ANNEX II
SCHEDULE OF MALAYSIA

1. Sector: Land and Real Estate
   Obligations Concerned: National Treatment (Article 9.4)
   Description: Investment
   Acquisitions or dealings of land by non-citizens and enterprises owned by foreign nationals must be approved by the relevant State Authority, subject to such conditions and restrictions as may be imposed by that Authority.
   Existing Measures:
   - Land Acquisition Act, 1960
   - Land Conservation Act 1960
   - National Land Code 1965
   - National Land Code (Penang and Malacca Titles) Act 1963
   - Strata Titles Act 1985
   - Building and Common Property (Maintenance and Management) Act 2007
   - Strata Management Act 2012
   - Federal Lands Commissioner Act 1957 (Revised 1988)
   - Land (Group Settlement Areas) Act 1960
   - Malay Reservations Enactment 1933
   - Kedah Enactment No 63 (Malay Reservations)
   - Kelantan Malay Reservations Enactment, 1930
   - Kelantan Land Settlement Act 1955 (Revised 1991)
   - Perlis Malay Reservations Enactment, 1353
   - Perlis Land Settlement Enactment, 1966
   - Johore Malay Reservation Enactment, 1936
   - Terengganu Malay Reservation Enactment, 1360
   - Terengganu Settlement Enactment, 1356
   - Sabah Land Ordinance (Sabah Cap 68)
   - Sabah Land Acquisition Ordinance (Sabah Cap 69)
   - Sarawak Land Code 1958
   - Local Government Act 1976
   - Town and Country Planning Act 1976
   - Federal Territory (Planning) Act 1982
   - Federal Capital Act 1960
   - Street, Drainage and Building Act 1974
2. **Sector:** Oil and Gas

**Obligations Concerned:**
- National Treatment (Article 10.3) (Article 9.4)
- Senior Management and Board of Directors (Article 9.10)
- Prohibition of Performance Requirements (Article 9.9)
- Market Access (Article 10.5)
- Local Presence (Article 10.6)

**Description:** Cross-Border Trade in Services and Investment

PETRONAS and its successor are vested with the entire ownership in, and the exclusive rights, powers, liberties and privileges, which shall be irrevocable, in exploring, exploiting, winning and obtaining petroleum whether onshore or offshore of Malaysia.

PETRONAS in its role as the exclusive owner of the petroleum resources, decides on the form and conditions of contractual arrangements available for foreign participation and selection of the contract parties.

**Existing Measures:** Petroleum Development Act 1974
3. Sector: All Sectors

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)  
Most-Favoured-Nation (Article 10.4) (Article 9.5)  
Prohibition on Performance Requirement (Article 9.9)  
Senior Management and Board of Directors (Article 9.10)  
Market Access (Article 10.5)  
Local Presence (Article 10.6)  

Description: Cross-Border Trade in Services and Investment  
Malaysia reserves the right to maintain or adopt any measures affecting the:

(a) full or partial devolvement to the private sector of services provided in the exercise of governmental authority;

(b) divestment of its equity interests in, and/or the assets of, an enterprise that is wholly or partially owned by the Malaysian government; and

(c) privatisation of government owned entities or assets.

The description above pertains only to the initial transfer or disposal of such interest, and for subsequent transfers or disposals that are for strategic sectors announced through the Malaysia Plan.

For greater certainty, the transfer of any interest in an existing state enterprise to another state enterprise shall not be considered to be an initial transfer or where the transfer or disposal of an interest in an existing state enterprise is undertaken either partially or sequentially, the same shall apply.

Existing Measures: Minister of Finance (Incorporation) Act, 1957  
Privatisation Master Plan  
Guidelines on Privatisation
4. Sector: All Sectors

Obligations Concerned:
- National Treatment (Article 10.3) (Article 9.4)
- Prohibition of Performance Requirements (Article 9.9)
- Market Access (Article 10.5)

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures that provides assistance to Bumiputera for the purpose of supporting Bumiputera participation in the Malaysian market through the creation of new and additional licenses or permits for Bumiputera eligible to receive such assistance, provided that such measures shall not affect the rights of existing license and permit holders or future applicants for licenses and permits in sectors where foreign participation is permitted.

Existing Measures:
- Policies and Ministerial statements
- Federal Constitution
- Aboriginal Peoples Act 1954
  (Definition of Native) Ordinance 1952
- Treasury Circular Year 2014
5. Sector: All Sectors

Obligations Concerned: National Treatment (Article 9.4)

Description: Investment

Malaysia reserves the right to adopt or maintain any measures relating to National and State unit trusts.

Existing Measures:
6. **Sector:** All Sectors

**Obligations Concerned:** Most-Favoured-Nation (Article 10.4) (Article 9.5)

**Description:** Cross-Border Trade in Services and Investment

Most-Favoured-Nation treatment may not be accorded to foreign investors and their investments with respect to preferential treatment granted under any existing free trade area agreements.

Malaysia reserves the right to adopt or maintain any measure that accords differential treatment to ASEAN member states under any ASEAN agreement open to participation by any ASEAN member state, in force or signed after the date of entry into force of this Agreement.

With regard to the sectors listed below, Malaysia reserves the right to adopt or maintain any measure that accords rights, preferences and differential treatment to countries under any international agreement in force or signed after the date of entry into force of this Agreement involving:

(a) Aviation matters;
(b) Maritime and Port;
(c) Broadcasting;
(d) Space transportation \(^1\); and
(e) Fisheries.

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\(^1\) Any such measure shall be implemented in a manner consistent with Malaysia’s commitments under Article II of the GATS. For greater certainty, this sub-paragraph (d) does not apply with respect to Malaysia’s obligations under Article 11.4 (Most-Favoured Nation Treatment), to the sectors or sub-sectors for which Malaysia has made specific commitments under any bilateral or multilateral international agreement in force or signed prior to the date or entry into force of this Agreement, nor to the sectors for which the following entries are made in the Schedule of Malaysia to Annex I: Annex I-6, Annex I-7, Annex I-9, Annex I-10 and Annex I-17.
7. Sector: Manufacture, assembly, marketing and distribution of explosives, weapons, ammunitions, as well as military-related equipment/devices, and similar products

Obligations Concerned:
National Treatment (Article 9.4)
Prohibition of Performance Requirements (Article 9.9)
Senior Management and Boards of Directors (Article 9.10)

Description: Investment
Malaysia reserves the right to maintain or adopt any measures affecting the arms and explosives sector.

Existing Measures:
Section 4, Industrial Co-ordination Act 1975
Explosives Act 1957
Arms Act 1960

ANNEX II-MYS-7
8. **Sector:** Gaming, Betting and Gambling including supply and suppliers of betting and gambling equipment, wholesale and retail of gambling equipment

**Obligations Concerned:**
- National Treatment (Article 10.3) (Article 9.4)
- Market Access (Article 10.5)
- Local Presence (Article 10.6)
- Performance Requirement (Article 9.9)
- Senior Management and Board of Directors (Article 9.10)

**Description:** Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures relating to the provision of gaming, betting and gambling including supply and suppliers of betting and gambling equipment, wholesale and retail.

**Existing Measures:**
- Lotteries Act 1952 (Act 288)
- Common Gaming Houses Act 1953 (Act 289)
- Pool Betting Act 1967 (Act 384)
- Betting Act 1953 (Act 495)
- Racing (Totalisator Board) Act 1961 (Act 494)
- Racing Club (Public Sweepstakes) Act 1965 (Act 404)
- Customs (Prohibition of Imports) Order 2008 (P.U. (A) 86/2008)
9. Sector: Non-medical utilization/application of atomic energy for:
- Electric power plants based on fossil fuel/materials;
- Nuclear power generation including nuclear fuel cycle; and
- Electric power generation

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)
Most-Favoured-Nation (Article 10.4) (Article 9.5)
Market Access (Article 10.5)
Local Presence (Article 10.6)
Senior Management and Boards of Directors (Article 9.10)
Performance Requirements (Article 9.9)

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures relating to non-medical utilization/application of atomic energy for:
- electric power plants based on fossil fuel/materials;
- nuclear power generation including nuclear fuel cycle; and
- electric power generation.

Existing measures: Atomic Energy Licensing Act 1984
10. Sector: Cultural Services

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4) Market Access (Article 10.5) Senior Management and Boards of Directors (Article 9.8) Most-Favoured-Nation (Article 10.4) (Article 9.5) Performance Requirement (Article 9.9)

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the rights to review the following products following their importation and distribution in the Malaysian market to ensure their consistency with Malaysia’s decency standards: books, magazines, periodicals or newspapers, works of art and films imported into Malaysia, programming licensed for broadcast on television, cable and satellite stations.

In addition, prior approval is required for any arts, filming and performances by foreign artist and such activities shall comply with the Central Agency for Application for Filming and Performance by Foreign Artistes (PUSPAL) Guidelines.

Such review and pre-approval shall be administered in an objective, transparent and impartial manner, and consistent, where applicable, with Article BB.3 (Goods National Treatment) and consistent with the Communications and Multimedia Act of 1998.


ANNEX II-MYS-10
11. Sector: Wholesale and Distribution Services

Obligations Concerned:
- National Treatment (Article 10.3) (Article 9.4)
- Local Presence (Article 10.6)

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures relating to wholesale and distribution services for rice, sugar (other than refined sugar for food and beverage manufacturers), flour, liquor and alcoholic beverages, tobacco and cigarettes products.

Existing Measures:
<table>
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<tr>
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<th>Sector:</th>
<th>Sewage and Refuse Disposal, Sanitation and other Environmental Protection Services</th>
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<tr>
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<td>Obligations Concerned:</td>
<td>National Treatment (Article 9.4)</td>
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<td>Description:</td>
<td>Investment</td>
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<td>Malaysia reserves the right to adopt or maintain any measures relating to the collection, treatment and disposal of hazardous waste (excluding carbon gases).</td>
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<td>Existing Measures:</td>
<td>Environmental Quality Act 1974</td>
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13. Sector: Air Transport Services

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)
Market Access (Article 10.5)
Senior Management and Board of Directors (Article 9.10)
Local Presence (Article 10.6)

Description: Cross-Border Trade in Services

Malaysia reserves the right to adopt and maintain any measures affecting:

(a) Airport operation services;

(b) Aircraft repair and maintenance services;

(c) Ground handling services;

(d) Specialty air services; and

Investment

(e) Air transport services covering passenger and freight transportation frequencies and routing by air.

Existing Measures:

ANNEX II-MYS-13
14. Sector: Passenger road transportation services covering taxi services and scheduled passenger road transportation

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)
Performance Requirements (Article 9.9)
Local Presence (Article 10.6)

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures relating to passenger and scheduled passenger road transportation services covering urban and suburban regular transportation, railway, taxi services; and bus, taxi and rail station services.

Existing Measures:
15. Sector: Legal Services covering mediation and Shari’a law

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4) 
Market Access (Article 10.5) 
Most-Favoured-Nation (Article 10.4) (Article 9.5) 
Performance Requirement (Article 9.9) 
Senior Management and Boards of Directors (Article 9.10) 
Local Presence (Article 10.6) 

Description: Cross-Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures relating to mediation and Shari’a law.

Existing Measures:
16. Sector: All sectors

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)

Description: Cross Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measures related to the non-internationalisation of ringgit which includes:

a) the requirement for international settlement to be made in foreign currency

b) limitation on the access to ringgit financing by non-residents for use outside Malaysia

c) limitation on the use of ringgit in Malaysia by non-residents

Existing Measures: Central Bank of Malaysia Act 2009
Financial Services Act 2013
Islamic Financial Services Act 2013
Notices on Foreign Exchange Administration Rules
17. Sector: Social services

Obligations Concerned: National Treatment (Article 10.3) (Article 9.4)
Most-Favoured-Nation (Article 10.4) (Article 9.5)
Performance Requirement (Article 9.9)
Senior Management and Boards of Directors (Article 9.10)
Local Presence (Article 10.6)

Description: Cross Border Trade in Services and Investment

Malaysia reserves the right to adopt or maintain any measure with respect to the provision of law enforcement and correctional services, and the following services to the extent they are social services established or maintained for a public purpose: income security or insurance, social security or insurance, social welfare, public education, public training, health, and child care.