to compulsory sub-contracting to local sub-contractors.</p>		
		4) Unbound except as indicated in the horizontal commitments	4) Unbound except for the categories of natural persons referred to under market access column	
5. EDUCATIONAL SERVICES				
C. Higher Education Services		<p>1) Unbound except for franchise and twinning arrangements between foreign based institutions and Malaysian based educational institutions</p> <p>2) Unbound except for students moving abroad</p> <p>3) Only through a joint venture with foreign equity not exceeding 49 percent and subject to an economic needs test which includes location outside the territory of Kuala Lumpur and assessment of the reputation of the institution</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound</p>	<p>3) More than 49 percent foreign equity will be considered subject to additional criteria which include:</p>
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>(a) courses offered which are critical to Malaysia e.g. Medicine and Health Sciences, Dentistry, Engineering, Business, Science and Technology, Agriculture and programmes supporting agro-based industries;</p> <p>(b) research-based post graduate programmes;</p> <p>(c) collaborative research with local institutions; and</p> <p>(d) share of foreign students.</p>
<p>7. FINANCIAL SERVICES, INCLUDING INSURANCE</p> <p><u>Horizontal Commitments Applicable to the Financial Services Sector</u></p> <p>1. The commitments in the financial services sector are in accordance with the GATS, including 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 conditions and limitations on market access, national treatment and movement of natural persons shall apply in addition to specific limitations to the activity of each financial service as specified for each activity in this Schedule.</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>	
<p>1. Offshore banks, offshore investment banks, offshore direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers and offshore insurance managers</p>		<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) Entry is confined to Labuan.</p> <p>Entry is limited to establishment of a branch registered or a subsidiary incorporated in Malaysia.</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) None</p> <p>4) Unbound except for temporary presence of natural persons in respect of supply through the mode of commercial presence</p>	
<p>2. Commercial banks and merchant banks</p>		<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) The 13 wholly-foreign owned commercial banks are permitted to remain wholly-owned by their existing shareholders.</p> <p>Unbound for new licences</p>	<p>1), 2) Unbound* except as otherwise specified in this Schedule</p> <p>3) None except as indicated in the financial services sector horizontal section and in the respective activity listed below</p>	

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

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

A. INSURANCE SERVICES

<p>Direct insurance (non-life)</p>	<p>1) Soliciting and advertising in Malaysia are not allowed.</p> <p>Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to a third party requires approval. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p> <p>2) Direct placement abroad of insurance of:</p> <p>(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and</p> <p>(b) liability of residents to a third party requires approval. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.</p>	<p>1) None</p> <p>2) None</p>	
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		<p>3) Only permitted through direct insurance companies</p> <p>Offshore direct insurance companies in Labuan are not permitted to accept direct insurance of Malaysian risks.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>3) Branching is permitted for direct insurance companies with aggregate foreign shareholding of less than 50 percent. Direct insurance companies are permitted to maintain their existing network of branches.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Direct insurance (life)		<p>1), 2) Unbound</p> <p>3) Only permitted through direct insurance companies</p> <p>Investment-linked insurance business and new life insurance products provided by direct insurance companies require approval, which will be based on prudential criteria.</p> <p>Offshore direct insurance companies in Labuan are not permitted to underwrite life insurance of residents. This limitation does not apply to ordinary life insurance of high net worth residents.</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	<p>1), 2) Unbound</p> <p>3) Branching is only permitted for direct insurance companies with aggregate foreign shareholding of less than 50 percent. Direct insurance companies are permitted to maintain their existing network of branches.</p> <p>Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development</p> <p>4) Unbound except as indicated in the financial services sector horizontal section</p>	
Reinsurance and retrocession (non-life)		<p>1), 2) Outward reinsurance is permitted only if local capacity is not available.</p>	<p>1), 2) Voluntary cession up to 30 percent of each class of non-life reinsurance business to the Malaysian National Reinsurance Berhad</p>	

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<p>D. Sports Events Management Services (CPC 96411, 96412)</p>		<p>1) Unbound* 2) None 3) Only through a Malaysian-controlled corporation acting as the local sponsor 4) Unbound except as indicated in 2(a) in the horizontal commitments</p>	<p>1) Unbound* 2) None 3) None 4) Unbound except for the categories of natural persons referred to under market access column</p>	
<p>11. TRANSPORT SERVICES</p>				
<p>A. Maritime Transport Services a), b) International Maritime Transport Services excluding cabotage and government cargo (CPC 7211, 7212)</p>		<p>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 30 percent. <u>Malaysian registered vessels</u> To register a vessel in Malaysia, the following conditions must be met: (a) Owner of that vessel must be a Malaysian citizen or a corporation incorporated in Malaysia; (b) Majority shareholding to be held by Malaysians; (c) Majority of the board of directors to be Malaysians; and</p>	<p>1) None 2) None 3) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <p>a) Pilotage; b) Towing and tug assistance; c) Provisioning, fuelling and watering; d) Garbage collection and ballast waste disposal; e) Port captain's services; f) Navigation aids;</p>

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

<p>f) Vessel salvage and refloating services except on inland waters (CPC 74540)</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 Bumiputera shareholding in the joint venture corporation is at least 30 percent.</p> <p>4) Unbound except as indicated in 1(a) and (b) and 2(a) and (c) in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except for the categories of natural persons referred to under market access column</p>	
<p>12. OTHER SERVICES</p>				
<p>Skills training services covering the provision of training for technical, supervisory and production related functional levels in new and emerging technologies as follows:</p> <p>(a) automated manufacturing technology;</p> <p>(b) advanced materials technology;</p> <p>(c) biotechnology;</p> <p>(d) electronics;</p> <p>(e) information technology; and</p> <p>(f) avionics/aviation technology (CPC 97090)</p>		<p>1) None</p> <p>2) None</p> <p>3) Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 30 percent; and establishment of local branches requires additional licences.</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 column</p>	

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

Principles	Procedural Requirements
1. Competition safeguards	The regulatory body must take measures to: <ul style="list-style-type: none"> (a) maintain fair competition among network operators; and (b) safeguards the interest of consumers.
2. Universal Service	Malaysia has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive per se, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by Malaysia.
3. Public availability of licensing criteria	Where a licence is required, the following will be made publicly available: <ul style="list-style-type: none"> (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and (b) the terms and conditions of individual licences. <p>The reasons for the denial of a licence will be made known to the applicant upon request.</p>
4. Independent regulator	The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services.
5. Interconnection arrangements	To ensure that the following principles pertaining to interconnection arrangements are adhered to: <ul style="list-style-type: none"> (a) interconnection and access between network operators shall be on an equitable and non-discriminatory basis; (b) charges for interconnection facilities and services provided by network operators shall be fair and equitable; (c) the technical qualities of interconnect facilities and services provided by network operators shall be of no less quality than that provided by them within their own networks; (d) a domestic network operator in any of the market segments shall not abuse its market power to limit access to essential facilities only for interconnection; (e) the network operator that provides the access connection to the customer should be allowed to tell him (the customer); and (f) no cross-subsidies should be allowed between carriers whereby one carrier has to bear an inequitable share of the Universal Service Obligation burden where the said share is not proportional to its market share.
6. Allocation and use of scarce resources ¹	Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

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