

UAE-Malaysia Comprehensive Economic Partnership Agreement

PREAMBLE

The Government of the United Arab Emirates (hereinafter referred to as the "UAE") and the Government of Malaysia (hereinafter referred to as "Malaysia") (hereinafter being referred to individually as the "Party" and collectively as the "Parties");

RECOGNISING the strong economic and political ties between the UAE and Malaysia, and wishing to strengthen these links through the creation of a free trade area, thus establishing close and lasting relations;

DETERMINED to build on their respective rights and obligations under the Marrakesh Agreement Establishing the World Trade Organization;

CONSCIOUS of the dynamic and rapidly changing global environment brought about by globalisation and technological progress that presents various economic and strategic challenges and opportunities to the Parties;

DETERMINED to develop and strengthen their economic and trade relations through the liberalisation and expansion of trade in goods and services in their common interest and for their mutual benefit;

AIMING to promote transfer of technology and expand trade;

CONVINCED that the establishment of a free trade area will provide a more favourable climate for the promotion and development of economic and trade relations between the Parties;

AIMING to facilitate trade by promoting efficient and transparent customs procedures that reduce costs and ensure predictability for their importers and exporters;

DETERMINED to support the growth and development of micro, small, and medium-sized enterprises by enhancing their ability to participate in and benefit from the opportunities created by this Agreement;

AIMING to establishing a clear, transparent, and predictable legal and commercial framework for business planning that supports further expansion of trade and investment;

RECOGNISING their inherent right to regulate; and

RESOLVED to preserve the flexibility of the Parties to set legislative and regulatory priorities, and protect legitimate public welfare objectives,

HAVE AGREED as follows:

Chapter 1. INITIAL PROVISIONS AND GENERAL DEFINITIONS

Article 1.1. General Definitions

For the purposes of this Agreement unless otherwise provided in this Agreement:

(a) Agreement on Agriculture means the Agreement on Agriculture in Annex 1A to the WTO Agreement;

(b) Anti-Dumping Agreement means the Agreement on Implementation of Article VI of the GATT 1994 in Annex 1A to the WTO Agreement;(c)central level of government means:

(i) for the UAE, the federal level of government; and

(ii) for Malaysia, the federal level of government;

(d) Customs Authority means:

(i) for the UAE, the Federal Authority for Identity, Citizenship, Customs & Port Security; and

(ii) for Malaysia, the Royal Malaysian Customs Department;

(e) customs duty means any duty or charge of any kind imposed in connection with the importation of a good, including any form of surtax or surcharge imposed in connection with such importation, but does not include any: (i) charge equivalent to an internal tax imposed in conformity with Article III of the GATT 1994;

(ii) anti-dumping or countervailing duty applied consistently with Article VI of the GATT 1994, the Anti-Dumping Agreement and the SCM Agreement; or

(iii) fee or other charge in connection with importation commensurate with the cost of services rendered and which does not represent a direct or indirect protection for domestic goods or a taxation of imports for fiscal purposes;

(f) Customs Valuation Agreement means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

(g) days means calendar days, including weekends and holidays;

(h) DSU means the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 to the WTO Agreement;

(i) GATS means the General Agreement on Trade in Services in Annex 1B to the WTO Agreement;

(j) GATT 1994 means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

(k) Harmonized System or HS means the Harmonized Commodity Description and Coding System, including its General Rules for the Interpretation, Section Notes, Chapter Notes, and Subheading Notes as adopted and administered by the World Customs Organization, set out in the Annex to the International Convention on the Harmonized Commodity Description and Coding System done at Brussels on 14 June 1983, as may be amended, adopted and implemented by the Parties in their respective laws;

(l) Import Licensing Agreement means the Agreement on Import Licensing Procedures in Annex 1A to the WTO Agreement;

(m) Joint Committee means the Joint Committee established pursuant to Article 18.4 (Joint Committee) of this Agreement;

(n) measure means any measure, whether in form of a law, regulation, rule, procedure, decision, practice, administrative action, or any other form;

(o) regional level of government means:

(i) for the UAE, each Emirate Members and in accordance with the UAE Constitution; and

(ii) for Malaysia, a State of the Federation of Malaysia in accordance with the Federal Constitution of Malaysia;

(p) Safeguards Agreement means the Agreement on Safeguards in Annex 1A to the WTO Agreement;

(q) SCM Agreement means the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement;

(r) SME means small and medium-sized enterprises including micro-sized enterprises;

(s) SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement;

(t) TBT Agreement means the Agreement on Technical Barriers to Trade in Annex 1A to the WTO Agreement;

(u) territory means:

(i) with respect to Malaysia, its land territory, internal waters and territorial sea, and the air space above such areas, as well as any maritime area situated beyond the territorial sea as designated or that might in the future be designated under its national law, in accordance with international law, as an area within which Malaysia exercises sovereign rights and jurisdiction with regards to the seabed, subsoil, and superjacent waters to the seabed and subsoil as well as the natural resources; and

(ii) with respect to the UAE, its land territories, internal waters, including its Free Zones, territorial sea, including, the seabed,

and subsoil thereof, and air space over such territories and waters, as well as the contiguous zone, the continental shelf and exclusive economic zone, over which UAE has sovereignty, sovereign rights, or jurisdiction as defined in its laws, and in accordance with international law;

(v) TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement;

(w) WTO means the World Trade Organization; and

(x) WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh, 15 April 1994.

Article 1.2. Establishment of a Free Trade Area

The Parties, consistent with Article XXIV of the GATT 1994 and Article V of the GATS, hereby establish a free trade area in accordance with the provisions of this Agreement.

Article 1.3. Objectives

The objectives of this Agreement are to liberalise and facilitate trade and investment between the Parties in accordance with the provisions of this Agreement.

Article 1.4. Relation to other Agreements

1. The Parties affirm their existing rights and obligations with respect to each other under the WTO Agreement and other agreements to which the Parties are party.

2. In the event of any inconsistency between this Agreement and other agreements to which both Parties are party, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution.

Article 1.5. Regional and Local Governments

1. Each Party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement, by regional and local governments, and authorities and by non-governmental bodies in the exercise of governmental powers delegated by central, regional or local governments, or authorities within its territories.

2. This provision is to be interpreted and applied in accordance with the principles set out in paragraph 12 of Article XXIV of the GATT 1994 and paragraph 3 of Article I of the GATS.

Article 1.6. Transparency

1. Each Party shall publish or otherwise make publicly available their laws, regulations as well as, to the extent possible, their respective international trade agreements which may affect the operation of this Agreement.

2. Without prejudice to Article 1.7, each Party shall respond with reasonable period of time to specific questions and provide, upon request, information to each other on matters referred to in paragraph 1.

Article 1.7. Confidential Information

1. Each Party shall, in accordance with its laws and regulations, maintain the confidentiality of information designated as confidential by the other Party.

2. Nothing in this Agreement shall require a Party to disclose confidential information, the disclosure of which would impede law enforcement of the Party or otherwise be contrary to the public interest or which would prejudice the legitimate commercial interests of any economic operator.

3. Where a Party provides information to the other Party in accordance with this Agreement and designates the information as confidential, the Party receiving the information shall maintain the confidentiality of the information, use it only for the purposes specified by the Party providing the information and not disclose it without the specific written permission of the Party providing the information.

Chapter 2. TRADE IN GOODS

Article 2.1. Definitions

For the purposes of this Chapter, Import licensing means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body as a prior condition for importation into the territory of the importing Party.

Article 2.2. Scope and Coverage

Except as otherwise provided in this Agreement, this Chapter applies to trade in goods between the Parties.

Article 2.3. National Treatment on Internal Taxation and Regulation

Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of the GATT 1994, including its interpretative notes. To this end, Article III of the GATT 1994 and its interpretative notes are incorporated into and form part of this Agreement, *mutatis mutandis*.

Article 2.4. Reduction or Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, including as explicitly set out in each Party's schedule included in Annex 2A (Malaysia Schedule of Tariff Commitments) and 2B (UAE Schedule of Tariff Commitments), neither Party shall increase any existing customs duty, or adopt any new customs duty, on an originating good of the other Party.
2. Upon the entry into force of this Agreement, Malaysia shall eliminate or reduce its customs duties applied on goods originating from the UAE in accordance with Annex 2A (Malaysia Schedule of Tariff Commitments) and the UAE shall eliminate or reduce its customs duties on goods originating from Malaysia in accordance with Annex 2B (UAE Schedule of Tariff Commitments).
3. Where a Party reduces its most-favoured-nation applied rate of customs duty, that duty rate shall apply to an originating good of the other Party if, and for as long as, it is lower than the customs duty rate on the same good calculated in accordance with Annex 2A (Malaysia Schedule of Tariff Commitments) in the case of Malaysia or Annex 2B (UAE Schedule of Tariff Commitments) in the case of the UAE.

Article 2.5. Acceleration or Improvement of Tariff Commitments

1. Upon request of a Party, the other Party shall consult with the requesting Party to consider accelerating or improving, the scope of the elimination of customs duties as set out in its schedule of tariff commitments in Annex 2 (Schedules of Tariff Commitments).
2. Further commitments between the Parties to accelerate or improving the scope of the elimination of a customs duty on a good (or to include a good in Annex 2 (Schedule of Tariff Commitments) shall supersede any duty rate or staging category determined pursuant to their respective Schedules for that good once approved by each Party in accordance with its applicable legal procedures.
3. Nothing in this Agreement shall prohibit a Party from unilaterally accelerating or improving the scope of the elimination of customs duties set out in its Schedule to Annex 2 (Schedules of Tariff Commitments) on originating goods. Any such unilateral acceleration or improving of the scope of the elimination of customs duties will not permanently supersede any duty rate or staging category determined pursuant to their respective Schedule nor serve to waive that Party's right to raise the customs duty back to the level established in its Schedule to Annex 2 (Schedule of Tariff Commitments) following a unilateral reduction.

Article 2.6. Classification of Goods and Transposition of Schedules

1. The classification of goods in trade between the Parties shall be in conformity with the Harmonized Commodity Description and Coding Systems (HS) and its amendments. Each Party shall ensure consistency in applying its laws and regulations to the tariff classification of originating goods of the other Party.
2. Each Party shall ensure the transposition of its respective schedule in Annex 2A (Malaysia Schedule of Tariff

Commitments) and Annex 2B (UAE Schedule of Tariff Commitments) due to periodic amendments and transposition of the HS Code.

3. If the Parties decide that revisions are necessary in accordance with paragraph 2, the transposition of the Schedules of Tariff Commitments shall be carried out in accordance with the methodologies and procedures adopted by the Sub-Committee on Trade in Goods.

4. Each Party shall ensure that the transposition of its Schedule of Tariff Commitments under paragraph 3 does not impair or diminish the tariff commitments set out in its Schedule of Tariff Commitments in Annex 2A (Malaysia Schedule of Tariff Commitments) and 2B (UAE Schedule of Tariff Commitments).

5. A Party may introduce new tariff splits or merges, provided that the preferential conditions applied in the new tariff splits are not less preferential than those applied originally.

Article 2.7. Import and Export Restrictions

Except as otherwise provided in this Agreement, neither Party may adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of GATT 1994 and its interpretative notes, and to this end Article XI of GATT 1994 and its interpretative notes are incorporated into and made a part of this Agreement, mutatis mutandis.

Article 2.8. Import Licensing

1. Neither Party may adopt nor maintain a measure that is inconsistent with the Import Licensing Agreement (1), which is hereby incorporated into and made part of this Agreement, mutatis mutandis.

(1) For the purposes of paragraph 1 and for greater certainty, in determining whether a measure is inconsistent with the Import Licensing Agreement, the Parties shall apply the definition of "import licensing" contained in that Agreement.

2. Before applying any new or modified import licensing procedure, a Party shall publish it in such a manner as to enable governments and traders to become acquainted with it, including through publication on an official government internet site. Upon request of the other Party, the Party shall exchange information concerning its implementation in a reasonable period.

Article 2.9. Customs Valuation

The Parties shall determine the customs value of goods traded between them in accordance with the provisions of Article VII of the GATT 1994 and the Customs Valuation Agreement, mutatis mutandis.

Article 2.10. Export Subsidies

1. Neither Party shall adopt or maintain any export subsidy on any good destined for the territory of the other Party in accordance with the SCM Agreement and the Agreement on Agriculture.

2. The Parties reaffirm their commitments made in the WTO Ministerial Conference Decision on Export Competition adopted in Nairobi on 19 December 2015, including the elimination of scheduled export subsidy entitlements for agricultural goods.

Article 2.11. Restrictions to Safeguard the Balance-of-Payments

Any such measures taken for trade in goods shall be in accordance with Article XII of the GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the GATT 1994, the provisions of which are incorporated into and made a part of this Agreement, mutatis mutandis.

Article 2.12. Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VIII:1 of GATT 1994 and its interpretative notes, that all fees and charges of whatever character (other than import and export duties, charges equivalent to an internal tax or other internal charges applied consistently with Article III:2 of GATT 1994, and anti-dumping and countervailing duties) imposed on, or in connection with, importation or exportation of goods are limited in amount to the approximate cost of services rendered,

which shall not be calculated on an ad valorem basis, and shall not represent an indirect protection to domestic goods or a taxation of imports or exports for fiscal purposes.

2. Each Party shall promptly publish details and shall make such information available on the internet regarding the fees and charges it imposes in connection with importation or exportation.

Article 2.13. Non-Tariff Measures

1. Neither Party shall adopt or maintain any non-tariff measure on the importation of any good of the other Party or on the exportation of any good destined for the territory of the other Party, except in accordance with its WTO rights and obligations or this Agreement.

2. Each Party shall ensure that its laws, regulations, procedures, and administrative rulings relating to non-tariff measures are not prepared, adopted, or applied with the view to, or with the effect of, creating unnecessary obstacles to trade with the other Party.

3. If a Party considers that a non-tariff measure of the other Party is creating an unnecessary obstacle to trade, that Party may nominate such a non-tariff measure for review by the Sub-Committee on Trade in Goods by notifying through written request letter, which shall be submitted at least 30 days before the date of the next scheduled meeting of the Sub-Committee on Trade in Goods. A nomination of a non-tariff measure for review shall include reasons for its nomination, how the measure adversely affects trade between the Parties, and if possible, suggested solutions. The Sub-Committee on Trade in Goods shall immediately review the measure with a view to securing a mutually agreed solution to the matter. Review by the Sub-Committee on Trade in Goods is without prejudice to the Parties' rights under Chapter 16 (Dispute Settlement).

Article 2.14. State Trading Enterprises

Nothing in this Agreement shall be construed to prevent a Party from maintaining or establishing a state trading enterprise in accordance with Article XVII of the GATT 1994 and the Understanding on the Interpretation of Article XVII of the GATT 1994, mutatis mutandis.

Article 2.15. Temporary Admission of Goods

1. Each Party shall, in accordance with its respective domestic law, grant temporary admission free of customs duties for the following goods imported from the other Party, regardless of their origin: (a) professional and scientific equipment, including their spare parts, and including equipment for the press or television, software, and broadcasting and cinematographic equipment, that are necessary for carrying out the business activity, trade, or profession of a person who qualifies for temporary entry pursuant to the laws of the importing Party;

(b) goods intended for display, demonstration or use at theatres, exhibitions, fairs, or other similar events;

(c) commercial samples and advertising films and recordings;

(d) goods admitted for sports purposes;

(e) containers and pallets that are used for the transportation of equipment or used for refilling; and

(f) goods entered for completion or processing.

2. Each Party shall, at the request of the importer and for reasons deemed valid by its Customs Authority, extend the time limit for temporary admission beyond the period initially fixed.

3. Neither Party may condition the temporary admission of a good referred to in paragraph 1, other than to require that the good:

(a) not be sold or leased while in its territory;

(b) be accompanied by a security in an amount no greater than the custom duties and any other tax imposed on imports that would otherwise be owed on entry or final importation, releasable on exportation of the good;

(c) be capable of identification when exported;

(d) be exported in accordance with the time period granted for temporary admission in accordance with its domestic law

related to the purpose of the temporary admission;

(e) not be admitted in a quantity greater than is reasonable for its intended use; or

(f) be otherwise admissible into the importing Party's territory under its law.

4. If any condition that a Party imposes under paragraph 3 has not been fulfilled, that Party may apply the customs duty, and any other tax or charge that would normally be owed on the importation of the good, and any other charges or penalties provided for under its law.

5. Each Party through its Customs Authority shall adopt and maintain procedures providing for the expeditious release of goods admitted under this Article. To the extent possible, such procedures shall provide that when such a good accompanies a national or resident of the other Party who is seeking temporary entry, the good shall be released simultaneously with the entry of that national or resident.

6. Each Party shall permit a good temporarily admitted under this Article to be exported through a customs port other than that through which it was admitted in accordance with its customs procedures.

7. Each Party shall provide that the importer of a good admitted under this Article shall not be liable for failure to export the good on presentation of satisfactory proof to the importing Party that the good has been destroyed within the original period fixed for temporary admission or any lawful extension. A Party may condition relief of liability under this paragraph by requiring the importer to receive prior approval from the Customs Authority of the importing Party before the good can be so destroyed.

Article 2.16. Goods Re-Entered after Repair or Alteration

1. Neither Party shall apply a customs duty to a good, regardless of its origin, that re-enters its territory in accordance with its laws and procedures after that good has been temporarily exported from its territory to the territory of the other Party for repair or alteration, regardless of whether such repair or alteration could be performed in the territory from which the good was exported, except that a customs duty or other taxes may be applied to the addition resulting from the repair or alteration that was performed in the territory of the other Party.

2. Neither Party shall apply a customs duty to a good, regardless of its origin, imported temporarily from the territory of the other Party for repair or alteration.

3. For purposes of this Article, "repair" or "alteration" does not include an operation or process that:

(a) destroys a good's essential characteristics or creates a new or commercially different good;

(b) transforms an unfinished good into a finished good; or (c) results in a change of the classification at a six-digit level of the Harmonized System (HS).

Article 2.17. Duty-Free Entry of Commercial Samples of Negligible Value and Printed Advertising Materials

Each Party, in accordance with its respective domestic law, shall grant duty-free entry to commercial samples of negligible value, and to printed advertising materials, imported from the territory of the other Party, regardless of their origin, but may require that:

(a) such samples be imported solely for the solicitation of orders for goods or services provided from the territory of the other Party or a non-Party; or

(b) such advertising materials be imported in packets, that each contains no more than one copy of each such material, and that neither the materials nor the packets form part of a larger consignment.

Article 2.18. Sub-Committee on Trade In Goods

1. The Parties hereby establish a Sub-Committee on Trade in Goods under the Joint Committee comprising representatives of each Party.

2. The Sub-Committee shall meet once a year or meet on the request of the other Party at a mutually agreed time, venue, and means, to consider any matter arising under this Chapter. The Sub-Committee may carry out its work through whatever means are appropriate, which may include electronic mail, videoconferencing, or other means.

3.The functions of the Sub-Committee shall include, inter alia:

- (a) monitoring and reviewing the implementation and administration of this Chapter, and making reports and recommendations, if appropriate;
- (b) promoting trade in goods between the Parties, including through consultations on accelerating or improving the scope of preferential treatment or tariff elimination under this Agreement and other issues, as appropriate;
- (c) addressing barriers to trade in goods between the Parties including those related to the application of non-tariff measures which may restrict trade in goods between the Parties and, if appropriate, referring such matters to the Joint Committee for its consideration;
- (d) providing advice and recommendations to the Joint Committee on cooperation needs regarding trade in goods matters;
- (e) reviewing the amendments to the HS to ensure that each Party's obligations under this Agreement are not altered, and consulting to resolve any conflicts between: such amendments to the HS and Annex 2 and national nomenclatures;
- (f) consulting on and endeavouring to resolve any difference that may arise among the Parties on matters related to the classification of goods under the HS, including adoption and review of transposition methodologies and guidelines;
- (g) reviewing data on trade in goods in relation the implementation of this Chapter;
- (h) assessing matters that relate to trade in goods and undertaking any additional work that the Joint Committee may assign to it; and
- (i) reviewing and monitoring any other matter related to the implementation of this chapter.

Chapter 3. TRADE REMEDIES

Article 3.1. Scope

1. With respect to the UAE, this Chapter shall apply to investigations and measures that are taken under the authority of the Ministry of Economy, or its successor.
2. With respect to Malaysia, this Chapter shall apply to investigations and measures that are taken under the authority of the Ministry of Investment Trade and Industry, or its successor.
3. This Chapter applies to trade remedy measures adopted or maintained by a Party affecting trade in goods among the Parties.

Section A. BILATERAL SAFEGUARD MEASURES

Article 3.2. Definitions

For the purposes of this Section:

- (a) bilateral safeguard measure or safeguard measures means a transitional bilateral safeguard measure or measures described in Article 3.3;
- (b) domestic industry means with respect to an imported product, the producers as a whole of the like or directly competitive product or those producers whose collective production of the like or directly competitive product constitutes a major proportion of the total domestic production of such product;
- (c) provisional measure means a provisional bilateral safeguard measure described in Article 3.6;
- (d) serious injury means a significant overall impairment in the position of a domestic industry;
- (e) threat of serious injury means serious injury that on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent; and
- (f) transition period, in relation to a particular product, means the period from the entry into force of this Agreement until two years after the date on which the customs duty on that product is to be reduced or eliminated in accordance with Annex 2A (Schedule of Tariff Commitments).

Article 3.3. Application of Bilateral Safeguard Measures

During the transition period, if as a result of the reduction or elimination of a customs duty pursuant to this Agreement, an originating product of a Party is being imported into the other Party's territory in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to the domestic industry producing like or directly competitive products, the other Party may, to the extent necessary to prevent or remedy serious injury and facilitate adjustment, apply a bilateral safeguard measure consisting of:

- (a) the suspension of the further reduction of any rate of customs duty provided for under this Agreement on the originating product from the date on which the safeguard measure is applied; or
- (b) an increase of the rate of customs duty on the originating product to a level not to exceed the lesser of -
 - (i) the most-favoured-nation (hereinafter "MFN") applied rate of duty on the good in effect at the time the measure is applied; or
 - (ii) the MFN applied rate of customs duty in effect on the day immediately preceding the date of entry into force of this Agreement.

Article 3.4. Scope and Duration of Bilateral Safeguard Measures

1. A Party shall apply a bilateral safeguard measure for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment. A Party may apply a bilateral safeguard measure for an initial period of no longer than two years. The period of a bilateral safeguard measure may be extended by up to one year provided that the conditions of this Chapter are met and that the bilateral safeguard measure continues to be applied to the extent necessary to prevent or remedy serious injury and that there is evidence that the industry is adjusting. The total period of a bilateral safeguard measure, including any extensions thereof, shall not exceed three years.
2. Regardless of its duration or whether it has been subject to extension, a bilateral safeguard measure on a product shall terminate at the end of the transition period for such product. No new bilateral safeguard measure may be applied to a product after the end of the transition period.
3. In order to facilitate adjustment in a situation where the proposed duration of a bilateral safeguard measure is over one year, the Party applying the bilateral safeguard measure shall progressively liberalise it at regular intervals during the application of the bilateral safeguard measure, including at the time of any extension.
4. A Party shall not apply a final bilateral safeguard measures again on the same originating product during the transition period.
5. On the termination of a bilateral safeguard measure, the Party that applied the bilateral safeguard measure shall apply the rate of customs duty in effect as set out in its Tariff Schedule as specified in Annex 2A (Schedule of Tariff Commitments) on the date of termination as if the bilateral safeguard measure had never been applied.

Article 3.5. Investigation

1. A Party may apply or extend a bilateral safeguard measure only following an investigation by the Party's investigating authorities in accordance with the same procedures as those provided for in Articles 3 and 4.2(c) of the Safeguards Agreement. Articles 3 and 4.2(c) of the Safeguards Agreement are incorporated into and made a part of this Agreement, mutatis mutandis.
2. The investigation shall include reasonable public notice to all interested parties and public hearings or other appropriate means in which importers, exporters and other interested parties could present evidence and their views, including the opportunity to respond to the presentations of other parties and to submit their views, inter alia, as to whether or not the application of a bilateral safeguard measure would be in the public interest.
3. An investigation shall as far as possible be completed within one year. Upon completion of an investigation, the investigating authorities shall promptly publish a summary of the reasons leading to the imposition of the bilateral safeguard measures.

Article 3.6. Provisional Measures

1. In critical circumstances where delay would cause damage which would be difficult to repair, a Party may apply a provisional measure, which shall take the form of the measure set out Article 3.3, pursuant to a preliminary determination that there is clear evidence that increased imports of an originating product of the other Party as a result of the reduction or elimination of a duty pursuant to this Agreement have caused or are threatening to cause serious injury.

2. The duration of any provisional measure shall not exceed 200 days, during which period the pertinent requirements of Articles 3.5.1 and 3.5.2 shall be met. The duration of any such provisional measure shall be counted as part of the total period referred to in Article 3.4.

3. Any additional duties collected as a result of such provisional measure shall be promptly refunded if the subsequent investigation referred to in Article 3.5 does not determine that increased imports of an originating product of the other Party have caused or threatened to cause serious injury to a domestic industry. In such a case, the Party that applied the provisional measure shall apply the rate of customs duty set out in its Tariff Schedule in Annex 2A (Schedule of Tariff Commitments) as if the provisional measure had never been applied.

Article 3.7. Notification and Consultation

1. A Party shall promptly notify the other Party, in writing, upon:

(a) initiating an investigation under Article 3.5;

(b) making a finding of serious injury or threat thereof caused by increased imports of an originating product of the other Party as a result of the reduction or elimination of a customs duty on the product pursuant to this Agreement;

(c) taking a decision to apply or extend a safeguard measure, or to apply a provisional measure; and

(d) taking a decision to progressively liberalise a bilateral safeguard measure previously applied.

2. A Party shall provide to the other Party a copy of the public version of the report of its investigating authorities required under Article 3.5.1.

3. A written notice referred to in subparagraph 1(a) shall include:

(a) the reason for the initiation of the investigation;

(b) a precise description of an originating product subject to the investigation and its subheading or more detailed level of the Harmonized System;

(c) the period subject to the investigation; and

(d) the date of initiation of the investigation.

4. A written notice referred to in subparagraphs 1(b) through (d) shall include:

(a) a precise description of the originating good subject to the bilateral safeguard measure, including its heading and subheading under the Harmonized System and the national nomenclature of the Party;

(b) evidence of the serious injury caused by increased imports of the originating good of the Party as a result of the reduction or elimination of a customs duty pursuant to this Agreement;

(c) a precise description of the proposed bilateral safeguard measure;

(d) the proposed date of the introduction of the bilateral safeguard measure, its expected duration, and, if applicable, a timetable for the progressive liberalisation of the bilateral safeguard measures referred to in Article 3.4.3; and

(e) in the case of an extension of the bilateral safeguard measure, evidence that the domestic industry concerned is adjusting.

5. A Party proposing to apply or extend a bilateral safeguard measure shall provide adequate opportunity for prior consultations with the other Party, with a view to, inter alia, reviewing the information provided under paragraph 4, exchanging views on the bilateral safeguard measure and reaching an agreement on compensation as set forth in Article 3.8.

6. Where a Party applies a provisional measure referred to in Article 3.6, on request of the other Party, consultations shall be initiated immediately after such application.

7. The provisions on notification in this Article shall not require a Party to disclose confidential information, the disclosure of which would impede law enforcement or otherwise be contrary to the public interest, or would prejudice the legitimate commercial interests of particular enterprises, public or private.

Article 3.8. Compensation

1. No later than 30 days after it applies a bilateral safeguard measure, a Party shall provide an opportunity for the other Party to consult with it regarding appropriate trade liberalising compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure. The applying Party shall provide such compensation as the Parties mutually agree.
2. If the Parties are unable to reach agreement on compensation within 30 days of the commencement of the consultations, the Party against whose originating good the measure is applied may suspend the application of concession with respect to originating good of the applying party that have trade effect substantially equivalent to the bilateral safeguard measure.
3. The Party exercising the rights of suspension may suspend the application of concession only for the minimum period necessary to achieve the substantially equivalent effect.
4. A Party shall notify the other Party in writing at least 30 days before suspending concessions under paragraph 2.
5. The right of suspension referred to in paragraph 2 shall not be exercised for the first two years during which a bilateral safeguard measure is in effect, provided that the bilateral safeguard measure has been taken as a result of an absolute increase in imports.

Section B. GLOBAL SAFEGUARD MEASURES

1. Each Party retains its rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken under Article XIX of GATT 1994 and the Safeguards Agreement.
2. Neither Party shall apply, with respect to the same product, at the same time:
 - (a) a bilateral safeguard measure as provided in Article 3.3; and
 - (b) a measure under Article XIX of GATT 1994 and the Safeguards Agreement.
3. Where, as a result of global safeguard measure, a safeguard duty is imposed, the margin of preference, in accordance with Annex 2A (Schedule of Tariff Commitments), shall be maintained.
4. A Party taking a global safeguard measure shall exclude imports of an originating good of the other Party as long as its share of imports of the product concerned in the importing Party does not exceed three per cent of total imports of the concerned product, provided that its share collectively with other developing countries with less than three per cent import account for not more than nine per cent of total imports of the product concerned. (1)

(1) For greater clarity for this application of this paragraph, Malaysia and UAE mutually acknowledge their own self-declared status as developing countries without prejudices to either Party modifying self-declared status.

Section C. ANTI-DUMPING AND COUNTERVAILING MEASURES

Article 3.10. Anti-Dumping and Countervailing Measure

1. The Parties reaffirm their rights and obligations under the provisions of Article VI and Article XVI of GATT 1994; Anti-Dumping Agreement and SCM Agreement and the importance of promoting transparency.
2. Except as otherwise stipulated in this Article, this Agreement does not confer any additional rights or obligations on the Parties with regard to anti-dumping and countervailing measures, including the initiation and conduct of anti-dumping and countervailing duty investigations as well as the application of anti-dumping and/or countervailing measures.
3. When the investigating authority of a Party receives a written application by or on behalf of its domestic industry for the initiation of an anti-dumping investigation in respect of a product from the other Party, the former Party shall notify the other Party of the application as far in advance of the initiation of such investigation.

4. The Parties shall make the notifications under Article 12 of Anti-Dumping Agreement and cover letters related to mentioned notifications in English.
5. As soon as possible after accepting an application for a countervailing duty investigation in respect of a product of the other Party, and in any event before initiating an investigation, the Party shall provide written notification in English of its receipt of the application to the other Party and invite the other Party for consultations with the aim of clarifying the situation as to the matters referred to in the application and arriving at a mutually agreed solution.
6. The investigating authority of each Party shall ensure, before a final determination is made, the disclosure of all essential facts under consideration which form the basis for the decision whether to apply definitive measures. This is without prejudice to Article 6.5 of the Anti-Dumping Agreement and Article 12.4 of the SCM Agreement. Disclosures shall be made in writing and allow interested parties sufficient time to make their comments.
7. The known interested parties should be granted the right to express their views during anti-dumping and anti-subsidy investigations in accordance with the conditions of each Party's internal legislation.
8. Should a Party decide to impose provisional or definitive anti-dumping or countervailing duty, the amount of such duty shall not exceed the margin of dumping or amount of the countervailable subsidy, but it should be less than that margin if, pursuant to the Party's internal legislation, such a lesser duty is in accordance would be adequate to remove the injury to the domestic industry.
9. The Party whose goods are subject to anti-dumping or countervailing measures imposed by the other Party has the right to request consultations in order to discuss the impact of these measures on bilateral trade.

Section D. COOPERATION ON TRADE REMEDIES

Article 3.11. Cooperation on Trade Remedies

The Parties shall endeavour to encourage cooperation on trade remedies, between the relevant authorities of each Party who have responsibility for trade remedy matters.

Section E. DISPUTE SETTLEMENT

Article 3.12. Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter, except Section A on bilateral safeguard measure of this Chapter.

Chapter 4. CUSTOMS PROCEDURES AND TRADE FACILITATION

Article 4.1. Definitions

For the purpose of this Chapter:

- (a) Authorized Economic Operator(s) (AEO) means the program which recognises an operator involved in the international movement of goods in whatever function that has been approved by the national Customs Administration as complying with the World Customs Organization (WCO) or equivalent supply chain security standards;
- (b) Customs Administration means the Federal Authority of Identity, Citizenship, Customs, and Port Security for the UAE, and the Royal Malaysian Customs Department for Malaysia;
- (c) customs laws means the provisions implemented by legislations and regulations concerning the importation, exportation, transit of goods or any other customs procedures whether relating to customs duties, taxes or any other charges collected by the Customs Administrations, or to measures for prohibition, restriction, or control enforced by the Customs Administrations;
- (d) Customs Mutual Assistance Agreement (CMAA) means the agreement that further enhances customs cooperation and exchange of information between the parties to secure and facilitate lawful trade;
- (e) Customs procedure means the measures applied by the customs authority of a Party to goods and to the means of transport that are subject to its customs laws and regulations;

(f) Mutual Recognition Arrangement (MRA) means the arrangement between the Parties that mutually recognise AEO authorisations that has been properly granted by one of the Customs Administrations; and

(g) persons means both natural and legal person, unless the context otherwise requires.

Article 4.2. Scope

This Chapter applies, in accordance with the Parties' respective domestic laws, policies, rules and regulations, to customs procedures applied for the clearance of goods traded between the Parties.

Article 4.3. General Provisions

1. Each Party shall ensure that its customs procedures and practices are predictable, consistent, transparent, non-discriminatory and facilitate trade including through the expeditious clearance of goods.

2. Customs procedures of the Parties shall, where possible and to extent permitted by their respective customs laws, conform to the standards and recommended practices of the WCO.

3. To facilitate bilateral trade, the Customs Administration of each Party shall periodically review its customs procedures with a view to their further simplification and development.

Article 4.4. Publication and Availability of Information

1. Each Party shall ensure that its laws, regulations, guidelines, procedures and administrative rulings governing customs matters are promptly published, either on the internet or in print form, and to the extent possible, in the English language.

2. Each Party shall designate, establish and maintain one or more inquiry points to address inquiries from interested persons pertaining to customs matters and shall endeavour to make available publicly through electronic means, information concerning procedures for making such inquiries.

3. Nothing in this Article or in any part of this Agreement shall require any Party to publish law enforcement procedures and internal operational guidelines including those related to conducting risk analysis and targeting methodologies.

4. Each Party shall, to the extent practicable, and in a manner consistent with its domestic law and legal system, ensure that new or amended laws and regulations of general application related to the movement, release, and clearance of goods, including goods in transit, are published or information on them made otherwise publicly available, as early as possible before their entry into force, so that interested parties have the opportunity to become acquainted with the new or amended laws and regulations. Such information and publications shall be available in the English language, to the extent possible.

Article 4.5. Risk Management

The Parties shall adopt a risk management approach in its customs activities based on its identified risk of goods, in order to facilitate the clearance of low-risk consignments, while focusing its inspection activities on high-risk goods.

Article 4.6. Paperless Communications

1. For the purposes of facilitating bilateral exchange of international trade data and expediting procedures for the release of goods trade facilitation, each Party shall endeavour to provide an electronic environment that supports business transactions between its Customs Administration and their trading entities.

2. The Parties shall exchange views and information on realising and promoting paperless communications between their respective Customs Administration and their trading entities.

3. The respective Customs Administration of the Parties, in implementing initiatives which provide for the use of paperless communications, shall take into account the methodologies agreed at the WCO.

Article 4.7. Advance Rulings

1. In accordance with its domestic laws and regulations, the customs administration of the Parties upon a request shall issue in a reasonable time-bound manner to a person, prior to the importation of a good into their territory based on a request

containing all the necessary information for an advance ruling, in relation to:

(a) tariff classification;

(b) origin of goods; or

(c) the principles to be adopted for the purpose of determination of the value of goods, in accordance with the application of the provisions set forth in the Customs Valuation Agreement.

2. The importing Party shall apply an advance ruling issued by it under paragraph 1 on the date that the ruling is issued or on a later date specified in the ruling and remain in effect for a reasonable period of time and in accordance with the national procedures on advanced ruling unless the advance ruling is modified or revoked.

3. The advance ruling issued by the Party shall be binding to the person to whom the ruling is issued only.

4. A Party may decline to issue an advance ruling if the facts and circumstances forming the basis of the advance ruling are the subject of a post clearance audit or an administrative, judicial, or quasi-judicial review or appeal. A Party that declines to issue an advance ruling shall promptly notify, in writing, the person requesting the ruling, setting out the relevant facts and circumstances and the basis for its decision.

5. The importing Party may modify or revoke an advance ruling:

(a) if the ruling was based on an error of fact;

(b) if there is a change in the material facts or circumstances on which the ruling was based;

(c) to conform with a modification of this Chapter; or

(d) to conform with a judicial decision or a change in its domestic law.

6. Each Party shall provide a written notice to the applicant explaining the Party's decision to revoke or modify the advance ruling issued to the applicant.

7. Each Party shall provide that any modification or revocation of an advance ruling shall be effective on the date on which the modification or revocation is issued, or on such later date as may be specified therein and shall not be applied to importations of a good that have occurred prior to that date unless the person to whom the advance ruling was issued has not acted in accordance with its terms and conditions.

8. Notwithstanding paragraph 3, the issuing Party may postpone the effective date of the modification or revocation of an advance ruling for a reasonable period of time and in accordance with each Party's national procedures on advance rulings, where the person to whom the advance ruling was issued demonstrates that he has relied in good faith to his detriment on that ruling.

Article 4.8. Penalties

1. Each Party shall maintain measures imposing criminal, civil, or administrative penalties, whether solely or in combination, for violations of the Party's customs laws, regulations or procedural requirements.

2. Each Party shall ensure that penalties issued for a breach of a customs law, regulations or procedural requirements are imposed only on the person(s) responsible for the breach under its laws.

3. Each Party shall ensure that the penalty imposed by its Customs Administration is dependent on the facts and circumstances of the case and is commensurate with the degree and severity of the breach.

4. Each Party shall ensure that it maintains measures to avoid conflicts of interest in the assessment and collection of penalties and duties. No portion of the remuneration of a government official shall be calculated as a fixed portion or percentage of any penalties or duties assessed or collected.

5. Each Party shall ensure that if a penalty is imposed by its Customs Administration for a breach of a customs law, regulation or procedural requirement, an explanation in writing is provided to the person(s) upon whom the penalty is imposed specifying the nature of the breach and the law, regulation or procedure used for determining the penalty amount.

Article 4.9. Release of Goods

1. Each Party shall adopt or maintain simplified customs procedures for the efficient release of goods in order to facilitate

trade.

2. Pursuant to paragraph 1, each Party shall adopt or maintain procedures that:

(a) provide for the immediate release of goods upon receipt of the customs declaration and fulfilment of all applicable requirements and procedures;

(b) provide as appropriate, for the electronic submission and processing of import documentation and information, including manifests, prior to the arrival of the goods in order to expedite the release of goods from customs control upon arrival;

(c) allow goods to be released at the point of arrival without requiring temporary transfer to warehouses or other facilities; and

(d) require that the importer be informed if a Party does not promptly release goods, including, to the extent permitted by its law, the reasons why the goods are not released and which border agency, if not the customs administration, has withheld release of the goods.

3. Nothing in this Article requires a Party to release a good if its requirements for release have not been met nor prevents a Party from liquidating a security deposit in accordance with its law.

4. Each Party may allow, to the extent practicable and in accordance with its customs laws, goods intended for import to be moved within its territory under customs control from the point of entry into the Party's territory to another customs office in its territory from where the goods are intended to be released, provided the applicable regulatory requirements are met.

Article 4.10. Authorized Economic Operators

In order to facilitate trade and enhance compliance and risk management between them, the Parties shall endeavour to mutually conclude an AEO MRA.

Article 4.11. Border Agency Cooperation

Each Party shall ensure that its authorities and agencies responsible for border controls and procedures dealing with the importation, exportation, and transit of goods cooperate with one another and coordinate their activities in order to facilitate trade pursuant to this chapter.

Article 4.12. Express Shipments

Each Party shall adopt or maintain expedited customs procedures for goods entered through air cargo facilities while maintaining appropriate customs control and selection. These procedures shall:

(a) provide for information necessary to release an express shipment to be submitted and processed before the shipment arrives; allow a single submission of information covering all goods contained in an express shipment such as a manifest through, if possible, electronic means; (1)

(1) Additional documents may be required as a condition for release.

(b) to the extent possible, provide for the release of certain goods with a minimum of documentation;

(c) under normal circumstances, provide for express shipments to be released as soon as possible after submission of the necessary customs documents, provided the shipment has arrived;

(d) apply to shipments of any weight or value, recognising that a Party may require formal entry procedures as a condition for release including declaration and supporting documentation and payment of customs duties, based on the good's weight or value; and

(e) provide that, under normal circumstances, no customs duties will be assessed on express shipments valued at or below a fixed amount set under the Party's law. (2)

(2) Notwithstanding this Article, a Party may assess customs duties, or may require formal entry documents, for restricted or controlled goods, such as goods subject to import licensing or similar requirements.

Article 4.13. Review and Appeal

1. Each Party shall ensure that any person to whom it issues a determination on a customs matter has access to:

(a) at least one level of administrative review of determinations by its Customs Administration independent (3) of either the official or office responsible for the decision under review; and

(3) The level of administrative review for the UAE may include the competent authority supervising the customs administration.

(b) judicial review of decisions taken at the final level of an administrative review.

2. Each Party shall ensure that its procedures for appeal and review are carried out in a non-discriminatory and timely manner.

3. Each Party shall ensure that an authority conducting a review or appeal under paragraph 1 notifies the person in writing of its determination or decision in the review or appeal, and thereasons for the determination or decision.

Article 4.14. Customs Cooperation

1. With a view to further enhancing customs cooperation through the exchange of information and the sharing of best practices to secure and facilitate lawful trade, the Customs Administrations of the Parties will endeavour to conclude and sign a CMAA.

2. The Parties shall, for the purposes of applying customs legislations and to give effect to the provisions of this Agreement, endeavour to -

(a) co-operate and assist each other in the prevention and investigation of offences against customs legislations;

(b) upon request, provide each other with information to be used in the enforcement of customs legislations; and

(c) co-operate in the research, development and application of new customs procedures, the training and exchange of personnel, sharing of best practices and any other matters of mutual interest.

3. Assistance under this Chapter shall be provided in accordance with the domestic law of the requested Party.

4. The Parties shall exchange official contact points with a view to facilitating the effective implementation of this Chapter.

Article 4.15. Confidentiality

1. Nothing in this Agreement shall be construed to require a Party to furnish or allow access to confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private. Any information received under this Agreement shall be treated as confidential.

2. Each Party shall maintain, in accordance with its domestic laws, the confidentiality of information obtained pursuant to this Chapter and shall protect that information from disclosure that could prejudice the competitive position of the persons providing the information.

Article 4.16. Subcommittee on Customs Procedures and Trade Facilitation

The Parties agree to establish a subcommittee on Customs Procedures and Trade Facilitation (CPTF subcommittee) under the committee on Trade in Goods consisting of government representatives of each Party's competent authorities.

Chapter 5. TECHNICAL BARRIERS TO TRADE

Article 5.1: Objectives

The objective of this Chapter is to facilitate trade, including by eliminating unnecessary technical barriers to trade, enhancing transparency, and promoting greater regulatory cooperation and good regulatory practices.

Article 5.2: Scope

1. This Chapter

shall apply to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures that may affect trade in goods between the Parties. 2. Notwithstanding paragraph 1, this Chapter shall

not apply to: (a) purchasing specifications prepared by a governmental body for its production or consumption requirements which are covered by Chapter 11 (Government Procurement); or (b) sanitary or phytosanitary

measures which are covered by Chapter 6 (Sanitary and Phytosanitary Measures).

Article 5.3: Affirmation and Incorporation of the TBT Agreement

The Parties affirm their existing rights and obligations with respect to each other under the TBT Agreement which is incorporated into and made part of this Agreement, *mutatis mutandis*, other than Articles 7 and 8 of the TBT Agreement.

Article 5.4: International Standards

1. Each Party shall use relevant international standards, guides, and recommendations, to the extent provided in Articles 2.4 and 5.4 of the TBT Agreement, as a basis for its technical regulations and conformity assessment procedures. 2. In determining whether an international standard, guide, or recommendation within the meaning of Articles 2 and 5 and Annex 3 of the TBT Agreement exists, each Party shall base its determination on the principles set out in

the

Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2, 5 and Annex 3 of the Agreement, adopted on 13 November 2000 by the WTO Committee on Technical Barriers to Trade (Annex 2 to PART 1

of G/TBT/1/Rev15) and any subsequent version thereof. 3. The Parties shall encourage cooperation between their respective national standardising organisations in areas of mutual interest, in the context of their

25-participation in international standardising bodies, to ensure that international standards developed within such organisations are trade facilitating and do not create unnecessary obstacles to international trade.

Article 5.5: Technical Regulations

1. The Parties shall use international standards as a basis for preparing their technical regulations, unless those international standards are ineffective or inappropriate for achieving the legitimate objective pursued. Each Party shall, upon request of the other Party, provide its reasons for not having used international standards as a basis for preparing its technical regulations. 2. Each Party shall give positive consideration to a request by the other Party to negotiate arrangements for achieving the equivalence of technical regulations. 3. Each Party shall, upon

request of the other Party, explain the reasons why it has not accepted a request by the other Party to negotiate such arrangements. 4. The Parties shall strengthen communications and coordination with each other, where appropriate, in the context of discussions on the equivalence of technical regulations and related issues in international fora, such as the WTO Committee

on Technical Barriers to Trade.

Article 5.6: Conformity Assessment Procedures

1. The Parties recognise that, depending on the specific sectors involved, a broad range of mechanisms exists to facilitate the acceptance in a Party's territory of the results of conformity assessment procedures conducted in the other Party's territory. Such mechanisms may include:

(a) recognising existing international multilateral recognition agreements and arrangements among conformity assessment bodies;

(b) promoting mutual recognition of conformity assessment results by the

other Party, through recognising the other Party's designation of conformity assessment bodies;

(c) encouraging voluntary arrangements between conformity assessment bodies in the territory of each Party;

(d) accepting a supplier's declaration of conformity where appropriate;

(e) harmonising criteria for the designation of conformity assessment bodies, including accreditation procedures; or (f) other mechanisms as mutually agreed by the Parties. 2. Each Party shall ensure, whenever possible, that the results of conformity assessment procedures conducted in the territory of the other Party are accepted, even

35-when those procedures differ from its own, provided that those procedures offer a satisfactory assurance of applicable technical regulations or standards equivalent to its own procedures. Where a Party does not accept the results of a conformity assessment procedure conducted in the territory of the other Party, it shall, on request of the other Party, explain the reasons for its decision.

3.In order

to enhance confidence in the consistent reliability of conformity assessment results, the Parties may consult on matters such as the technical competence of the conformity assessment bodies involved.4.Each Party shall give positive consideration to a request by the other Party to negotiate

agreements or arrangements for the mutual recognition of the results of their respective conformity assessment procedures. The Parties shall consider the possibility of negotiating agreements or arrangements for mutual recognition of the results of their respective conformity assessment procedures in areas mutually agreed upon.5.The Parties shall endeavour to intensify their exchange of information on acceptance

mechanisms with a view to facilitating the acceptance of conformity assessment results.Article 5.7: Cooperation 1.The Parties shall strengthen their cooperation in the field of standards, technical regulations, and conformity assessment procedures with a view to:

(a) increasing the mutual understanding of their respective systems;

(b) enhancing cooperation between the Parties' regulatory agencies on matters of mutual interests including health, safety and environmental protection;

(c) facilitating trade by implementing good regulatory practices;

and

(d) enhancing cooperation, as appropriate, to ensure that technical regulations and conformity assessment procedures are based on international standards or the relevant parts of them and do not create unnecessary obstacles to trade between the Parties.2.In order to achieve the objectives

as

set out

in paragraph 1, the Parties shall, as mutually agreed and to the extent possible, co-operate on regulatory issues, which may include

the

(a) promotion of good regulatory practices based on risk assessment principles; (b) exchange of information with a view to improving the quality and effectiveness of their technical regulations; (c) development of joint initiatives for managing risks to health, safety or the environment and preventing deceptive practices;

and

45-(d) exchange

of market surveillance information where appropriate.3.The Parties shall encourage cooperation between their respective organisations responsible for standardisation, conformity assessment, accreditation

and metrology, with the view to facilitating trade and avoiding unnecessary obstacles to trade between the Parties.Article 5.8: Transparency

1.Each Party shall, upon request of the other Party, provide information, including the objective of, and rationale for, a technical regulation or conformity assessment procedure which the Party has adopted or proposes to adopt and may affect the trade between the Parties, within a reasonable period of time as agreed between the Parties.2.When a proposed technical regulation is notified to the WTO, a Party shall: (a) give appropriate consideration to the comments received from the other Party; and (b) upon request of the other Party, provide written answers to the comments made by the other Party.3.The Parties shall ensure that all adopted technical regulations and conformity assessment procedures are publicly available.Article 5.9: Contact Points

1.For the purposes of coordinating the implementation of this Chapter, the Contact Points are: (a) For Malaysia: the Department of Standards Malaysia, or its successor; and (b) For the UAE: the Standards and Regulations Sector, the Ministry

of Industry and Advanced Technology, or its successor. 2. Each Party shall ensure that its contact point facilitate the exchange of information between the Parties on standards, technical regulations and conformity assessment procedures in response to all requests related to this chapter for such information from the other Party. 3. Each Party shall promptly notify the other Party of any change of its Contact Point.

55-Article 5.10: Information Exchange and Technical Discussions

1. Any information or explanation that a Party provides upon request of the other Party pursuant to this Chapter shall be provided in print or electronically within a reasonable period of time. Each Party shall endeavour

to respond to such a request within 60

days. 2. All communication between the Parties on any matter covered by this Chapter shall be conducted through the Contact Points designated under Article 5.9. 3. On request of a Party for technical discussions on any matter arising under this Chapter, the Parties shall endeavour, to the extent practicable, to enter into technical discussions by notifying the Contact Points designated under Article 5.9.

Technical discussions may be conducted via any means agreed by the Parties.

6-1 CHAPTER 6

SANITARY AND PHYTOSANITARY MEASURES

Article 6.1: Definitions

1. The definitions in Annex A of the SPS Agreement are incorporated into and made part of this Chapter, mutatis mutandis. 2. In addition, for the purposes of this Chapter: (a) Competent Authority

means a government body of each Party responsible for measures and matters referred to in this Chapter; (b) Contact Point

means the government body of each Party that is responsible for the implementation and coordination

of this Chapter;

and (c) emergency measure

means a sanitary or phytosanitary measure that is applied by the importing Party to a good of the exporting Party to address an urgent problem of human, animal, or plant life or health protection that arises or threatens to arise in the importing Party. Article 6.2: Objectives

The objectives of this Chapter are to: (a) protect human, animal, and plant life or health while facilitating trade; (b) enhance cooperation, communication, and transparency between the Parties;

and (c) ensure that the Parties' sanitary and phytosanitary measures are based on scientific principles

and do not create unjustified barriers to trade. Article 6.3: Scope

1. This Chapter shall apply to all sanitary and phytosanitary measures of each Party that may, directly or indirectly, affect trade between the Parties. 2. Nothing in this Chapter prevents a Party from adopting or maintaining halal requirements for food and food products in accordance with their respective laws and regulations. ~ ? --: >,,-

6-2 Article 6.4: General Provisions

The Parties affirm their rights and obligations under the SPS Agreement.

Article 6.5: Contact Points and

Competent Authorities

1. Upon the entry into force of this Agreement, each Party shall designate a Contact Point or Contact Points to facilitate communication on matters covered by this chapter and promptly notify the other Party no later than 30 days after the entry into force of this Agreement. 2. For the purposes of implementing this Chapter, the Competent Authorities of the Parties shall be those listed in Annex 6A

(Competent Authorities). 3. Each Party shall notify the other Party of any changes to the Contact Points or Competent Authorities and of any significant changes in the structure, organisation, and division of responsibility within its Contact Points or Competent Authorities. Article 6.6: Technical Consultations

1. The Parties will,

without undue delay,

address any specific SPS matters and commit to carry out the necessary technical level discussions in order to resolve any such issue. 2. At any time, a Party may raise a specific SPS matter with the other Party through the Competent Authorities, as listed

in Annex 6A (Competent Authorities), and may request additional information related to the issue. The other Party shall respond in a timely manner. 3. If an issue is not resolved through the information exchanged under paragraph 2 and Article 6.9, upon request of either Party through its contact point, the Parties shall meet in a timely manner to discuss the specific SPS issue, to avoid a disruption in trade, or to reach a mutually acceptable solution. The Parties shall meet either in person or using available technological means. If travel is required, the Party requesting the meeting shall travel to discuss the specific SPS matters in the territory of the other Party, unless otherwise agreed. Article 6.7: Equivalence

1. The Parties recognise that the principle of equivalence as provided for under Article 4 of the SPS Agreement has mutual benefits for both exporting and importing countries. 2. The Parties shall take into account the procedures for determining the equivalence of sanitary and phytosanitary measures based on international standards, guidelines and recommendations by relevant international standard-setting bodies in accordance with Annex A of the SPS Agreement, *mutatis mutandis*. ~ ? -- :>,, -

6-33. The fact that an exported product achieves compliance with sanitary and phytosanitary measures or standards that have been accepted as equivalent to sanitary and phytosanitary measures

and standards of the importing Party shall not remove the need for that

product to comply with any other relevant mandatory requirements of the importing Party. Article 6.8: Emergency Measures

1. If a Party adopts an emergency measure that is necessary for the protection of human, animal, or plant life or health, that Party shall promptly notify the other Party of that measure through the relevant Contact Point and the Competent Authority referred to in Article 6.5. The Party adopting the emergency measure shall take into consideration any information provided by the other Party in response to the notification

and, upon request of the other Party, consultations between the Competent Authorities shall be held within 14 days of the notification

unless the Parties agree otherwise. 2. The importing Party shall consider information provided by the exporting Party in a timely manner when making decisions with respect to consignments that, at the time of adoption of the emergency measure, are being transported between the Parties. 3. If a Party adopts an emergency measure, it shall review the scientific basis of that measure within six months and make available the results of the review to the other Party on request. If the Party maintains the emergency measure after the review because the reason for its adoption remains, the Party

should review the measure periodically. Article 6.9: Transparency and

Exchange of

Information

1. The Parties recognise the value of transparency in the adoption and application of sanitary and phytosanitary measures and the importance of sharing information about such measures on an ongoing basis. 2. In implementing this Article, each Party shall take into account relevant guidance of the WTO SPS Committee and international standards, guidelines, and recommendations. 3. Each Party shall notify a

proposed sanitary or phytosanitary measure that may have an effect on the trade of the other Party, including any that conforms to international standards, guidelines, or recommendations, by using the WTO SPS notification submission system as a means of notification. 4. The Parties shall exchange information on proposed or actual sanitary and phytosanitary measures which affect or are likely to affect trade between them and relating to each Party's SPS regulatory system and to the extent that any Party desires to provide written comments on a proposed sanitary and phytosanitary measure by the other Party, the Party shall provide those comments in a timely manner. ~ ? -- :>,, -

6-45. A Party that proposes to adopt a sanitary or phytosanitary measure shall discuss with the other Party, on request and if appropriate and feasible, any scientific or trade concerns that the other Party may raise regarding the proposed measure and the availability of alternative, less trade-restrictive approaches for achieving the objective of the measure. 6. Each Party shall notify the other Party of final sanitary or phytosanitary measures through the WTO SPS notification submission system.

Each Party shall ensure that the text or the notice of a final sanitary or phytosanitary measure specifies the date on which the measure takes effect and the legal basis for the measure. Each Party shall publish, preferably by electronic means, notices of final sanitary or phytosanitary measures. 7. An exporting Party shall notify the importing Party through the Contact Points established under Article 6.5 in a timely and appropriate manner if it has knowledge of: (a) a significant or urgent situation of a sanitary or phytosanitary risk in its territory that may affect current trade between the Parties; or (b) significant changes in food safety, pest, or disease management, control, or eradication policies or practices that may affect current trade between the Parties. 8. A Party shall provide to the other Party,

on request, all sanitary or phytosanitary measures related to the importation of a good into that Party's territory. 9. Each Party shall provide information, upon request of the other Party, on results of import checks in case of rejected or non-compliant consignments

including the scientific basis for such rejections. Article 6.10: Cooperation

1. The Parties shall cooperate to facilitate the implementation of this Chapter. 2. The Parties shall explore opportunities for further cooperation, collaboration and information exchange between the Parties on sanitary and phytosanitary matters of mutual interest related to the implementation of the SPS Agreement, consistent with this Chapter. Those opportunities may include trade facilitation initiatives and technical assistance. 3. The Parties may promote cooperation on matters related to the implementation of the SPS Agreement, and in relevant international standard-setting bodies such as the Codex Alimentarius Commission, the International Plant Protection Convention (IPPC) and the World Organization for Animal Health (WOAH), as appropriate. 4. If there is mutual interest, the Competent Authorities of the Parties are encouraged to: (a) share best practices; and ~ ? --: >,, -

6-5(b) cooperate on joint scientific data collection. Article 6.11: Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter.

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ANNEX 6A

COMPETENT AUTHORITIES

For the purposes of Chapter 6 (Sanitary and Phytosanitary Measures), the Competent Authorities of each Party are as follows:

(a) for the United Arab Emirates: (i) Food Diversity Sector, Ministry of Climate Change, and Environment or its successor; (ii) Control in imports, exports of food products, plant and live animal in addition to sanitary and phytosanitary issues is shared between the Department of Agriculture health and development, Department of animal health and development and Food Safety of the Ministry Climate Change and Environment. (b) for Malaysia: Control in imports and sanitary and phytosanitary issues is shared between the Department of Agriculture, Department of Fisheries, Department of Veterinary Services and Food Security and Food Safety and Quality Program of the Ministry of Health. In this respect the following shall apply:

(i) the Department of Agriculture (DOA) is responsible for conducting Pest Risk Analysis and determining import requirements for plants, plant products, and regulated articles; (ii) the Department of Fisheries (DOF) is responsible for the implementation of official control programmes of fish and fishery products along the supply chain from primary production (capture fisheries and aquaculture) up to the final stage (exporter premises/processing plant). DOF is also responsible for work related to international standards for food safety and quality under Codex, EU requirements, and aquatic animal health under WOAH. In addition, the DOF also provides laboratory services that include analysis of relevant public health and aquatic animal health requirements; (iii) the Department of Veterinary Services (DVS) is responsible for conducting the Import Risk Analysis for live animals and animal products and conducting veterinary inspection at the processing plant as well as the abattoir. The Department is also responsible for the issuance of Veterinary Health Certificates with the purpose of exporting live animals and animal products.

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(iv) the Food Safety and Quality Program (FSQP), Ministry of Health implements food safety and quality programmes to protect the public against health hazards and fraud in the preparation, sale, and use of food. In terms of exports of agriculture products, the Department of Agriculture is responsible for the issuance of Phytosanitary Certificates required by the importing countries. The Department of Fisheries is responsible for the issuance of Health Certificates for exports of live

fish, as required by the importing country. The Department of Veterinary Services is responsible for issuance of Veterinary Health Certificates for exports of animal products; whilst Ministry of Health issues Health Certificates, Free Sale Certificates and Non-GMF Certificates for exports of all food including fish and fishery products, as required by the importing country.

7-1 CHAPTER 7

RULES OF ORIGIN

Article 7.1: Definitions

For the purposes of this Chapter:

(a) aquaculture

means the farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production, such as, inter alia, regular stocking, feeding, protection from predators;

(b) Competent Authority

means: (i) for UAE, the Ministry of Economy or any other agency notified from time to time;

and (ii) for Malaysia, the Ministry of Investment, Trade and Industry or any other agency notified from time to time;

(c) customs value

means

the value as determined in accordance with the Customs Valuation Agreement;

(d) consignment

means goods which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

(e) generally accepted accounting principles

means

the recognised consensus or substantial authoritative support in the territory of a Party, with respect to the recording of revenues, expenses, costs, assets, and liabilities, the disclosure of information and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

(f) goods

mean

any merchandise, article, material or any product that is obtained by growing, raising, mining, harvesting, fishing, aquaculture, trapping, hunting, extracting or manufactured, even if it is intended for later use in another manufacturing operation;

(g) manufacture

means

any kind of working or processing, including assembly or specific operations;

(h) material

means

any ingredient, raw material, compound or part used in the production of a good;

7-2 (i) non-originating goods

or

non-originating material

means

goods or materials that do not qualify as originating in accordance with this Chapter;

(j) originating goods

or originating material

means

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7-4 Qualified value Content (QVC)

is the qualifying value content of a good expressed as a percentage;

Ex-Works Price

is the price paid for the good ex-works to the manufacturer in the Party in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes which are, or may be, repaid when the good obtained is exported;

value of non-originating materials (V.N.M.)

means: (a) the customs value at the time of importation of the non-originating materials used inclusive freight and insurance costs incurred in transporting the material to the importation port in the territory of the Party where the producer of the good is located or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the exporting Party. (b) Where the producer of a good acquires non-originating materials in the territory of the Party where the producer is located, the value of such materials shall not include freight, insurance, packing costs and any other costs incurred in transporting the material from the supplier's warehouse to the producer's location. Article 7.5: Intermediate Goods If a good which has obtained originating status in a Party in accordance with Article 7.4 is used as a material in the manufacture of another good, no account shall be taken of the non-originating materials which may have been used in its manufacture.

Article 7.6: Accumulation

1. An originating good of a Party which is used in the processing or production in the territory of the other Party as material for finished goods shall be deemed as a material originating in the territory of the latter Party where the working or processing of the finished goods has taken place. 2. Notwithstanding paragraph 1, an originating good of a Party that does not undergo processing beyond

the insufficient working or processing operations listed in Article 7.8 in the other Party shall retain its originating status of the former Party. 3. The Joint Committee may agree to review this Article with a view to providing for other forms of accumulation for the purpose of qualifying goods as originating goods under this Agreement. ~ ? --: >,, -

7-5 Article 7.7: Tolerance 1. Notwithstanding Article 7.4, a

good will be considered to have undergone a change in tariff classification if the value of all non-originating materials that are used in the production of the good and that do not undergo the applicable change in tariff classification does not exceed 20% of the Ex-Works price of the good. 2. The value of non-originating materials referred to in paragraph 1 shall be included in the value of the non-originating materials for any applicable QVC requirement. Article 7.8: Insufficient Working or Processing 1. Whether or not the requirements of Article 7.4 are satisfied, a good shall not be considered to be originating in the territory of a Party if the following operations are undertaken exclusively by itself or in combination in the territory of that Party: (a) slaughter of animals; (b) operations to ensure the preservation of goods in good condition during

transport and storage such as drying, freezing, ventilation, chilling and like operations; (c) sifting, washing, cutting, slitting, bending, coiling or uncoiling, sharpening, simple grinding, slicing; (d) cleaning, including removal of oxide, oil, paint or other coverings; (e) simple

painting and polishing operations; (f) testing or calibration; (g) placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and packaging operations; (h) simple mixing of goods, whether or not of different kinds; (i) simple assembly of parts of goods to constitute a complete good or disassembly of goods into parts; (j) changes of packing, unpacking or repacking operations, and breaking up and assembly of consignments; (k) affixing or printing marks, labels, logos and other like distinguishing signs on goods or their packaging; (l) husking, partial or total bleaching, polishing and glazing of cereals and rice; and ~ ? --: >,, -

7-6 (m) mere dilution with water or another substance that does not materially alter the characteristics of the goods. 2. For the purposes of paragraph 1, the term "simple"

will be defined as following: (a) simple

generally describes an activity which does not need special skills, machines, apparatus or equipment especially produced or installed for carrying out the activity; and (b) simple mixing

generally describes an activity which does not need special skills, machine, apparatus or equipment especially produce or install for carrying out the activity. However, simple mixing does not include chemical reaction. Chemical reaction means a

process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule. Article 7.9: Indirect Materials In order to determine whether a good is an originating good, no account shall be taken of the origin of the following which might be used in its manufacture:

(a) energy and fuel; (b) plant and equipment; (c) machines and tools;

and (d) other materials or goods used in the production, testing or inspection of a good and do not enter and which are not intended to enter into the final composition of the good. Article 7.10: Accessories, Spare Parts, Tools

1. Accessories, spare parts, tools, and instructional or other information materials delivered with a good that form part of the good's standard accessories, spare parts, tools, and instructional or other information materials shall be regarded as a part of the good, and shall be disregarded in determining whether or not all the non-originating materials used in the production of the originating goods undergo the applicable change in tariff classification provided that

(a) the accessories, spare parts, tools, and instructional or other

information materials are classified with and not invoiced separately from the good; and (b) the quantities

and value of the accessories, spare parts, tools, and instructional or other information materials presented with the good are customary for the good. 2. Notwithstanding paragraph 1, for goods that are subject to QVC requirement, the value of the accessories, spare parts, tools and instructional or other information materials shall be taken into account as originating or non-originating materials, as

the case may be, in calculating the qualifying value content of the goods.

Article 7.11: Packaging Materials and Containers for Retail Sale

1. Each Party shall provide that packaging materials and containers in which a good is packaged for retail sale, if classified with the good, according to Rule 5 of the General rules for the interpretation of the Harmonized System, shall be disregarded in determining whether all the non-originating materials used in the production of the good undergo the applicable change in tariff classification. 2. If the good is subject to qualifying value content requirement, the value of such packaging materials and containers shall be taken into account as originating or non-originating materials, as the case may be, in calculating the qualifying value content of the good. Article 7.12: Unit of Qualification

The unit of qualification for the application of the provisions of this Chapter shall be the particular goods which are considered as the basic unit when determining classification using the nomenclature of the Harmonized System. Accordingly, it follows that

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(a) when a good composed of a group or assembly of articles is classified under a single heading, the whole constitutes the unit of qualification; (b) when a consignment consists of a number of identical goods classified under the same heading, each good shall be taken individually into account when

determining whether it qualifies as an originating good. Article 7.13: Packaging Materials and Containers for Transportation and Shipment

Each Party shall provide that packing materials and containers for transportation and shipment are disregarded in determining whether a good is originating.

Article 7.14: Fungible Goods and Materials

1. Each Party shall provide that the determination of whether fungible goods or materials are originating shall be made through physical segregation of each good or material,

or, in case of any difficulty, through the use of any inventory management method, such as averaging, last-in, first-out, or first-in, first-out, recognised in the generally accepted accounting principles of the Party in which the production is performed,

or otherwise accepted by the Party in which the production is performed. ~ ? -->,, -

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2.

Each Party shall provide that an inventory management method selected under paragraph 1 for particular fungible goods or materials shall continue to be used for those fungible goods or materials throughout the fiscal year of the Party that selected the inventory management method.

Article 7.15: Sets of Goods

Sets, as defined in General Rule 3 of the Harmonized System (HS), shall be regarded as originating when all component goods are originating.

However, when a set is composed of originating and non-originating goods, the set as a whole shall be regarded as originating, provided that the value of non-originating goods does not exceed 15% of the Ex-Works price of the set.

SECTION B:

TERRITORIALITY AND TRANSIT

Article 7.16: Principle of Territoriality

1.

The conditions for acquiring originating status set out in Article 7.2 must be fulfilled without interruption in the territory of the Party concerned.

2.

Where

originating goods exported from the territory of a Party to a non-party, return to the exporting Party, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the Customs Authority

that

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(a)

the returning goods are the same as those exported; and

(b)

they have not undergone any operation beyond that necessary to preserve them in good condition while in that non-party or while being exported.

3.

The acquisition of originating status set out in Article 7.2 shall not be affected by working or processing done outside a Party on materials exported from this Party and subsequently re-imported there, provided

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(a)

the said materials are wholly obtained

in the exporting Party or have undergone working or processing beyond the operations referred to in Article 7.8 prior to being exported; and

(b)

it can be demonstrated to the satisfaction of the Customs Authority

that

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(i)

the re-imported goods have been

obtained by working or processing the exported materials;

and

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7-9(ii) the total added value acquired outside a Party by applying this Article does not exceed 15%¹

of the Ex-Works price of the end goods for which originating status is claimed.⁴ For the purposes of paragraph 3, the conditions for obtaining originating status set out in Section A shall not apply to working or processing done outside the exporting Party. However, where a QVC rule is applied in determining the originating status of the end good, the total added value incorporated in the territory of the exporting Party, taken together with the total added value acquired outside this Party by applying this Article, shall not exceed the stated QVC percentage.⁵ Paragraphs 3 and 4 shall not apply to goods which do not fulfil the conditions set out in Article 7.4 or which can be considered sufficiently worked or processed only if the general tolerance of Article 7.7 is applied.⁶ Factual information relevant to this Article will be indicated in the Certificate of Origin, in accordance with Annex 7B (Certificate of Origin).⁷ For the purposes of applying paragraph 3

(b)(ii), ? total added value?

shall be taken to mean all costs arising outside the exporting Party, including the value of the materials incorporated there.⁸ Any working or processing of the kind covered by this Article and done outside the exporting Party shall be done under the outward processing arrangements, or similar arrangements. Article 7.17: Transit and Transshipment

1. Each Party shall provide that an originating good retains its originating status if the good has been transported directly to the importing Party without passing through the territory of a non-party.² Notwithstanding paragraph 1, each Party shall provide that an originating good retains its originating status if transited or is stored in a temporary warehousing through one or more non-parties, provided that the good

? (a) remained under customs or relevant authorities control in the territory of the non-party or non-parties

of transit or storage; and (b) has

not undergone any operation there other than unloading, reloading, adding or affixing labels to ensure compliance with specific domestic requirements of the importing Party, splitting of consignments, or

any operation required to keep them in good condition, all of which shall be carried out under Customs Authority

or relevant authorities?

supervision in the non-party

of transit or storage.¹

The Joint Committee may agree to review and modify the percentage of total added value set out in Article 7.16 (3)(b)(ii).

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7-103. An importer shall upon request supply appropriate evidence to the Customs Authority

of the importing Party demonstrating that the goods remained under customs supervision in the non-party or non-parties

of transit or storage, and notably by

? (a) contractual transport documents such as bills of lading; (b) factual or concrete evidence based on marking or numbering of packages; (c) a certificate of non-manipulation provided by the Customs Authority

of the

non-party or non-parties of transit or splitting or any other documents demonstrating that the goods remained under customs supervision in the non-party or non-parties of transit or splitting; or (d) any evidence related to the goods themselves. Article 7.18: Free Economic Zones

or Free Zones

1. Both Parties shall take all necessary steps to ensure that originating goods traded under cover of a proof of origin which in the course of transport use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.² Goods produced or manufactured in a free

zone situated within a Party shall be considered as originating goods in that Party when exported to the other Party provided that the treatment or processing is in conformity with the provisions of this chapter and supported by a proof of

origin.

Article 7.19: Third Party Invoicing

1. The Customs Authority

in the importing Party shall not deny a claim for preferential tariff treatment only for the reason that the invoice was not issued by the exporter or producer of a good provided that the good meets the requirements in this Chapter.

2. The exporter of the goods shall indicate third party invoicing?

and such information

as name and country of the company issuing the invoice, if known, shall appear in the appropriate field as detailed in Annex 7B (Certificate of Origin) or, in the case of an origin declaration made out by an approved exporter as per Article 7.23, on the origin declaration.

SECTION C:

ORIGIN CERTIFICATION

Article 7.20: Proof of Origin

1. Goods originating in a Party shall, on importation into the other Party, benefit from preferential tariff treatment under this Agreement on the basis of a Proof of Origin.

7-112. Any of the following shall be considered as a Proof of Origin:

(a) a paper format certificate of origin issued by a Competent Authority

as per Article 7.21;

(b) an Electronic Certificate of Origin (E-Certificate) issued by a Competent Authority and exchanged by a mutually developed electronic system as per Article 7.22;

or (c) an origin declaration made out by an approved exporter as per Article 7.23.

3. Each Party shall provide that a Proof of Origin shall be completed in the English language and shall remain valid for one year from the date on which it is issued.

Article 7.21: Certificate of Origin in Paper Format

1. A Certificate of Origin in paper format shall

(a) be in standard A4 white paper as per the attached Form set out in Annex 7B

(Certificate of Origin);

(b) comprise one original and two copies. The original shall be forwarded by the producer or exporter to the importer for submission to the Customs Authority

of the importing Party. The duplicate shall be retained by the Competent

Authority

of the exporting Party. The triplicate shall be retained by the producer or exporter;

(c) may cover one or more goods under one consignment; and

(d) be in a printed format or such other medium including electronic format.

2. Each Certificate of Origin shall bear a unique serial reference number separately given by each place or office of issuance.

3. A Certificate of Origin shall bear an official seal of the Competent Authority. The official seal may be applied electronically.

4. In case the official seal is applied electronically, an authentication mechanism, such as QR code or a secured website, shall be included in the certificate for the certificate to be deemed as an original copy.

Article 7.22: Electronic

Data Origin Exchange System

For the purposes of Article 7.20.2(b),

the Parties shall endeavour

to develop an electronic system for origin information exchange to ensure the effective and efficient implementation of this Chapter particularly on transmission of electronic certificate of origin. At every meeting of the Sub Committee on Trade in Goods,

the Parties shall review their readiness

to implement the Electronic Data Origin Exchange System.

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7-12 Article 7.23: Origin Declaration

1. For the purposes of Article 7.20.2 (c)

the Parties shall, within one year from the date of entry into force of this Agreement, implement provisions allowing each Competent Authority

to recognize an origin declaration made by an approved exporter. 2. The Customs Authority

or Competent Authority

of the exporting Party may authorize any exporter, (hereinafter referred to as "approved exporter"), who exports goods under this Agreement, to make out Origin Declarations, a specimen of which appears in Annex 7C

(Origin Declaration), irrespective of the value of the goods concerned. 3. An exporter seeking such authorization must offer to the satisfaction of the Customs Authority

or Competent Authority

of the exporting Party all guarantees necessary to verify the originating status of the goods as well as the fulfilment of the other requirements of this Chapter. 4. The Customs Authority

or Competent Authority

of the exporting Party may grant the status of approved exporter, subject to any conditions which they consider appropriate. 5. The Customs Authority

or Competent Authority

of the exporting Party shall share or publish the list of approved exporters and periodically update it. 6. An Origin Declaration shall be made out by

the approved exporter by typing, stamping

or printing the declaration on the invoice, the delivery note or another commercial document which describes the goods concerned in sufficient detail to enable them to be identified.

The declaration may also be hand-written; if the declaration is hand-written, it shall be written in permanent ink in legible printed characters. 7. The approved exporter making out an Origin Declaration shall be prepared to submit at any time, at the request of the Customs Authority

or Competent Authority

of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfilment of the other requirements of this Chapter. Article 7.24: Application and Examination of Application for a Certificate of Origin

1. Certificates of Origin shall be issued by the Competent Authority

of the exporting Party, either upon an electronic application or an application in paper form, having been made by the exporter or under the exporter's responsibility by his or her authorized representative, in accordance with the domestic regulations of the exporting Party. 2. The exporter applying for the issuance of a Certificate of Origin shall be prepared to submit at any time, at the request of the Competent Authority

of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfilment

of the other requirements of this Chapter. 3. The Competent Authority

shall, to the best of its competence and ability, carry out proper examination to ensure that

the goods

7-13 (a) the application and the Certificate of Origin is duly completed and signed by the authorized signatory; and (b) the origin

of the goods is in conformity with the provisions of this Chapter. Article 7.25: Certificate of Origin Issued Retrospectively

1. The Certificate of Origin shall be issued by the Competent Authority

of the exporting Party prior to or at the time of shipment. 2. In exceptional cases where a Certificate of Origin has not been issued prior to or at the time of shipment, due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retroactively but with a validity no longer than 1 year from the date of shipment, in which case it is necessary to indicate "Issued Retroactively".

in the appropriate field as detailed in Annex 7B (Certificate of Origin). 3. The provisions of this Article shall be applied to goods which comply with the provisions of this Agreement, and which on the date of its entry into force, are either in transit or are in the territory of the Parties in temporary storage under customs control. This shall be subject to the submission to the Customs Authority

of the importing Party, within six months from the date of entry into force of this Agreement, of a Certificate of Origin issued retrospectively by the Competent Authority

of the exporting Party together with documents, showing that the goods have been transported directly in accordance with the provisions of Article 7.17. Article 7.26: Loss of the Certificate of Origin

The certified true copy of the original Certificate of Origin shall be endorsed with an official signature and seal and bear the words "CERTIFIED TRUE COPY"

and the date of issuance of the original Certificate of Origin in appropriate field as detailed in Annex 7B

(Certificate of Origin). The certified true copy of a Certificate of Origin shall be issued within the same validity period of the original Certificate of Origin.

Article 7.27: Importation by Instalments

Where, at the request of the importer and on the conditions laid down by the Customs Authority

of the importing Party, dismantled or non-assembled goods within the meaning of General Rule 2(a) of the Harmonized System (HS) are imported by instalments, a single proof of origin for such goods shall be submitted to the Customs Authority

upon importation of the first instalment.

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7-14 Article 7.28: Treatment of Erroneous Declaration in the Certificate of Origin

Neither erasures nor superimposition shall be allowed on the Certificate of Origin. Any alterations shall be made by issuing a new certificate of origin to replace the erroneous one.

The reference number of the corrected Certificate of Origin should be indicated in the appropriate field on the newly issued Certificate of

Origin as detailed in Annex 7B

(Certificate of Origin). The validity of the replacement certificate will be the same as the original.

Article 7.29: Treatment of Minor Discrepancies

1. The discovery of minor discrepancies between the statements made in the Certificate of Origin and those made in the documents submitted to the Customs Authority

of the importing Party for the purpose of carrying out the formalities for importing the goods shall not ipso-facto invalidate the certificate of origin, if it does in fact correspond to the goods submitted. 2. Obvious formal errors, such as typing errors, on a proof of origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document. SECTION D:

COOPERATION AND ORIGIN VERIFICATION

Article 7.30: Denial of Preferential Tariff Treatment

1. Except as otherwise provided in this Chapter, the Customs Authority

of the importing Party may deny a claim for preferential tariff treatment or recover unpaid duties, in accordance with its laws and regulations, where

(a) the good does not meet the requirements of this Chapter; (b) the importer of the good failed to comply with any of the relevant requirements of this Chapter for obtaining preferential tariff treatment; (c) the Customs Authority

or Competent Authority

of the importing Party has not received sufficient information to determine that the good is originating; or (d) the Competent Authority

or Customs Authority

of the exporting Party does not comply with the requirements of verification in accordance with Article 7.31 or Article 7.32.2. If the Customs Authority

of the importing Party denies a claim for preferential tariff treatment, it shall provide the decision in writing to the importer that includes the reasons for the decision.3. Upon being communicated the grounds for denial of preferential tariff treatment, the importer may, within the period provided for in the customs laws of the importing Party, file an appeal

7-15 appeal against such decision with the appropriate authority under the customs laws and regulations of the importing Party.

Article 7.31: Retroactive Check

1. The Customs Authority

of the importing Party may request a retroactive check at random or when it has reasonable doubt as to the authenticity of the document or as to the accuracy of the information regarding the true origin of the goods in question or of certain parts thereof.2. For the purpose of paragraph 1, the Customs Authority of the importing Party may conduct the checking process by issuing a written request for additional information from the Customs Authority

or Competent Authority

of the exporting Party;3. The request shall be accompanied with a

copy of

the

Proof of Origin concerned and shall specify the reasons and any additional information suggesting that the particulars given on the said Proof of Origin may be inaccurate, unless the retroactive check is requested on a random basis.4. The Customs Authority

of the importing Party may suspend the provisions on preferential treatment while awaiting the result of verification. However, it may release the goods to the importer subject to any administrative measures deemed necessary, provided that they are not held to be subject to import prohibition or restriction and there is no suspicion of fraud.5. Pursuant to paragraph 2, the concerned Party receiving a request for retroactive check shall respond to the request promptly and reply not later than 90 days after the receipt of the request.6. When a reply from the concerned Party is not obtained within 90 days after the receipt of the request pursuant to paragraph 5, the Customs Authority

of the importing Party may deny preferential tariff treatment to the good referred to in the said Proof of Origin that would have been subject to the retroactive check and recover unpaid duties. Article 7.32: Verification Visits

1. Pursuant to Article 7.31.2, if the Customs Authority

of the importing Party is not satisfied with the outcome of the retroactive check, it may, under exceptional circumstances for justifiable reasons, request the Customs Authority

or Competent Authority

of the exporting Party to conduct a verification visit to the producer or exporter premises including inspection of the exporter's or producer's accounts, records or any other check considered appropriate.2. Prior to conducting a verification visit pursuant to paragraph 1, the Customs Authority

of the importing Party shall deliver a written notification to the Customs Authority

or Competent Authority

of the exporting Party to conduct the verification visit.3.The written notification mentioned in paragraph 2 shall be as comprehensive as possible and shall include, among others, the following:(a)the producer or exporter whose premises are to be visited;c;;.... ? ----

7-16(b)justification for the unsatisfactory outcome of the retroactive check conducted by theCompetent Authority

or Customs Authority

of the exporting Party;

and(c)the coverage of the proposed verification visit, including reference to the good subject to the verification, and evidences of fulfilling the requirements of this Chapter.4.The Customs Authority

or Competent Authority

of the exporting Party shall obtain the written consent of the producer or exporter whose premises are to be visited;5.When a written consent from the producer or exporter is not obtained within 30 days from the date of receipt of the verification visit notification, the Customs Authority

of the importing Party may deny preferential tariff treatment to the good referred to in the said Certificate of Origin that would have been subject to the verification visit6.The Competent Authority

or Customs Authority

of the exporting Party conducting the verification visit shall provide the producer or exporter, whose good is subject to such verification with a written determination of whether or not the good subject to such verification qualifies as an originating good.7.Upon the issuance of the written determination referred to in paragraph 6 that the good qualifies as an originating good, the Customs Authority

of the importing Party shall immediately restore preferential benefits and promptly refund the duties paid in excess of the preferential duty or release guarantees obtained in accordance with the domestic legislation of the Parties.8.Upon the issuance of the written determination referred to in paragraph 6 that the good does not qualify as an originating good, the producer or exporter shall be allowed 30 days from the date of receipt of the written determination to provide in writing comments or additional information regarding the eligibility of the good for preferential tariff treatment.

The final written determination shall be communicated to the producer or exporter within 30 days from the date of receipt of the comments or additional information.9.The verification visit process, including the actual visit and the determination under paragraph 6, shall be carried out and its results communicated to the Competent Authority

or Customs Authority

of the importing Party within a maximum period of

six

months from the first day the initial verification visit was requested.

While the process of verification is being undertaken, Article 7.31.4

shall be applied.Article 7.33: Record Keeping Requirement

1.For the purposes of the verification process pursuant to Article 7.31

and Article 7.32, each Party shall require that

?(a)the manufacturer, producer or exporter retain, for a period not less than three years from the date of issuance of the Proof of Origin, or a longer period in accordance with its domestic laws and regulations, all supporting records necessary to prove that the good for which the Proof of Origin was issued was originating;~ ? -->,,-

7-17(b)the importers shall retain, for a period not less than three

years from the date of importation of the good, or a longer period in accordance with its domestic laws and regulations, all records to prove that the good for which preferential tariff treatment was claimed was originating; and(c)the Competent Authority

or issuing authority retain, for a period not less than three years from the date of issuance of the Proof of Origin, or a longer period in accordance with its domestic laws and regulations, all supporting records of the application for the Proof of Origin. 2. The records referred to in paragraph 1 may be maintained in any medium that allows for prompt retrieval, including but not limited to, digital, electronic, optical, magnetic, or written form.

Article 7.34: Confidentiality

All information related to the application of this Chapter communicated between the Parties shall be treated as confidential.

It shall not be disclosed by the Parties authorities without express permission of the person or authority providing it.

Article 7.35: Contact Points

Each Party shall, within 30 days of the date of entry into force of this Agreement, designate one or more contact points within its Competent Authority

for the implementation of this Chapter and notify the other Party of the contact details of that contact point or those contact points.

Each Party shall promptly notify the other Party of any change to those contact details.

Article 7.36: Mutual Assistance

The Competent Authority

of both Parties shall provide each other,

before the

entry into force of the Agreement,

with the following:

(a) a specimen impression of the official stamps and signatures used in their offices for the issue of Certificate of Origin;

(b) name and address of the Competent Authority

responsible for verifying the Proof of Origin; and (c) secured web address for the QR codes and electronic certificates authentications. ~ ? --: >,, -

8-1 CHAPTER 8

TRADE IN SERVICES

Article 8.1: Definitions

For the purposes of this Chapter:

(a) a service supplied in the exercise of governmental authority

means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;

(b) aircraft repair and maintenance services

mean such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance; (c) commercial presence

means any type of business or professional establishment including through: (i) the constitution, acquisition or maintenance of a juridical person, or (ii) the creation or maintenance of a branch or representative office,

within the territory of a Party for the purpose of supplying a service;

(d) computer reservation system services

mean services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued; (e) juridical person

means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust/fund, partnership, joint venture, sole proprietorship, or association; (f) juridical person of the other Party

means a juridical person which is either: (i) constituted or otherwise organised under the law of that other Party, and

is engaged in substantive business operations in the territory of: (A) that Party; or (B) any Member of the WTO and is owned or controlled by natural persons of that other Party or by juridical persons that meet all the conditions of subparagraph (i)(A); or (ii) in the case of the supply of a service through commercial presence, owned or controlled by:

8-2(A) natural persons of that Party; or (B) juridical persons of that other Party identified under subparagraph (f)(i). (g) a juridical person

is: (i) owned by persons of a Party if more than 50 percent of the equity interest in it is beneficially owned by persons of that Party; (ii) controlled by persons of a Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions; or (iii) affiliated with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person; (h) measures by Parties

mean measures taken by: (i) central, regional or local governments and authorities; and (ii) non-governmental bodies in

the exercise of powers delegated by central, regional or local governments or authorities. In fulfilling its obligations and commitments under the Chapter, each Party shall take such reasonable measures as may be available to it to ensure their observance

by regional and local governments and authorities and non-governmental bodies within its territory;

(i) measures by Parties affecting trade in services

include measures in respect of: (i) the purchase, payment or use of a service; (ii) the access to and use of, in connection with the supply of a service, services which are required by a Party to be offered to the public generally; and (iii) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of the other Party;

(j) monopoly supplier of a service

means any person, public or private, which in the relevant market of the territory of a Party is authorised or established formally or in effect by that Party as the sole supplier of that service;

8-3(k) natural person of the other Party

means: (i) For UAE, a national or a permanent resident¹

of the UAE; and (ii) For Malaysia, a citizen of Malaysia, or has been granted the right of permanent residence in the territory of Malaysia in accordance with its laws and regulations. (l) person

means either a natural person or a juridical person; (m) sector of a service

means: (i) with reference to a specific commitment, one or more, or all, subsectors of that service, as specified in a Party's Schedule; or (ii) otherwise, the whole of that service sector, including all of its subsectors; (n) selling and marketing of air transport services

mean opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services nor the applicable conditions. (o) services

include any service in any sector except services supplied in the exercise of governmental authority; (p) service consumer

means any person that receives or uses a service; (q) service of the other Party

means a service which is supplied: (i) from or in the territory of that other Party, or in the case of maritime transport, by a vessel registered under the laws of that other Party, or by a person of that other Party which supplies the service through the operation of a vessel and/or its use in whole or in part; or (ii) in the case of the supply of a service through commercial presence or through the presence of natural persons, by a service supplier of that other Party; (r) service supplier

means any

person that supplies a service;²¹

With respect to the UAE, the term "permanent resident" shall mean any natural person who is in possession of a valid residency permit under the laws and regulations of the UAE.

other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such presence be accorded the treatment provided for service suppliers under the Chapter. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

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8-4(s) supply of a service

includes the production, distribution, marketing, sale and delivery of a service; (t) trade in services

is defined as the supply of a service: (i) from the territory of a Party into the territory of the other Party; (ii) in the territory of a Party to the service consumer of the other Party; (iii) by a service supplier of a Party, through commercial presence in the territory of the other Party; (iv) by a service supplier of a Party, through presence

of natural persons of a Party in the territory of the other Party; (u) traffic rights

mean the right for scheduled and non-scheduled services to operate and/or to carry passengers, cargo and mail for remuneration or hire from, to, within, or over the territory of a Party, including points to be served, routes to be operated, types of traffic to be carried, capacity to be provided, tariffs to be charged and their conditions, and criteria for designation of airlines, including such criteria as number, ownership and control. Article

8.2: Scope and Coverage

1. This Chapter applies to measures by Parties affecting trade in services. 2. This Chapter shall not apply to: (a) Government procurement; (b) services supplied in the exercise of governmental authority; (c) cabotage in maritime transport services; (d) subsidies or grants provided by a Party, including government-supported loans, guarantees, and insurance; and (e) measures affecting natural persons of a Party seeking access to the employment market of the other Party, or measures regarding citizenship, residence,

or employment on a permanent basis. (f) measures affecting air traffic rights or measures affecting services directly related to the exercise of air traffic rights, other than measures affecting: (i) aircraft repair and maintenance services; (ii) the selling and marketing of air transport services; C;,,, -., :,,,,,

8-5(iii) computer reservation system services; (iv) airport operation services; or (v) ground-handling services. 3. Nothing in this Chapter shall prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across,

its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment. 3 Article

8.3: Schedules of Specific Commitments

1. Each Party shall set out in its Schedule of Specific Commitments, the specific commitments it undertakes in accordance with Articles 8.5, 8.6, and 8.7. 2. With respect to sectors where such commitments are undertaken, each Schedule of Specific Commitments

shall specify: (a) terms, limitations and conditions on market access; (b) conditions and qualifications on national treatment; (c) undertakings relating to additional commitments; (d) where appropriate, the time-frame for implementation of such commitments; and (e) the date of entry into force of such commitments. 3. Measures inconsistent with both Articles 8.5 and 8.6 shall be inscribed in the column relating to Article 8.5. In this case, the inscription will be considered to provide a condition or qualification to Article 8.6 as well. 4. The Parties' Schedules of Specific Commitments are set forth in Annex

8A. Article

8.4: Most-Favoured Nation Treatment

1. Except as provided for in its List of MFN Exemptions contained in Annex 8B, a Party

shall accord immediately and unconditionally, in respect of all measures affecting the supply of services, 3

The sole fact of requiring a visa for natural persons of certain country and not for those of others shall not be regarded as nullifying or impairing benefits under a specific commitment.

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8-6to services and service suppliers of the other Party treatment no less favourable than that it accords to like services and service suppliers of any

non-party.

2.The obligations of paragraph 1 shall not apply to:(a)Treatment granted under other existing or future agreements concluded by one of theParties and notified under Article V or V bis of the GATS as well as treatment grantedin accordance with Article VII of the GATS or prudential measures in accordance withthe GATS Annex on Financial Services;(b)Treatment granted by the UAE to services and service suppliers of the GCC MemberStates under the GCC Economic Agreement and treatment granted by the UAE underthe Greater Arab Free Trade Area (GAFTA); or(c)Treatment to services and service suppliers of any other Party which is a Member Stateof ASEAN taken under an agreement on the liberalisation of trade in goods or servicesor investment as part of a wider process of economic integration among the Partieswhich are Member States of ASEAN.3.The rights and obligations of the Parties in respect of advantages accorded to adjacentcountries shall be governed by paragraph 3 of Article II of the GATS, which is hereby incorporatedinto and made part of this Agreement.4.Notwithstanding paragraph 2, if a Party enters into any agreement on trade in services with a non-party, it shall, upon request by the other Party, afford adequate opportunity to that Party to negotiate the benefits granted therein.Article 8.5: Market Access

1.With respect to market access through the modes of supply identified in the definition of "trade in services" contained in Article 8.1, each Party shall accord services and service suppliersof the other Party treatment no less favourable than that provided for under the terms, limitationsand conditions agreed and specified in its Schedule of Specific Commitments.42.In sectors where market access commitments are undertaken, the measures which a Partyshall not maintain or adopt, either on the basis of a regional subdivision or on the basis of its entireterritory, unless otherwise specified in its Schedule of Specific Commitments, are defined as:4

If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in referred to in the definition of "trade in services"

paragraph (i) contained in Article X.2 and if the cross-border movement of capital is an essential part of the service itself, that Party is thereby committed to allow such movement of capital.

If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in in the definition of "trade in services"

paragraph (iii) contained in Article X.2, it is thereby committed to allow related transfers of capital into its territory.

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8-7(a)limitations on the number of service suppliers whether in the form of numerical quotas,monopolies, exclusive service suppliers or the requirements of an economic needs test;(b)limitations on the total value of service transactions or assets in the form of numericalquotas or the requirement of an economic needs test;(c)limitations on the total number of service operations or on the total quantity of serviceoutput expressed in terms of designated numerical units in the form of quotas or therequirement of an

economic needs test;5(d)limitations on the total number of natural persons that may be employed in a particularservice sector or that a service supplier may employ and who are necessary for, anddirectly related to, the supply of a specific service in

the form of numerical quotas orthe requirement of an economic needs test;(e)measures which restrict or require specific types of legal entity or joint venture throughwhich a service supplier may supply a service; and(f)limitations on the participation of foreign capital in terms of maximum percentagelimit on foreign shareholding or the total value of individual or aggregate foreigninvestment.Article 8.6: National Treatment

1.With respect to the services sectors inscribed in its Schedule of Specific Commitments, andsubject to any conditions and qualifications set out therein, each Party shall accord to services andservice suppliers of the other Party, in respect of all measures affecting the supply of services,treatment no less

favourable than that it accords to its own like services and service suppliers.62.A Party may meet the requirement in paragraph 1 by according to services and servicesuppliers of the other Party either formally identical treatment or formally different treatment tothat it accords to its own like services and service suppliers.3.Formally identical or formally different treatment by a Party shall be considered to be lessfavourable if it modifies the conditions of competition in favour of services or service suppliers ofthat Party compared to the like service or service suppliers of the other Party.5

Subparagraph 2(c) does not cover measures of a Party which limit inputs for the supply of services.

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Specific commitments assumed under this Article shall not be construed to require either Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

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8-8Article

8.7: Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 8.5 and 8.6, including those regarding qualification, standards or licensing matters. Such commitments shall be inscribed in

a Party's Schedule of Specific Commitments.

Article 8.8: Modification of Schedules

Upon written request by a Party, the Parties shall hold consultations to consider any modification or withdrawal of a specific commitment in the requesting Party's Schedule of Specific Commitments. The consultations shall be held within three months after the requesting Party made its request. In the consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments no less favourable

to trade than that provided for in the Schedule of Specific Commitments prior to such consultations is maintained.

Modifications of Schedules are subject to any procedures adopted by the Joint Committee established in Chapter 18

(Administration of the Agreement).

Article 8.9: Domestic Regulation

1. In sectors where specific commitments are undertaken, each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner. 2. (a)

Each Party shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, on request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Party shall ensure that the procedures in fact provide for an objective and impartial review.

(b) The provisions of subparagraph (a) shall not be construed to require a Party to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system. 3. Where authorisation is required

for the supply of a service on which a specific commitment under this Chapter has been made, the competent authorities of each Party shall: (a) within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application;

8-9(b) in the case of an incomplete application, on request of the applicant, identify all the additional information that is required to complete the application and provide the opportunity to remedy deficiencies within a reasonable timeframe; (c) on request of the applicant, provide without undue delay information concerning the status of the application; and (d) if an application is terminated or denied, to the extent possible, inform the applicant in writing and without delay the reasons for such action. The applicant will have the possibility of resubmitting, at its discretion, a new application. 4. With a view to ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, in sectors where specific commitments are undertaken, the Parties shall aim to ensure that such requirements are: (a) based on objective and transparent criteria, such as competence and the ability to supply the service; (b) not more burdensome than necessary to ensure the quality of the service; and (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service. 5. In determining whether a Party is in conformity with the obligation under subparagraph 4, account shall be taken of international standards of relevant international organisations applied by that Party. 6. In sectors where specific

commitments regarding professional services are undertaken, each Party shall provide for adequate procedures to verify the

competence of professionals of the other Party. 7. The Parties shall jointly review the results of the negotiations on disciplines on domestic regulation, pursuant to Article VI.4 of the GATS, with a view of incorporating them into this Chapter. Article 8.10: Recognition

1. For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of service suppliers, and subject to paragraph 3, a Party may recognise, or encourage its relevant competent bodies to recognise, the education or experience obtained, requirements met, or licences or certifications granted in the other Party. Such

The term "relevant international organisations" refers to international bodies whose membership is open to the relevant bodies of the Parties to this Agreement.

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8-10 recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement between the Parties or their relevant competent bodies, or may be accorded autonomously.

2. Where a Party recognises, by agreement or arrangement, the education or experience obtained, requirements met, or licenses or certifications granted in the territory of a non-party, that Party shall afford the other Party adequate opportunity to negotiate its accession to such an agreement or arrangement, whether existing or future, or to negotiate a comparable agreement or arrangement with it. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that the education, experience, licences or certifications obtained or requirements met in that other Party's territory should also be recognised. 3. A Party shall not

accord recognition in a manner which would constitute a means of discrimination between the other Party and non-parties in the application of its standards or criteria for the authorisation, licensing or certification of service suppliers, or a disguised restriction on trade in services. Article 8.11: Payments and Transfers

1. Except under the circumstances envisaged in Article 8.14, a Party shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments. 2. Nothing in this Chapter shall affect the rights and obligations of the Parties as members of the International Monetary Fund under the Articles of Agreement of the Fund, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article

8.14 or at the request of the International Monetary Fund. Article

8.12: Monopolies and Exclusive Service Suppliers

The rights and obligations of the Parties in respect of monopolies and exclusive service suppliers shall be governed by paragraphs 1, 2, and 5, of Article VIII of the GATS, which are hereby incorporated into and

made part of this Agreement.

Article 8.13: Business Practices

The rights and obligations of the Parties in respect of business practices shall be governed by Article IX of the GATS, which is hereby incorporated into and made part of this Agreement.

8-11 Article 8.14: Restrictions to

Safeguard the Balance-of-Payments

1. In the event of serious balance-of-payments and external financial difficulties or threat thereof, a Party may adopt or maintain restrictions on trade in services on which it has undertaken specific commitments, including on payments or transfers for transactions related to such commitments. 2. The restrictions referred to in paragraph 1: (a) shall not discriminate between the other Party and non-party; (b) shall be consistent with the Articles of Agreement of the International Monetary Fund; (c) shall avoid unnecessary damage to the commercial, economic and financial interests of the other Party; (d) shall not exceed those necessary to deal with the circumstances described in paragraph 1;

and (e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves. 3. In determining the incidence of such restrictions, a Party may give priority to the supply of services which are more essential to their economic or development programmes. However, such restrictions shall not be adopted or maintained for the purpose of protecting a particular service sector. 4. Any restrictions adopted or maintained under paragraph 1, or any changes therein, shall be promptly notified to the Committee on Trade in Services. Article

8.15: Denial of Benefits

1.A Party may deny the benefits of this Chapter

to a service supplier that is a juridical person, if persons of a non-Party own or control that juridical person and the denying Party: (a) does not maintain diplomatic relations with the non-Party; or (b) adopts or maintains measures with respect to the non-Party or a person of the non-Party that prohibit transactions with the juridical person or that would be violated or circumvented if

the benefits of this Chapter

were accorded to the juridical person. 2. In the case of the supply of a maritime transport service, if it establishes that the service is supplied:

8-12(a) by a vessel registered under the laws of a non-Party, and (b) by a person which operates and/or uses the vessel in whole or in part but which is of a non-party. Article

8.16: Review

With the objective of further liberalising trade in services between them, the Parties agree to jointly review their Schedules of Specific Commitments and their Lists of MFN Exemptions, taking into account any services liberalisation developments as a result of on-going work under the auspices of the WTO.

Article 8.17: Annexes

The following Annexes form an integral part of this Chapter:

(a) Annex 8A

(Schedules of Specific Commitments); (b) Annex 8B

(MFN Exemptions); (c) Annex 8C (Telecommunications Services); and (d) Annex 8D (Financial Services).

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ANNEX 8A

MALAYSIA

SCHEDULE OF SPECIFIC COMMITMENTS

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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HORIZONTAL COMMITMENTS

ALL SECTORS INCLUDED IN THIS SCHEDULE UNLESS OTHERWISE INDICATED

(3) Acquisition, Mergers and Take-overs
The acquisition of assets or interests of Malaysian companies and businesses, mergers or take-overs requires approval and apply to the following:

a) the acquisition of the voting rights of a Malaysian corporation by any single foreign interest or associated group of 15 per

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 Malaysians through an acceptable training programme in the relevant services sector or sub sector: Provided that such persons are employees of the foreign service supplier and have been in the employment of that foreign service supplier for a period of not less than one year immediately preceding the date of their application for a work permit and he is to serve in at least a similar capacity.

2. Others a) specialists or experts being persons who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organisations' products and services subject to market test

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-4

and the employment of Malaysians as counterparts

and/or training of Malaysians through acceptable training programmes in the relevant services sector or sub sector;

b) professionals being persons who possess necessary academic credentials, professional qualifications, experience and/or expertise which have been duly recognised by the professional bodies in Malaysia and registered with those respective

professional bodies; and c) business visitors being persons

not 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. 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 two

years. For category 2 c), the period of

stay shall not exceed a total of 90 days.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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SCHEDULE OF SPECIFIC COMMITMENTS

BUSINESS SERVICES

A. Professional Services Legal services (CPC 8619)

Covering advisory and consultancy services relating only to home country laws, international law and offshore corporation laws of Malaysia.

(1)None(1)None(2)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.

(3)None(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section. (4)Unbound, except for the categories of natural persons referred to under market access. Accounting, auditing and bookkeeping services

(CPC 862)

(1)None(1)None(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. (2)None(2)None(3)Only through a locally registered partnership with Malaysian accountants or Malaysian accounting firms and aggregate foreign interests shall not exceed 51 per cent. (3)None(4)Unbound except as indicated in the horizontal section.

In respect of 2 b), residency is required for registration. Not more than 10 per cent specialists/experts for each institution, subject to registration with Malaysian Institute of Accountants (MIA) and fulfilment of residency requirements. Entry shall be limited to maximum period of two (4)Unbound, except for the categories of natural persons referred to under market access. __ / ? - ? 1 , , - , ~ , , , , , : : : , , , , - - c . /

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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years, subject to horizontal section.

Taxation

services

(CPC 863 / 8630)

(1)None(1)None(2)None(2)None(3)Only through a locally registered partnership or private limited company with Malaysian authorised tax agents/firms and aggregate foreign interests in the partnership shall not exceed 49 per cent. (3)None(4)Unbound except as indicated in the horizontal section. In respect of 2 b), residency is required for registration. (4)Unbound, except for the categories of natural persons referred to under market access. Architectural

services (CPC 8671)

(1)None(1) Architectural services must be authenticated by a licensed architect in Malaysia.

(4) The qualifying examination to determine the competence and ability to supply the services for the purposes of registration with the professional bodies will be conducted in the English language. (2)None(2)None(3)a)

Architectural services may be supplied only by natural person.

b) For multi-disciplinary practices (Architecture, Engineering and/or Quantity Surveying), foreign equity up to a maximum of 30

per cent for joint ventures by professionals who are registered in the country of origin. Foreign Directorship is not allowed.

(3) None (4) Unbound except as indicated in the horizontal section and in respect of 2 b) only an architect who is a consultant to a project in collaboration with a Malaysian professional architect for wholly foreign funded projects. Temporary registration

on annual basis and renewals subject to domestic regulations.(4)Unbound, except for the categories of natural persons referred to under market access.I , -. ~ C₁,...C_n, ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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Other Architectural Services (CPC 86719**)

Covering preparation of promotional materials and presentation; and preparation of as-built drawing only.

(1)None(1)None(2)None(2)None(3)None(3)None(4)Unbound except as indicated in the horizontal section and in respect of 2 b) only an architect who is a consultant to a project in collaboration with a Malaysian professional architect for wholly foreign funded projects. Temporary registration

on annual basis and renewals subject to domestic regulations. (4) Unbound, except for the categories of natural persons referred to under market access. Engineering services (CPC 8672)

covering:

(CPC 86721-

86729)

(1)None(1)None(4) The qualifying examination to determine the competence and ability to supply the service for the purpose of registration with the professional bodies will be conducted in English language. Other requirements as per in ASEAN Chartered Professional Engineer (ACPE) Registry.

(2)None(2)None(3)For multi-disciplinary practices (Architecture,Engineering and/or Quantity Surveying),foreign equity up to a maximum of 30 per centfor joint ventures by professionals who are registered in the country of origin. ForeignDirectorship is not allowed.(3)None(4)Unbound except as indicated in the horizontalsection and in respect of 2 b), subject totemporary registration for a period of one yearper temporary registration.(4)Engineering services must be authenticated by a registered professional engineer in Malaysia.

Integrated engineering services (CPC 8673)

covering:

(CPC 86731, 86732, 86733, 86739)

(1)None(2)None(1)Integrated engineering services mustbe authenticated by the relevantregistered professionals in Malaysia.(2)Integrated engineering services mustbe authenticated by the relevantregistered professionals in Malaysia.(4) The qualifying examination todetermine the competence and ability tousupply the service for the purpose ofregistration with the professional bodieswill be conducted in English language.I / . ~ C; ;..... -;-;- --C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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(3) Only through a representative office, regional office or locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both for the purpose of services contract awarded in Malaysia. The aggregate foreign shareholding in the joint-venture corporation shall not exceed 30 per cent.

Establishment of such joint-venture corporation is only for a duration necessary to complete the services contract.

(4) Unbound except as indicated in the horizontal section and in respect of 2 b), for a period of up to one year of the duration necessary to complete services contract. (3)

(4)

None

Unbound, except for the categories of natural persons referred to under market access.

Landscape architectural services (CPC 86742)

(1) None (1) None (4) Qualifying examination to determine the competency and ability to supply the service for the purposes of registration with the professional bodies will be conducted in the English language. (2) None (2) None (3) Only through a locally registered partnership with Malaysian Registered Landscape Architects or Malaysian controlled corporations or both and aggregate foreign shareholding in the JV corporation shall not exceed 40 per cent. (3) None (4) Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section. In respect

of

2 b), temporary registration

for a maximum period of one year

and entry subject to domestic

regulations. (4) Unbound, except for the categories of natural persons referred to under market access. Landscaping services, covering the provision of advisory, planning and (1) None (1) None

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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designing services for the aesthetic landscaping of golf courses and theme parks

(CPC 86742*)

(2) None (2) None (3) Only through a locally incorporated joint-venture corporation with Malaysian Registered Landscape

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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pharmacy limited to clinical trials and study which evolves any investigation in human subjects intended to discover or verify the clinical, pharmacological and/or other pharmaco-dynamic 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.

(This will also include pre-clinical contract research organization and contract manufacturing organization)

(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Research and experimental development services on social sciences and humanities

(CPC 8520 except 85203 and 85204)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-

controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 51 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Research and experimental development services on economics (CPC 85202)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated jointventure corporation with Malaysian individuals or Malaysian controlled corporations or both and the aggregate foreign (3)NoneI ~-~. ~-~ ? G;.,-~, ---c./ :;::;.,,,

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-12

shareholding in the joint venture corporation shall not exceed 51 per cent.

(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Interdisciplinary research and development services

(CPC 8530**)

Limited to industrial activities covering all science and engineering disciplines, including biotechnology and information communication technology; and defined as any systematic or intensive study carried out in the field of science or technology with the object of using the results of the study for the production or improvement of materials, devices, products, produce

or processes but does not include:

(i) Quality control of products or routine testing of materials, devices, products or produce; (ii) Research in the social sciences or humanities; (iii) Routine data collection; (iv) Efficiency surveys or management studies; and (v) Market research or sales promotion. (1) None (1) None (2) None (2) None (3) Only for contract research and development company and research and development company locally incorporated as a joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign equity shall not exceed 70 per cent.

For interdisciplinary research and development services involving Malaysia's natural resources, biodiversity and genetic materials the aggregate foreign equity shall not exceed 49 per cent.

(3) None (4) Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. E. Rental/Leasing Services without Operator Relating to ships exclude cabotage and offshore trades

(CPC 83103)

(1) None (1) None (2) None (2) None (3) Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-

controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation (3) None / ~, ~ ? ~ - ~ : ~ ~ ~ ~ ~ ,

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-13

shall not

exceed 49 per cent.

(4) Unbound except as indicated in the horizontal section (4) Unbound, except for the categories of natural persons referred to under market access. Rental of cargo Vessels without crew (Bareboat Charter) for international shipping

(CPC 83103)

(1) None (1) None (2) None (2) None (3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation of at least 40 per cent. (3) None (4) Ships

crew (for vessels with crew) is permitted to disembark only for the duration of berth subject to applicable domestic regulations. (4) Unbound, except for the categories of natural persons referred to under market access. Relating to aircraft (CPC 83104)

(1) None (1) None (2) None (2) None (3) Only through a representative office, regional office or Malaysian-controlled corporation acting as agent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Leasing or rental services concerning goods transport without operator

(CPC 83102)

(1) None (1) None (2) None (2) None (3) Only through a representative office, regional office or locally incorporated joint-venture corporation with Malaysian individuals or (3) None / ~, ~ . ---c./ ~ --: >,

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-14

Malaysian-controlled corporation acting or both. Aggregate foreign shareholding in the joint venture corporation shall not exceed 51 per cent.

(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Leasing or rental services concerning construction machinery and equipment without operator

(CPC 83107)

(1)None(1)None(2)None(2)None(3)Only through a representative office, regionaloffice or locally incorporated joint venturecorporation with Malaysian individuals orMalaysian-controlled corporation acting orboth. Aggregate foreign shareholding in thejoint venture corporation shall not exceed 70per cent.(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Leasing or rental services concerning other machinery and equipment without operator

(CPC 83109)

(1)None(1)None(2)None(2)None(3)Foreign shareholding shall not exceed 51 percent.(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Leasing or rental services concerning personal and household goods

(CPC 832)

(1)None(1)None(2)None(2)NoneI / ? ~ ~ ~ , : : : , ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-15

(3)Foreign shareholding shall not exceed 51 percent.(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.F.Other Business ServicesAdvertising services

(CPC 8711, 8712, 8719)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding in the joint-venture corporation shall not exceed 51 per cent.

Advertisement through electronic media

Advertisement

must

have

at

least

80

per cent local content and be made

in

Malaysia.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Market research services (CPC 86401)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint venture corporation with Malaysian individuals or Malaysian controlled corporations or both with foreign equity up to 51 per cent.

(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. I / . ~ ~ L, ; ; ; ; ~ ~ ~ c. /

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-16

Public opinion polling services (CPC 86402)

(1)None(1)None(2)None(2)None(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.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Management Consulting Services

a)covering advisory, guidance and operational assistance services concerning management of the transmission of non-conventional energy (CPC 8650*)

b)covering advisory, guidance and operational assistance on environmental management services including risk assessment services (CPC 8650*) c)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 develop-

ment and methods of producing drugs and vaccine; and-Vaccine production (CPC 8650*)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 51 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. I ~. ~ C,;...;...; ~:~ ~-C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-17

d)covering advisory and guidance onInternational Value-Added NetworkServices, rural telecom development andhuman resource development in telecommunications (CPC 8650*)Project management services other than for construction

(CPC 86601)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.Technical Testing and Analysis Services

(CPC 8676 except 86764)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 70 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.Services incidental to agriculture and fishing

(CPC 881*, 882*)

Covering only specialised consultancy, advisory and operational assistance on crop and fisheries management, including, (1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled (3)None / . ~ L,;...; ~ -C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-18

value-added services such as preservation techniques, etc.

corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.

(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.Services incidental to manufacturing

(CPC 884, 885 except 88442)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint-venture corporation is at least 30 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Services incidental to energy distribution

(CPC 887**)

Limited only to consulting services related to the advisory, guidance and operational assistance concerning management of the transmission of non-conventional energy, power plant and network.

(1)None(1)None(2)None(2)None(3)Only through joint venture with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholding in the joint-venture corporations shall not exceed 49%.(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Executive search services (CPC 87201)

(1)None(1)None(2)None(2)None / . ~ ~ ~ : : : : : ..

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-19

(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Alarm monitoring system services (CPC 87303)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Subsurface surveying services

Covering Offshore 3-D Seismic Site Surveys -

3-D Seismic Site Surveys Offshore in Support of Resource Exploration and Development (CPC 86752)

Surface surveying services

Covering Building Surveying Services only in the provision of the survey of buildings in the investigation and assessment of the construction, condition and dilapidation of building(s), including diagnosis of building defects, costs of repair and guidance on remedial works for the Commercial and Industrial sub-sector of the Property (Real

Estate) Sector

(CPC 86753)

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.(2)None(2)None(3)Unbound(3)Unbound(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Surface surveying services

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical , -? ~ ~ ~ :;:;,,, ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-20

Covering Quantity Surveying (Cost Engineering) Specialist Services in the provision of Arbitration/litigation, Tax Depreciation, Pre/Post Contract Audits, Technical Due Diligence, Resource analysis, Construct ability Analysis (CPC 86753)

feasibility.

(2)None(2)None(3)Unbound(3)Unbound(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)

(CPC 8866)

Covering medical, precision and optical instruments, watches and clocks

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Specialty photography except aerial photography

(CPC 875*)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Packaging Services (CPC 8760)

(Excludes services that consists solely of printing information on packaging materials)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated jointventure corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint venture corporation shall not exceed 51 percent.

(3)None / . ~. ,---C;:;:;_.,,,, :-:,, ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-21

(4)Unbound, except as indicated in 1 a) and b)and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Printing and publishing (CPC 88442**)

Only covering book binding services (1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.

(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Specialty design services

(CPC 87907**)

Covering only interior designs, decorations and aesthetic designs.

(1)None(1)None(2)None(2)None(3)Only through joint venture with Malaysianindividuals or Malaysian controlledcorporations or both and aggregate foreignshareholding in the joint-venture corporationsshall not exceed 49%.(3)None(4)Unbound, except as indicated in 1 a) and b)and 2 a) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Convention Centre

(CPC 87909)

(Convention and exhibition management services covering the provision of planning, organisational, management and marketing services or conventions and other similar events for convention centres with over 5,000 seating capacity)

(1)None(1)None(2)None(2)None(3)Only through joint venture with Malaysianindividuals or Malaysian controlledcorporations or both and aggregate foreignshareholding in the joint-venture corporationsshall not exceed 70%.(3)None(4)Unbound, except as indicated in 1 a) and b)(4)Unbound, except for the categories of / . ~.l.,--;---C;;;...;_...,,, :-;,,, ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-22

and 2 a) and c) in the horizontal section.

natural persons referred to under market access.

Translation and interpretation services (CPC 87905)

(1)None(1)None(2)None(2)None(3)Joint venture corporation with Malaysianindividuals or Malaysian?controlledcorporations or both and aggregate foreignshareholding in the joint venture corporationsshall not exceed 51 per cent foreign equity.

(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Student Placement Services, covering promoting, recruiting and facilitating students for studies outside Malaysia

(CPC 87909)

(1)None(1)None(2)None(2)None(3)None(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Operational Headquarters (OHQ)

Services

covering general management and administration, business planning, procurement of raw materials, technical support, marketing control and sales promotion planning, training and personnel management, provision of treasury and

(1)None(1)None(2)None(2)None(3)None except OHQ must operate in Malaysiaand fulfil criteria as set out in the Guidelines onSetting up Operational Headquarters inMalaysia.(3)None(4)Unbound, except for the categories of / . ~.l.,--;---C;;;...;_...,,, :-;,,, ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-23

COMMUNICATION SERVICES

Courier services

(CPC 7512)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)Nonefund management services and research and development carried out by a company in Malaysia for its offices and related companies outside Malaysia

(CPC 87909)

(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.International Procurement Centre (IPC)

(IPC refers to a locally incorporated company which carries on the business in Malaysia to undertake procurement and sales of raw materials, components and finished products for its group of related and unrelated companies in Malaysia and abroad)

(1)None(1)None(2)None(2)None(3)None except that an IPC must be locallyincorporated, conducts its business in Malaysiaand fulfils the criteria of an IPC.(3)None(4)Unbound, except as indicated in 2 a) in thehorizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Regional Distribution Centre (RDC)

(An RDC is a collection and consolidation centre for finished goods, components and spare parts produced by its own companies for its own brand to be distributed to dealers, importers or subsidiaries or other unrelated companies within or outside the country. Among the activities are bulk breaking, re-packaging and labelling)

(1)None(1)None(2)None(2)None(3)None except that an RDC must be locallyincorporated, conducts its business in Malaysiaand fulfils the criteria of an RDC.(3)None(4)Unbound, except as indicated in 2 a) in thehorizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.I , -? ~ ~ ~ : : : : : ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-24

(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to undermarket access.C. Telecommunication ServicesBasic Telecommunication

Based on domestic regulations, Malaysia has reclassified its communications services sector on the basis of provision of

Network Service Provider (NSP), provision of Application Service Provider (ASP) Basic local, interexchange and international services; supplied over public telecommunications transport networks using any network technology, facilities regardless of whether the means of delivery services are wired or wireless are mapped into the aforementioned three categories.

Individual license

1.NFP(I)12.NSP(I)23.ASP(I)3(1)None(1)NonePro-competition regulatory principle in respect of interconnection.

(2)None(2)None(3)With respect to Network Facilities Provider(NFP) and NSP components of the service,only through an acquisition of shares ofexisting licensed NFP(I), NSP(I).With respect to ASP(I), through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled Corporations; or through acquisition of shares of an existing licensed ASP(I) operator / corporations.

-For NFP(I) and NSP(I), foreign shareholding of up to 30 per cent in these services providers is allowed.

-For ASP(I), foreign shareholding of up to 49 per cent in these services providers is allowed.[The management control of such companies shall be in the case of Telekom Malaysia, the foreign shareholding permitted shall not exceed 30 per cent with not one single country

(3)NoneExplanatory Note for Individual Licence Categories

1

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

2

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

3

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

G,;:;:;:; ?

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-25

holding more than 5 per

cent of the equity at any one

time.]

(4)Unbound, except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to undermarket access.Value-Added Services

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:

Class License

1.NFP(C)42.NSP(C)53.ASP(C)6(1)None(1)None(2)None(2)None(3)With respect to NFP and NSP components of the service, only through an acquisition of shares of existing licensed NFP(C), NSP(C).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.

-For NFP(C) and NSP(C), foreign shareholding of up to 30 per cent in these services providers is allowed.-With respect to ASP(C), foreign shareholding of up to 49 per cent in these services providers is allowed.(3)None(4)Unbound, except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.4

NFP class license enables the provision of niched or limited purpose network facilities such as radio communications transmitters for public mobile radio network services, radio communications transmitters 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.

5

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

6

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

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-26

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 1998a.Network facilities mean any element or combination of elements of physical infrastructure used principally for, or in connection with, the provision of network services, but does not include customer equipment.Network facilities provider means a person who is an

owner of any network facilities.b.Network services means a service for carrying communications by means of guided and/unguided electromagnetic radiation.Network service provider means a person who provides network services.c.Application service means a service provided by means of, but not solely by means of, one or more network services.Application 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 Commission to provide a network facility

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

these Regulations.c.Application service provider class licensee means a person who is registered with the Commission to provide an application service in accordance with the provisions of the Act and these Regulations.Application service provider individual licensee means an individual licence granted to an applications service provider in accordance with the provisions of the Act and these Regulations.D. Audiovisual ServicesMotion picture, video tape and audio recording distribution services

(1)None(1)NoneI I I I I _L_ . ~ ~ ~ =>,, ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-27

(CPC 96113)

(2)None(2)None(3)Only through a locally incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and the aggregate foreign shareholding shall not exceed 49%.

(3)None(4)Unbound, except as indicated in 1

a) and b) and2

a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.

CONSTRUCTION AND RELATED ENGINEERING SERVICES

Pre-erection Work at Construction

Site (CPC 511)

Construction Work for Buildings

(CPC 512)

Construction Work for Civil

Engineering (CPC 513)

Assembly and Erection of Prefabricated Constructions

(CPC 514)

Special Trade Construction (CPC 515)

Installation Work (CPC 516)

Building Completion and Finishing Work (CPC 517)

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.(2)None(2)None(3)None except through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian controlled corporations or both. Aggregated foreign shareholding in the joint venture corporation shall not exceed 51 per cent.

(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons

referred to under marketaccess.

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-28

DISTRIBUTION SERVICES Commission agents? services (CPC 621*)

Only for textiles, clothing and footwear

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound except as indicated in the horizontalsection.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Wholesale, and Retail Trade Businesses

(CPC 6111, 6113, 6121, 6130, 6221,

6222, 6223, 6224, 6225, 6226, 6227,

6228, 631, 632)

(1)Unbound(1)Unbound(2)None(2)None(3)Entry is limited to:i.Legal EntityThe foreign company involved in wholesaleand retail businesses must be incorporatedlocally under the Companies Act 1965;ii.

Equity StructureThe aggregate of foreign equity shall notexceed 51% and as for the local shareholding,30% must be for Bumiputera.iii.Minimum Capital RequirementMinimum foreign capital investment inrespective formats of businesses is as

per

theGuidelines

on

Foreign

Participation

inDistributive

Trade

Services.(3)Unbound(4)One

(1)

key

post and a

maximum

of

ten (10)time posts per company

subject

to

the

following conditions: a) Key

PostThe person applying for the post

must

holdor

has

held

a

management

position in the(4)Unbound, except for the categories of natural persons referred to under market access. / . ~ ~ c₁...c_n :c₁...c_n --- c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-29

company's wholesale

or

retail

business

outside

Malaysia

for a period of not less than 3 years

preceding the date of application for

the work

permit.

b)Time

PostThese posts are for executives or

experts who must possess the

necessary qualification and practical

experienceincluding holding

equivalent or related position in the
company's
business
for
not less
than
3 years and subject to the condition that Malaysians
are
trained
to
eventually take over the post
concerned through an acceptable
training programme.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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EDUCATION SERVICES

Primary education services (CPC 921)

Covering international schools only

General secondary education services (CPC 9221)

Covering international schools only

(1) Unbound

due to lack of technical feasibility. (1) Unbound

due to lack of technical feasibility. (2) None (2) None (3) Only through a joint venture with foreign equity not exceeding 70 per cent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Technical and vocational secondary education services

(CPC 9223)

Covering private education services only

Technical and vocational secondary school-type education services for handicapped students

(CPC 9224)

Covering private education services only

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.For technical and vocational secondary education services (private education services) (CPC 9223)

AND

Technical and vocational secondary education school-type education services for handicapped students (private education) (CPC 9224), are required to use National curriculum.

(2)None(2)None(3)Only through a joint venture with foreign equity not exceeding

70 per cent.(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Other Higher Education Services provided by privately funded higher education institutions excluding private higher education institutions with Government of Malaysia equity or that receive assistance from Government of Malaysia (CPC 92390)

Adult education services provided by privately funded education institutions excluding private education institutions with Government of Malaysia equity or that receive assistance from Government of Malaysia

(1)Unbound, except for requirement for commercial presence.(1)Unbound including for grant of federal or state funding or subsidies such as but not limited to land grants, tax benefits, scholarships and loans limited to institutions with government equity or citizens/permanent residents.(3) Up to 51

per cent foreign equity will be considered subject to additional criteria which include: a) courses deemed important to attain Malaysia's educational objective; and b) potential to generate export revenues.(2)None(2)Unbound(3)Only through a joint venture with foreign equity not exceeding 51 per cent and subject to the requirement of a needs test if necessary.(3)Unbound including for grant of federal or state funding or subsidies such as but not limited to land grants, tax benefits, scholarships and loans limited to institutions with government equity or citizens/permanent residents.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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(CPC 924)

citizens/permanent residents.

(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Other education services

(CPC 929 / 9290 / 92900)

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.(2)None(2)None(3)Only through a joint venture with foreign equity not exceeding 51 per cent.(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.

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

personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-32

ENVIRONMENTAL SERVICES

Wastewater Management (CPC 9401)

Covers only removal, treatment and disposal of industrial effluents.

(Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, provincial, district or municipalities or contracted out by them)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated, joint-venture with Malaysian individuals orMalaysian control corporations or both andaggregate foreign shareholding shall notexceed 51 per cent.(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Refuse disposal services (CPC 9402*)

Covering private industrial waste management services covering treatment and disposal services.

(1)None(1)None(2)None(2)None(3)Only through approval of National Solid wasteManagement Technical Evaluation Committeeand approved license from National SolidWaste Management Department. Theaggregate foreign equity shall not exceed 51per cent.(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Refuse disposal services CPC 9402*

Covering solid waste disposal services, only for:

-integrated biomass treatment facilityservices-the services provider must be equipped(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) and c) in the horizontal section.

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-33

with high technology specifically built for biomass solid waste disposal services and fulfil all environmental safety requirements.

The product will be used as a new material for energy purposes.

(4)Unbound, except as indicated in 1 a) and b) and2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Protection of Ambient Air Climate

(CPC 9404 ?

corresponds to Cleaning Services of Exhaust Gases)

Covers only services provided at industrial premises to remove air pollutants including monitoring of mobile emissions and implementation of control systems or reduction programmes.

(Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, state, district or

municipalities or contracted out by them)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated jointventure corporation with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholdings shall not exceed 51 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Noise Abatement Services (CPC 9405)

Covers only monitoring programmes, and installation of noise reduction and screen in residential, commercial and industrial premises.

(Only for services contracted by the

private sector. Does not include public works functions owned and operated by federal, state, district or municipalities or contracted out by them)

(1)None(1)None(2)None(2)None(3)Only through a locally incorporated jointventure corporation with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholdings shall not exceed 51 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Nature and Landscape protection Services covering only contaminated soil clean-up and remediation.

(part of CPC 94060)

(1)None(1)None(2)None(2)NoneI , -. ~ c;...;.,____. ~ ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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(Only for services contracted by the private sector. Does not include public works functions owned and operated by federal, state, district or municipalities or contracted out by them)

(3)Only through a locally incorporated jointventure corporation with Malaysian individuals or Malaysian controlled corporations or both and aggregate foreign shareholdings shall not exceed 51 per cent.

(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.I I I I

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-35

HEALTH RELATED AND SOCIAL SERVICES

Specialised medical services (CPC 93122)

Covering forensic medicine, nuclear medicine, geriatrics, micro vascular surgery, neurosurgery, cardiothoracic surgery, plastic surgery, clinical immunology and oncology, traumatology, anesthesiology, intensive care specialist, child psychiatry and physical

medicine.

(1)None(1)None(4) The qualifying examination to determine the competence and ability to supply the service will be conducted in English language.(2)None(2)None(3)Specialised medical services may be supplied only by a natural person.(3)None(4)Unbound, except as indicated in 2 a) in the horizontal section.(4)None other than:-practice only in private hospitals of at least 50 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.Veterinary services (CPC 932)

Services delivered to equine animals in equestrians or turf clubs.

(1)Unbound due to lack of technical feasibility.(1)Unbound due to lack of technical feasibility.(2)None(2)None(3)Only through a locally incorporated joint-venture with Malaysian individuals or Malaysian-control corporation or both and aggregate share of foreign interest shall not exceed 49 per cent, ownership shall be restricted to veterinarian professionals with professional qualification relevant to the services provided and recognized by and registered with relevant professional bodies.(3)Unbound(4)Unbound, except as indicated in 2 a) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.Private hospital services (CPC 93110*)

(1)None(1)None(2)None(2)NoneI ---/ . ~.l.,--,-L,,,,; ~ ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-36

(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 corporations shall not exceed 70 per cent; and

The joint-venture corporation shall operate a hospital with a minimum of 100 beds.

(3)Establishment of feeder outpatient clinics is not permitted.(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.Welfare services delivered through residential institutions to old person and the handicapped

(CPC 93311)

Vocational rehabilitation services for the handicapped

(CPC 93324)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-37

TOURISM AND TRAVEL RELATED SERVICES

Hotel and restaurant services (CPC 64110) covering only:

(i)Hotel Lodging Services (CPC 64110)(ii)

Holiday Centre and Holiday Home Services (CPC 64192)(iii)

Letting Services of Furnished Accommodation (CPC 64193) Covering the management and operational of hotels or resorts including, outlet which may not

necessarily include ownership of such properties.

(1)None(1)None(2)None(2)None(3)Joint venture corporation with Malaysian individuals or Malaysia-controlled corporations or both and aggregate foreign shareholding in the joint venture corporations shall not exceed 70 per cent foreign equity (for 4 & 5 star hotel).(3)None(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Food serving services (CPC 642)

Beverage serving services for consumption on the premises

(CPC 643)

(1)None(1)None(2)None(2)None(3)Joint-venture corporation with Malaysian individuals or Malaysian-

controlled corporations or both and aggregate foreign shareholding in the joint-venture corporations shall not exceed 70 per cent foreign equity.(3)None(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.

(4)Unbound, except for the categories of natural persons referred to under market access. Travel Agencies and Tour Operators Services

(CPC 7471)

(For inbound travel only)

(1)None(1)None(2)None(2)None(3)Through joint-venture with Malaysian individuals or Malaysian-controlled (3)None / ? ~.I,-
-,-~ ~~~~~, :::::, ---C./

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 70 per cent.

(4)Unbound, except as indicated in 1 a) and b) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Tourist Guide Services (CPC 7472)

(1)None(1)None(2)None(2)None(3)Unbound

due to lack of technical feasibility.(3)Unbound

due to lack of technical feasibility.(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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RECREATIONAL, CULTURAL AND SPORTING SERVICES

Other entertainment services (CPC 96191, 96192, 96194)

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.(2)None(2)None(3)Entertainment services may be supplied only by a natural person.

(3)None(4)Unbound, except as indicated in 2 a) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Participation of Malaysian entertainers/artists may be required based on the guidelines of the Ministry of Culture, Arts and Tourism. Services provided by authors, composers, sculptors, entertainers and other individual artists

(CPC 96192)

(1)None(1)None(2)None(2)None(3)Foreign shall not exceed 51 per cent.(3)None(4)Unbound, except as indicated in 2 a) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Participation of Malaysian entertainers/artists may be required based on the guidelines of the Ministry of Culture, Arts and Tourism. Theme Park

(A family based recreational area/ amusement centre which may consist of rides, mechanical and/or high-tech simulation equipment with various kinds of amusement facilities built around a theme (1)None(1)None(2)None(2)None(3)Only through joint venture with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign (3)None -L~ . ur_ ,,, L,,,,; ~ ---c./

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-40

or several themes.

Activities to be offered will contain elements of entertainment, edutainment, adventure and excitement. The concept of the park can either be outdoor or indoor or a combination of both)

shareholding in the joint-venture corporation shall not exceed 70 per cent.

(4)Unbound, except as indicated in 1 a) and b) and 2 a) and c) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Library Services (CPC 96311)

(1)None(1)None(2)None(2)None(3)Foreign equity shall not exceed 51 per cent.(3)None(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Sports events management services (CPC 96411, 96412)

(1)None(1)None(2)None(2)None(3)None except only through a Malaysian-controlled corporation acting as the local sponsor.(3)None(4)Unbound, except as indicated in 2 a) in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. I I I I

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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TRANSPORT SERVICES A. Maritime Transport Services International maritime transportation services, excludes cabotage (CPC 7211, 7212)

(1)None(1)None The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:

1) Pilotage 2) Towing and tug assistance 3) Provisioning, fuelling and watering 4) Garbage collection and ballast waste disposal 5) Port Captain's services 6) Navigation aids 7) Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8) Emergency repair facilities 9) Anchorage, berth and berthing services (2)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 51 percent. Malaysian registered vessels

To register a vessel in Malaysia, the following conditions must be met:

a) Owner of that vessel must be a Malaysian citizen or corporation incorporated in Malaysia; b) Majority shareholding to be held by Malaysians; c) Majority of the board of directors to be Malaysians; and d) Principal place of business to be in Malaysia.

(3)None(4)Unbound except as indicated in the horizontal section. Ship crew is permitted to disembark only for duration of berth.(4)Unbound, except for the categories of natural persons referred to under market access. Rental of cargo vessels with crew for international shipping

(CPC 7213)

Rental and leasing services of all types of self-propelled seagoing vessels with operator, such as passenger vessels (except pleasure bath), tankers, bulk dry cargo vessels, cargo and freight vessels.)

(1)None(1)None(2)None(2)None(3)None(3)None(4)Ships

crew (for vessels with crew) is permitted to disembark only for duration of berth subject to applicable domestic regulations.

(4)Unbound, except for the categories of natural persons referred to under market access. I / ? ~ ~ ~, : : : : : , ---c./

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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7

Provision of rules on construction and safety of ships and issuance of certificate should be in accordance with specified rules stated in domestic legislation.

Exclude survey

and

classification of Malaysian

flag vessels

which

requires

specific authorization by

the

relevant

authority.

* These are limited to services of hiring of a vessel with crew under charter party terms for voyage or period of time. Maintenance and repair vessels (CPC 8868**)

(these

are limited to businesses related to maintenance and repair of ocean going vessels at anchor or alongside and maintenance and repair of local vessels)

(1)Unbound

due to lack of technical feasibility.(1)Unbound

due to lack of technical feasibility.(2)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. Foreign equity allowable up to maximum of 51 per cent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Supporting services for maritime

transport

Vessel salvage and refloating services (not applicable in harbour)

(CPC 74540)

(Vessels salvage services provided

on ocean and seas. Such services

consist

of recovering distressed and

sunk vessels\

and their cargoes,

including the raising of sunken

vessels, the righting of capsized

vessels

and

the

refloating

of

stranded

vessels).

(1) None (1) None (2) None (2) None (3) Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Classification Societies 7

(1) None (1) None --::>:,

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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(Except for statutory services for Malaysia flag vessels)

(2) 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 51 percent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound,

except for the categories of natural persons referred to under market access. C. Air Transport Services Maintenance and Repair of Aircraft (CPC 8868**)

(1) None (1) None (2) None (2) None (3) Only through a representative office, regional office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and aggregate foreign shareholding in the joint-venture corporation shall not exceed 49 percent. (3) None (4) Unbound, except as indicated in 1 a) and b) and 2 a) in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Computer Reservation Services

(1) None (1)

None

(2) None (2)

None

(3) None (3)

None

I : : : : , , , ,

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-44

(4) Unbound, except as indicated in 1 a) and b) and 2 a) in the horizontal section. (4)

Unbound, except for the categories of natural persons referred to under market access.

E. Rail Transport Services Maintenance and repair of rail transport equipment

(CPC 8868**)

(1) None (1) None (2) None (2) None (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 per cent.

(3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. F. Road Transport Services Freight Transportation

(CPC 7123)

Covering private carriers (Class C Licence)

(1) None (1) None (2) None (2) None (3) Foreign equity shall not exceed 51 per cent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. Maintenance and repair services not elsewhere classified of trailers and semi-trailers

on a fee or contract basis

(CPC 88670*)

(1) None (1) None (2) None (2) None (3) Foreign equity shall not exceed 51 per cent. (3) None (4) Unbound except as indicated in the horizontal section. (4) Unbound, except for the categories of natural persons referred to under market access. I : : : : , , , , , > , ,

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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H. Services Auxiliary to all modes of transport Maritime Cargo Handling Services (CPC 741**)

(Limited only for sea transport)

Maritime Cargo Handling services limited to activities exercised by terminal operators but not including the direct activities of dockers, when this work force is organized independently of the stevedoring or operator companies. The activities covered include the organization and supervision of the loading/discharging of cargo to/from a ship; the lashing/unlashing of cargo and the reception/delivery and safekeeping of

cargoes before shipment or after discharge.

(1)None(1)None(2)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. Aggregate foreign shareholding in the joint venture corporation shall not exceed 49 percent.(3)None(4)Unbound except as indicated in the horizontal section.

(4)Unbound, except for the categories of natural persons referred to under market access. Storage and warehousing services

(CPC 742)

Covering private bonded warehousing services only.

(1)None(2)None(2)None(3)Only through a locally incorporated joint-venture with Malaysian individuals orMalaysian-control corporations or both andaggregate foreign shareholding shall notexceed 49%.(3)None(4)Unbound, except as indicated in 1 a) and b) and2 a) and c) in the horizontal section.(4)Unbound, except for the categories ofnatural persons referred to under marketaccess.Maritime freight forwarding services (CPC 7480)

(Consist of organizing and monitoring shipment operations on behalf of shippers, (1)None(1)None(2)None(2)None(3)Only through a representative office, regional(3)Nonel _L_ . ~ ~ c i j : : : : : : : : : : : : = > , ,

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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through the procurement of transport and related services, reparation of documentation and provision of business information)

office or locally-incorporated joint-venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and foreign equity allowable up to 49%.

(4)Unbound except as indicated in the horizontal section.(4)Unbound, except for the categories of natural persons referred to under market access. Maritime agency services

(CPC 7454*)

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.

(1)None(1)None(2)None(2)None(3)Only through a representative office, regional office or locally incorporated joint venture corporation with Malaysian individuals or Malaysian-controlled corporations or both and Bumiputera shareholding in the joint venture corporation is at least 30 percent.(3)None(4)Unbound except as indicated in the horizontal section.

(4)Unbound, except for the categories of natural persons referred to under market access.

OTHER SERVICES

Skills training services

(CPC 97090)

covering the provision of training for technical, supervisory and production related functional levels in new and emerging technologies as follows:

1)

automated manufacturing technology;

2)advanced materials technology;3)biotechnology;4)electronics;5)information technology;

and(1)None(1)None(2)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 70 per cent; and establishment of local branches requires additional licenses.

(3)None(4)Unbound except as indicated in the horizontal(4)Unbound, except for the categories of natural persons referred to under market access.

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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6)avionics/aviation technologysection.

natural persons referred to under market access.

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Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

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FINANCIAL SERVICES, INCLUDING INSURANCE 1.The commitments in the financial services sector are in accordance with the Malaysia-UAE Comprehensive Economic Partnership Agreement (MY-UAE CEPA) Chapter on Trade in Services and the Annex on Financial Services.2.The limitations listed under the all-sector horizontal section shall not apply to financial services, unless otherwise indicated.3.In respect of offshore banks, offshore investment banks, commercial banks, investment banks, offshore direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting

managers, offshore insurance managers, direct insurance companies, reinsurance companies, and representative offices of commercial banks and investment banks, the following limitations on market access

and national treatment shall apply in addition to specific limitations to the activity of each financial service as specified for each activity in this Schedule.4.For further clarity, Malaysia's commitments cannot be interpreted as applying to the supply of Shariah-compliant financial services, unless specific entries are made in the banking, insurance or capital markets sub-sectors accordingly8.ALL FINANCIAL SERVICES

(3) Limitations on investments as contained in the all-sector horizontal section.(4) Limitations in the all-sector horizontal will apply when indicated in each activity.(3) Limitations on land and other immovable property as contained in the all-sector horizontal section.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).(4) Limitations in the all-sector horizontal will apply when indicated in each activity.I. FINANCIAL SERVICES HORIZONTAL COMMITMENTS A. Offshore banks, offshore investment banks,

offshore

direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance

underwriting

managers, and

offshore

insurance

managers

(1) Unbound?

except as otherwise specified in this schedule.(2) Unbound* except as otherwise specified in this schedule.(3) Entry is confined to Labuan.(1) Unbound* except as otherwise specified in this schedule.(2) Unbound* except as otherwise specified in this schedule.(3) None.8

This approach is consistent with Malaysia's commitments at the WTO and under existing FTAs.

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Due to lack of technical feasibility.

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

Limitation on

Market Access

Limitation on

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-52

aggregate foreign shareholding in such companies does not exceed 51 per cent.

New entry by foreign insurance companies is limited to equity participation in locally incorporated insurance companies and aggregate foreign shareholding in such company shall not exceed 30 per cent.

Unbound for new licenses.

An insurance company is not allowed to acquire more than five per cent share:

(a)in another insurance company inMalaysia that carries on the same classof insurance business as that carried onby it; or(b)in an insurance broking company.Other persons holding more than five per cent shareholding in an insurance company are not permitted to acquire more than five per cent shareholding in:

(a)another insurance company carrying onthe same class of insurance business asthat carried on by the insurancecompany in which the persons ashareholder; or(b)an insurance broking company.Unbound for reinsurance companies.

(4)Unbound except the following:(a)Unless otherwise specified, presence ofnatural persons is offered only in(b)The country of the foreigninsurance company has significanttrade and investment interests inMalaysia;(c)The country of the foreigninsurance company does not havea significant representation in theMalaysian

insuranceindustry; or(d)The foreign insurance companyhas the ability to

provide technicalexpertise and know-how tocontribute to the financial andeconomic development ofMalaysia.Unbound

for

reinsurance companies.

(4)Unbound except for the categories ofnatural persons referred to undermarket access.I -L_ . ~~ C;...;;, __. ~ ~ ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-53

respect of supply of a service through the mode of commercial presence;

(b)Five senior managers and 10 specialistsor experts for each locally incorporatedinsurance company.A senior manager is an individualpossessing proprietary knowledge andauthority essential to the establishment,control, and operation of the services ofthe financial service supplier.Specialists or experts for each insuranceinstitution for areas relating to:

(i)underwriting

of specialised classes of general business;(ii)information technology;(iii)actuarial functions;(iv)risk management;(v)investment management;(vi)product development;(vii)customer service; and(viii)servicing of foreign and regionalbusiness; and(c)Entry shall be limited to a maximumperiod of five years.II.FINANCIAL SERVICES ACTIVITIESA.BANKING AND OTHER FINANCIAL SERVICES, EXCLUDING INSURANCEAcceptance of deposits, and other repayable funds from the public, wholesale and retail

(1)Soliciting, advertising, and acceptance ofdeposits in Malaysia are not allowed.(2)None.(3)Only permitted through a commercial bank, aninvestment bank, or an offshore bank.(1)None.(2)None.(3)For commercial banks, unbound forbranching (including off-premisesAutomated Teller Machines) andI _L- _ . ~ ~ ~ =>,, ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-54

Offshore banks in Labuan are permitted to accept foreign currency deposits only.

Offshore investment banks in Labuan are not permitted to accept deposits.

(4)Unbound except as indicated in the FinancialServices Horizontal Commitments.networking with Automated Teller Machines in Malaysia.

(4)Unbound except as indicated in theFinancial Services HorizontalCommitments.Lending of all types, including consumer credit, mortgage credit, factoring, and financing of commercial transactions

(1)Financial services associated with lending toresidents in any currency in excess of anequivalent of RM25 million must beundertaken jointly with commercial banks orinvestment banks in Malaysia.(2)Financial services associated with lending toresidents in any currency in excess of anequivalent of RM25 million must beundertaken jointly with commercial banks orinvestment banks in Malaysia.(3)Entry as a non-bank12

is limited to:(a)foreign financial institutions throughthe establishment of a locallyincorporated joint venture company andaggregate

foreign shareholding insuch company shall not exceed 30 percent; or(b)a representative office.Representative offices can onlyundertake research and liaison services.Provision of factoring services by a commercial bank requires the setting up of a separate entity and shareholding by a foreign-(1)None.(2)None.(3)Foreign-controlled banking institutionsin Malaysia are allowed to extendcredit facilities (including factoringand leasing) up to a maximum of 50 percent of the total credit facilitiesobtained by non-resident controlledcompanies from banking institutions.For commercial banks, unbound forbranching (including off-premisesAutomated Teller Machines) andnetworking with Automated TellerMachines in Malaysia.12

Means any non-bank for scheduled businesses as referred to in Malaysia?s Schedule of Specific Commitments under GATS

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Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

(4) Unbound except two foreign nationals, one for a management post which is not the Chief Executive Officer post and one technical post, for each establishment. For each representative office, two foreign nationals subject to one foreign national for the two top posts. Entry shall be limited to a maximum period of five years. For offshore leasing companies, unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence. (4) Unbound except for the categories of natural persons referred to under market access. For offshore leasing companies, unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence. I - L - ~ ~ ~

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Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-57

All payment and money transmission services, namely credit and debit cards, travellers cheques, and bankers drafts

(1)Electronic fund transfer system requiresapproval.(2)None.(3)Offshore banks are permitted to extendpayment and money transmission services to non-

residents only.Only commercial banks are permitted to issue credit cards or debit cards, or to provide checking account services.

Sale or purchase of foreign currency and purchase of travellers

cheques other than by commercial banks require money changer's licence. Entry is limited to establishment of a locally incorporated joint venture company and aggregate foreign shareholding in such company shall not exceed 30 per cent.

(4)For banks, unbound except as indicated in theFinancial Services Horizontal Commitments.For non-banks, unbound except one foreign national for a management post which is not the Chief Executive Officer post for each establishment.

Entry shall be limited to a maximum period of five years.

(1)None.(2)None.(3)For commercial banks, unbound forbranching (including off-premisesAutomated Teller Machines) andnetworking with Automated TellerMachines in Malaysia.Branching

(including dispensers) is permitted for travellers cheques companies with foreign shareholding not exceeding 30 per cent.

(4)For banks, unbound except as indicatedin the Financial ServicesHorizontal Commitments.

For non-banks, unbound except for the category of natural persons referred to under market access.

Charge cards

(1)None.(2)None.(3)Entry is limited to establishment of a companyincorporated in Malaysia. Approval of theCentral Bank is required.(1)None.(2)None.(3)None.I -L_ . ~~ c;;;,.,.,, -==-----c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-58

(4)Unbound except two senior managers

for

each establishment. Entry shall be limited to a maximum period of five years. (4) Unbound except for the category of natural persons referred to under market access. Guarantees and commitments

(1) None except banks established in Malaysia may be given the right of first refusal. (2) None except banks established in Malaysia may be given the right of first refusal. (3) None. (4) Unbound except as indicated in the Financial Services Horizontal Commitments herein, and in the Horizontal Commitments in the Schedule of Malaysia. (1) None. (2) None. (3) None. (4) Unbound except as indicated in the Financial Services Horizontal Commitments herein, and in the Horizontal Commitments in the Schedule of Malaysia. Money and foreign exchange broking services

(1) Broking services, involving the Ringgit and financial instruments issued in Malaysia must be effected through authorised dealers and money and foreign exchange brokers incorporated in Malaysia. (2) Broking services, involving the Ringgit and

financial instruments issued in Malaysia must be effected through authorised dealers and money and foreign exchange brokers incorporated in Malaysia. (3) Entry is limited to: (a) equity participation in existing institutions¹³

and aggregate foreign (1) None (2) None. (3) None. ¹³ Refers to the existing institutions specified in Malaysia's Schedule of Specific Commitments under GATS.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-59

shareholding in such institutions shall not exceed 30 per cent; or

(b) the establishment of a branch or subsidiary, by a money and foreign exchange broker, registered or incorporated in Labuan. Money and foreign exchange broking services by offshore entities are confined to foreign currencies only.

(4) Unbound except for offshore money and foreign exchange brokers. For offshore money and foreign exchange brokers, unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.

(4) Unbound except for offshore money and foreign exchange brokers. For offshore money and foreign exchange brokers, unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.

Trading for own account or account of customers in the following:

(a) money market instruments; (b) foreign exchange; (c) transferable securities; (d) exchange rate and interest rate instruments; (e) derivative

products, including futures and options; and (f) other negotiable instruments, including bullion.

(1) Dealing in securities for account of customers is limited to securities traded on recognised stock exchanges. Dealing in derivatives for account of customers is limited to derivatives contracts traded on the derivatives market of a Specified Exchange and are not contracts prohibited by the Malaysian

regulatory authorities.

(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. (1) None. (2) None. (3) None. I -L_ . ~~

C;:;..... :-:;... ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-60

Transactions by offshore banks and offshore investment banks in Labuan for own account are limited to instruments created and issued by offshore companies

in Labuan and foreign companies abroad.

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.

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.

Only commercial banks, offshore banks, and offshore investment banks are permitted to trade in foreign currency.

None for trading for own account in:

(a)securities that are listed on theMalaysian stock exchange; and(b)standardised derivatives listed on theMalaysian derivatives exchange.Trading for accounts of customers by a non-bank in securities that are listed on the Malaysian stock exchange is only permitted through equity participation in an existing locally incorporated company

licensed by the Securities Commission Malaysia to deal in securities. Aggregate I -L_ . ~~ C;:;..... :-:;... ---C./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-61

foreign shareholding in such a company is limited to 49 per cent.

Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of license, registration, or approval, as the case may be.

Trading for accounts of customers by a non-bank in standardised derivatives that are listed on the Malaysian derivatives exchange is only permitted through equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to deal in derivatives. Aggregate foreign

shareholding in such a company is limited to 30 per cent.

Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of license, registration, or approval, as the

case may be.

(4)For banks, unbound except as indicated in theFinancial Services Horizontal Commitments.For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. (4)For banks, unbound except as indicatedin the Financial Services

HorizontalCommitments.For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. Services related to the issues of all kinds of securities and placement as agents (1)Participation in issues and services related tosuch issues requires authorisation.(1)None.I -L_ ? ~ ~ ~, ::::, ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-62

(whether publicly or privately) (excluding issuing and rating houses)

(2)Participation in issues and services related tosuch issues requires authorisation.(3)Participation by offshore banks and offshoreinvestment banks in Labuan is limited to non-resident customers and for issues of securitiesoutside Malaysia.Only persons who are authorised by the Securities Commission Malaysia and/or the Malaysian stock exchange are permitted to make submissions related to the issues of securities and offer services related to the issues of securities and placement as agents.

Participation by a non-bank is permitted only through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent.

Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be.

Unbound for appointment as principal dealers.

(4)For banks, unbound except as indicated in theFinancial Services Horizontal Commitments.For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. (2)None.(3)None.(4)For banks, unbound except as indicatedin the Financial ServicesHorizontal Commitments.

For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. I -L_ . ~ ~ C;;...;_... :- :,, ---c./

Modes of Supply: 1) Cross-border supply2) Consumption abroad3) Commercial presence4) Presence of natural personsSector or Subsector

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-63

Underwriting

(1) Commercial presence is required.

(2) Authorisation is required. (3) Participation as a non-bank is only permitted through equity participation in an existing locally incorporated company licensed by the Securities Commission Malaysia to deal in securities. Aggregate foreign shareholding in such a company is limited to 49 per cent. Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be. Commercial banks are permitted to underwrite corporate bonds only. 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. (4) For

commercial

banks, investment banks, offshore banks, and offshore investment banks, unbound except as indicated in the Financial Services Horizontal Commitments. For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. (1) Unbound. (2) None. (3) None. (4) For

commercial banks, investment banks, offshore banks, and offshore investment banks, unbound except as indicated in the Financial Services

Horizontal Commitments. For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. I -L_ . ~ ~ ~ =>, ---C./

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-64

Asset management as follows:

(a) cash or portfolio management; (b) all forms of collective investment management; and (c) custodial and depository services. (1) Commercial presence is required.

(2) None. (3) Asset management by offshore banks, offshore investment banks, and offshore companies is confined to non-resident customers and foreign currency assets. Asset management by offshore banks, offshore investment banks, and offshore companies in Malaysian equities or equity linked investments is confined to non-residents which are not offshore companies registered in Labuan. Asset management by a commercial bank requires establishment as a separate entity. Shareholding by a foreign-controlled commercial bank shall not exceed 30 per cent. Entry as a non-bank to undertake fund management activities is only permitted through equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on fund management activities. Aggregate foreign shareholding in such a company is limited to 30 per cent. Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration or approval, as the case may be. (4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments. (1) None. (2) None. (3) None. I -L_ . ~ ~ ? ~ ~ ::::::::::,,

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-65

For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. (4) For banks, unbound except as indicated in the Financial Services Horizontal Commitments.

For non-banks, unbound except as indicated in the Horizontal Commitments of the Schedule of Malaysia. Advisory, intermediation, and other auxiliary financial services, including credit reference and analysis, investment advice on acquisitions, and corporate restructuring and strategy

(1) Commercial presence is required.

(2) Services other than investment and portfolio advice to residents must be undertaken jointly with commercial banks in Malaysia. (3) Entry as a non-bank is only permitted through: (a) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on corporate finance advisory activities. Aggregate foreign shareholding in such a company is limited to 30 per cent; (b) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to carry on financial planning activities. Aggregate foreign shareholding in such a company is limited to 49 per cent;

(c) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to (1) None. (2) None. (3) None. I - L _ . ~ ~ ? G ; , , - , - - C . / : : : : , , , ,

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-66

carry on investment advisory activities. Aggregate

foreign shareholding in such a company is limited to 30 per cent; or

(d) a representative office. Representative offices (including those of commercial

banks, investment banks, and securities companies) are permitted to undertake information research and liaison services only. Representative offices are not permitted to publish and circulate research work in Malaysia.

Authorisation to carry on the activities as mentioned in (a), (b), and (c) above will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be.

Offshore banks, offshore investment banks, and offshore companies in Labuan can only provide services to non-resident customers.

incorporated companies which are trading participants of the derivatives exchange.

(3) Entry as a non-bank is only permitted through: (a) equity participation in an existing locally incorporated company or establishment of a locally incorporated company licensed by the Securities Commission Malaysia to deal in derivatives. Aggregate foreign shareholding in such a company is limited to 30 per

cent. Authorisation will not be granted unless the application is determined, by the Securities Commission Malaysia, to be in the best interest of Malaysia. Authorisation includes grant of licence, registration, or approval, as the case may be; or

(b) a representative office. Representative offices (including those of commercial banks, investment banks, and securities companies) are permitted to undertake information research and liaison services only. Representative offices are not permitted to publish and

circulate research work in Malaysia.

(4) Unbound except one foreign national for a management post per establishment, subject to market test.

(3) None (4) Unbound except for the category of natural persons referred to under market access. B. INSURANCE SERVICES Direct insurance (non-life)

(1) Soliciting and advertising in Malaysia are not allowed. (1) None. I - L_ . ~ ~ ~ =>, ---c./

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-71

Approval of the Central Bank is required for direct placement abroad of insurance of:

(a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and (b) liability of residents to third party. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.

(2) Approval of the Central Bank is required for direct placement abroad of insurance of: (a) movable or immovable property located in Malaysia, including any ship or aircraft registered in Malaysia; and (b) liability of residents to third party. Approval will be granted if such insurance is not available from direct insurance companies in Malaysia.

(3) Only permitted through direct insurance companies. Offshore direct insurance companies in Labuan are not permitted to accept direct insurance of Malaysian risks. (2) None. (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. 14. Unbound for special assistance to Malaysian-owned direct insurance. 14 Refers to network of branches specified in Malaysia's Schedule of Specific Commitments under GATS.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-72

(4) Unbound except as indicated in the Financial Services Horizontal Commitments. companies to promote their development.

(4) Unbound except as indicated in the Financial Services Horizontal Commitments. Direct insurance (life)

(1) Unbound. (2) Unbound. (3) Only permitted through direct insurance companies. Investment-linked insurance business and new life insurance products provided by direct insurance companies require approval. 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 networth residents by offshore direct insurance companies in Labuan. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. (1) Unbound. (2) Unbound. (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. 15. Unbound for special assistance to Malaysian-owned direct insurance companies to promote their development. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. Reinsurance and retrocession (non-

life)

(1) Outward reinsurance is permitted only if local capacity is not available. (1) Voluntary cession up to 30 per cent of each class of non-life reinsurance business to the Malaysian Reinsurance Berhad. Unbound for fiscal incentives to promote reinsurance in Malaysia. 15. Refers to the network of branches specified in Malaysia's Schedule of Specific Commitments under GATS.

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-73

(2) Outward reinsurance is permitted only if local capacity is not available. (3) Obligation on all insurers other than offshore direct insurance and offshore reinsurance companies to optimise national retention capacity before any outward reinsurance. Unbound for new licences. Aggregate

foreign shareholding in the Malaysian Reinsurance Berhad shall not exceed 30 per cent. Entry as an offshore reinsurance company is confined to Labuan. (4) Unbound except as indicated in the Financial Services Horizontal Commitments.

(2) Voluntary cession up to 30 per cent of each class of non-life reinsurance business to the Malaysian Reinsurance Berhad.

Unbound for fiscal incentives to promote reinsurance in Malaysia.

(3) Unbound for measures granting special position to the Malaysian Reinsurance Berhad. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. For offshore reinsurance companies, unbound except as indicated in the Financial Services

Horizontal Commitments. Reinsurance and retrocession (life)

(1) Outward reinsurance is permitted only if local capacity is not available. (2) Outward reinsurance is permitted only if local capacity is not available. (1) Unbound for fiscal incentives to promote reinsurance in Malaysia. (2) Unbound for fiscal incentives to promote reinsurance in Malaysia. I -L_ ~ ~ . ---c./ ~ -::>;

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-74

(3) National retention capacity is required to be optimised before any outward reinsurance by: (a) direct life insurance and life reinsurance companies in Malaysia; and (b) offshore direct life insurance and offshore life reinsurance companies which are permitted to insure or reinsure life insurance of high net worth residents. Unbound for new licences.

Aggregate

foreign shareholding in the Malaysian Life Reinsurance Group Berhad shall not exceed 30 per cent.

Entry as an offshore reinsurance company is confined to Labuan.

(4) Unbound except as indicated in the Financial Services Horizontal Commitments. (3) None. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. For offshore reinsurance companies, unbound except as indicated in the Financial Services

Horizontal Commitments. Insurance intermediation ?

insurance broking (excluding agency)

(1) Direct insurance broking services can only be provided to offshore companies in Labuan. Reinsurance broking is permitted. (2) Direct insurance broking services can only be provided to offshore companies in Labuan. Reinsurance broking is permitted. (1) None. (2) None. I ? -L_ c;::;,,, ~ ? ~

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

Limitation on

Market Access

Limitation on

National Treatment

Additional

Commitments

8A-Malaysia-75

(3) Unbound for onshore insurance broking. 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. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. (3) None. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. Insurance intermediation ?

insurance underwriting and insurance management

(1) Insurance underwriting and insurance management are not permitted. (2) Insurance underwriting and insurance management are not permitted. (3) Unbound for onshore insurance underwriting and insurance management. An offshore insurance underwriting manager is not permitted to provide services to any person other than offshore insurance companies in Labuan. An offshore insurance manager is permitted to provide insurance management services to persons other than residents. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. (1) None. (2) None. (3) None. (4) Unbound except as indicated in the Financial Services Horizontal Commitments. Services auxiliary to insurance as follows:

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

I. HORIZONTAL COMMITMENTS ALL SECTORS AND SUB-SECTORS OF SERVICES INCLUDED IN THIS SCHEDULE¹

3) Commercial presence will be through either: (i) a representative office or a branch with

no

limitations

on

the participation of foreign capital (foreign ownership of 100% is granted); or (ii) an incorporation as a company with maximum foreign equity asset out in the specific sectors below, which shall take any of the legal forms as allowed under UAE law. For some specific sectors and sub-sectors, commercial presence may be conditioned on benefits

in the form of technology transfer, Research & Development programmes, technical assistance, and educational and training of local human resources.

3) Acquisition

of

land

and

real

estate

is

not permitted

to

foreigners

or

to companies in which foreign nationals have a shareholding. However, foreign companies authorized to carry on their activities in UAE may own land and real estate only to the extent necessary to conduct their activities as allowed and in accordance with laws and regulations governing ownership of real estate at the Federal and Emirate

levels. (i) Government

subsidized

services may only be extended to UAE nationals. (ii) Foreign nationals or companies with foreign share holdings may be required

to

pay

direct

taxes

on income derived from work or operations in the UAE, whereas local service suppliers or local UAE companies may not be required to pay similar taxes keeping in view the provisions. The work right for the spouses of intra-corporate transferees is granted according to the UAE labour laws. - Transparency: all disciplines concerning labour, residency and work permits laws

are publicly available.

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The UAE will not offer any commitments in energy and energy related services. This offer does not include any commitment under these services.

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-3

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

(iii)Free zones: 100% foreignownership is permitted inFree Zones as set out in thespecific sub-sectors below.4) Unbound, except for except formeasures concerning the entry ortemporary stay of natural persons inthe following categories.A. Business VisitorsA natural person who stays in theUAE, without acquiring remuneration from

within the UAE and without engaging in making direct sales to the general public or supplying services, for the purposes of participating in business meetings, business contacts including negotiations for the sale of services and/or other similar activities including those to prepare for establishing a commercial presence in the UAE:

Entry and stay for persons in this category shall not be for more than 90 days in any 12-month period.

B. Intra-corporate Transfereesof Article XIV, Paragraph (d)

of GATS.

4) Unbound, except for measuresconcerning the categories of naturalpersons referred to in the market accesscolumn=>,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-4

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

Intra-corporate transferees: managers, executives and specialists

(as

defined

below)

who have

been

in

the

employment

of

a juridical person of another Party outside

the

UAE,

for

a

period

of not

less

than

one

year

prior

to

the date of application for entry into the

UAE

and

are

being

transferred to

a

branch

or

affiliate

in

the

UAE of the aforesaid juridical person. Entry will be subject to the following

conditions:

(i)The number of managers, executives

and

specialists

shall

be limited to 50% of the total number of managers, executives and specialists of each service supplier.

(ii)Their

entry

shall

be

for

a

period

of three years subject to renewable for additional years. (iii) Their

stay

in

the

UAE

will

be subject to UAE labour and immigration

laws. Definitions:

Managers: persons within an organization

who

primarily

direct the organization or a department or sub-division of the organization, supervise and ===--

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-5

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

control the work of other supervisory, professional or managerial employees, have the authority to hire or fire or recommend hiring, firing, or other personnel action (such as promotion or leave authorization), and exercise discretionary authority over day to day operation, doesn't include first-line supervisor unless the employees supervised are professional, nor does include employees who primarily perform tasks necessary for the provision of the service.

Executives: Persons within an organization, who primarily direct the management of the organization, establish the goals and policies of the organization, exercise wide latitude in decision-making, and receive

only

general supervision or direction from higher-level executives, the board of directors or stockholders of the business. Executives would not directly perform tasks related to the actual provision of service or services of the organization.

Specialists: persons within an organization who possess =>,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-6

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

knowledge at an advanced level of expertise and who possess proprietary knowledge of the organization's services, research, equipment, techniques or management.

II.SECTOR SPECIFIC COMMITMENTS1.BUSINESS SERVICESa.Professional Servicesa.Legal Services (CPC

861)Consultancy on

the

law

ofjurisdiction

where the

servicessupplier

is

qualified as

alawyer

and

on

internationallaw (Part of CPC

861)1)None.2)None.3)Foreign

equity

is

limited

to75%.

After

5

years

from

theentry into

force

of

theAgreement

up

to 100% foreign equity will be allowed.4)Unbound except

as

indicated

in the horizontal

section.1)None.2)None.3)Non-UAE lawyers cannot plead

in UAE

courts,

or

act

before official bodies,

or

perform

notarial functions.4)Unbound except

as

indicated

in

the horizontal

section.=>,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-7

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

b.Accounting, auditing and book-keeping services (CPC 8621 & 8622)1)None.2)None.3)Foreign

equity

is

limited

to 75%.After 10 years from the entry into force of the Agreement foreign equity will be allowed up to

100%.4)Unbound except

as

indicated

in the horizontal

section.1)None.2)None.3)None.4)Unbound except

as

indicated

in

the horizontal

section.c.Taxation Services (CPC

8630)Only the following sub-sectors:

-Business tax planning

and consulting (CPC

86301)-Business tax preparation and review

services

(CPC86302)1)None.2)None.3)Foreign equity is limited to 75%.4)Unbound except

as

indicated in

the horizontal

section.1)None.2)None.3)None.4)Unbound except

as

indicated

in

the horizontal

section.....,,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-8

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

d.Architectural Services (CPC 8671)e.Engineering

Services

(CPC

8672)f.Integrated

Engineering

Services (CPC

8673)

g.Urban planning and landscape architectural

services

(CPC8674)1)None.2)None.3)Foreign equity is limited to 75%.4)Unbound,

except

as

indicated in the horizontal

section.1)None.2)None.3)None.4)Unbound except

as

indicated

in

the horizontal

section.h.Medical and dental services(CPC 9312)1)None.2)None.3)Foreign equity is limited

to 70%.4)Unbound, except as indicated

in the

horizontal

section.1)None.2)None.3)None.4)Unbound except

as

indicated

in

the horizontal

section.i.Veterinary services

(CPC

93201)1)None.2)None.3)Foreign

equity

is limited to

75%.4)Unbound,

except

as

indicated in the horizontal

section.1)None.2)None.3)None.4)Unbound except

as

indicated

in

the horizontal

section.B.Computer and Related

Services.a.Consultancy

services

related

to.....,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-9

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

the installation

of

computer

hardware (CPC

841)

b.Software implementation services (CPC

842)c.Data

processing

services

(CPC843)d.Data base services (CPC

844)e.Maintenance and repairservices of office machineryand equipment includingcomputers (CPC 845)f.Other computer services (CPC 8491)None.2)None.3)None.4)Unbound,

except

as

indicated

inthe horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.C.Research and

Development Services

a.R&D

services

on

naturalsciences (CPC

851)b.R&D

services

on

socialsciences and humanities (CPC852)c.InterdisciplinaryR&D

services (CPC

853)1)None.2)None.3)None.4)Unbound,

except

as

indicatedin the horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.E.Rentaland

Leasing

Services without

Operators (excluding rental and leasing services relating to cars)

1)None.2)None.3)Foreign equity is limited to1)None.2)None.3)None.-:;:,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-10

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

a.Relating to ships (CPC

83103)b.Relating to other transportequipment

(CPC

83101

+

83102+ 83105)c.Relating to other machinery andequipment

(CPC

83106

?

83109)70%. 4)Unbound,

except as indicated in the horizontal section.4)Unbound,

except as indicated in the horizontal section.F.Other Business

Servicesa.Advertising services (CPC

871)1)None.2)None.3)Foreign equity is limited to70%.4)Unbound,

except

as

indicated in the horizontal

section1)None.2)None.3)None.4)Unbound,

except

as

indicated in the horizontal

sectionb.Market research and public opinionpolling services (CPC 864)1)None.2)None.3)Foreign equity is limited to75%.
After 10 years from the entry into force of the Agreement, foreign equity will be allowed up to 100%.4)Unbound,

except

as

indicated in the horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section.=>,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural
PersonsRAHSIA

8A-UAE-11

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

c.Management consulting services(CPC 8650)d.Services related to Management Consulting (CPC 8660)e.Technical testing and
analysis services (CPC 8676)1)None.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section.i.Services incidental to manufacturing (CPC 884+885, except for 88442)

1)Unbound.2)None.3)Foreign

equity

is

limited

to 75%. After two years from the entry into force of the Agreement, foreign equity will be allowed up to

100%.4)Unbound, except as indicated in the horizontal section.1)Unbound.2)None.3)None.4)Unbound, except as indicated

in

the horizontal

section.m.Related to scientific and technical consulting services (CPC 8675)1)None.2)None.3)Foreign equity

is

limited to 75%. After 5 years from the entry into force of the Agreement foreign equity will be allowed up to 100%.4)Unbound,

except as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound, except as indicated in the horizontal

section.=>,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-12

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

n.Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment) (CPC 633+8861-

8866)1)None.2)None.3)Foreign equity is limited to 75%. After 5 years from the entry into force of the Agreement foreign

equity will be allowed up to 100%.4)Unbound, except as indicated in the horizontal

section.1)Unbound.2)Unbound.3)None.4)Unbound,

except

as

indicated in the horizontal

section.o.Building-Cleaning Services (CPC 874)1)Unbound.2)Unbound.3)Foreign equity is limited

up to 75%. After two years from the entry into force of the Agreement

foreign

equity

will be allowed up to

100%. 4) Unbound, except as indicated under horizontal

section. 1) Unbound. 2) None. 3) Unbound. 4) Unbound, except as indicated under horizontal

section.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-13

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

p. Photographic Services (CPC 8750) 1) None. 2) None. 3) Foreign equity is limited to 70%. After 5 years from the entry into force of the Agreement, up to 100% foreign equity will be allowed. 4) Unbound,

except

as indicated in the horizontal section. 1) None. 2) None. 3) Unbound. 4) Unbound,

except

as indicated in the horizontal section. q. Packaging

Services

(CPC

8760) 1) None. 2) None. 3) Foreign equity is limited to 70%. After 5 years from the entry into force of the Agreement, up to 100% foreign equity will be allowed. 4) Unbound,

except

as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound,

except

as indicated in the horizontal section.....,,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-14

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

r. Printing and publishing services (CPC 88442) 1) None. 2) None. 3) Foreign equity is limited up to 70%. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. s. Convention services (CPC 87909)? 1) None. 2) None. 3) Foreign equity is limited to 70%. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. t. Other (CPC 8790) 1) None. 2) None. 3) Foreign equity is limited to 75%. For CPC 87905, foreign equity is limited to 75%. Within 5 years from the entry 1) None. 2) None. 3) None. ?

The (*) indicates that the service specified is a component of a more aggregated CPC item specified elsewhere in this classification list.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-15

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

into

force

of the Agreement 100% foreign equity will be allowed.

4)Unbound.4)Unbound.2.COMMUNICATIONSERVICESA.Postal Services

(CPC 7511)Only handling of documents,letter posts, and parcels1)None.2)None.3)Foreign equity

is

limited to

49%.4)Unbound,

except

as

indicated

inthe horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.B.Courier Services (CPC 7512)1)None.2)None.3)Foreign

equity

is

limited

to 49%.4)Unbound, except

as indicated inthe horizontal section.1)None.2)None.3)None.4)Unbound, except

as indicated in thehorizontal section.C.Telecommunication Services:HORIZONTAL COMMITMENTS:

?The commitments taken are based on the scheduling principles provided by the following WTO documents: ?Notes for scheduling Basic Telecom ServicesCommitments?

(S/GBT/W/2/Rev.1)

and

?Market

Access

Limitations

on

Spectrum

Availability?

(S/GBT/W/3).?This Schedule on basic telecommunication does not include any broadcasting services according to the UAE telecommunication and the TDRA regulatoryframework on different issues including but not limited to the spectrum

license.22

Broadcasting services? is defined as a radio communication service in which the transmissions are intended for direct reception by the general public, including sound transmissions, television transmissions or other types of transmissions. In the Telecommunications Law of the UAE, broadcasting is not part of basic telecommunication services.

-:;:,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-16

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

3)Any network installed in UAE must be operated by a company registered in UAE,the foreign equity of which shall be limited to 49%.a.Voice

telephone

services

(CPC7521)b.

Packet-switched data transmission services (CPC 7523**)c.Circuit-switched data transmission services (CPC 7523**)d.Telex services (CPC 7523**)e.

Telegraph services (CPC 7522**)f.Facsimile services (CPC 7521**+ 7529**)g.Private leased circuit services(CPC 7522** + 7523**)h.Electronic mail (CPC 7523**)i.Voice mail (CPC 7523**)j.On-line information and database retrieval (CPC 7523**)k.Electronic data interchange (EDI)(CPC 7523)

l.Enhanced/value-added facsimile services, incl. store and forward,store and retrieve (CPC 7523**)m.

Code and protocol conversion(n.a.)1)Only companies with commercial presence may provide telecom services.2)Residents are allowed to purchase telecom services in the territory of Malaysia

according to the regulatory framework in the UAE and in the territory of Malaysia.3)Duopoly. The TDRA will consider the feasibility of suppliers additional to the duopoly. The commercial presence is required and

subject

to

49%

foreign

equity limitation.4)Unbound,

except

as

indicated

in the horizontal

section.1)None, except as indicated

in

themarket

access column.2)None,

except

as

indicated in themarket access

column.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.3.CONSTRUCTION AND RELATED ENGINEERING SERVICES

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-17

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

A.General Construction Work forBuildings

(CPC 512) B.General construction work for civilengineering

(CPC 513)

C.Installation and assembly work(CPC 514+516)

D.Building completion and finishingwork

(CPC 517)

E.OtherPre-erection work at construction sites (CPC 511)

Special trade construction work (CPC 515)

Renting services related to equipment for construction or demolition of buildings or civil engineering works, with operator (CPC 518)

1)Unbound.2)None.3)

(i)Foreign

equity

is

limited

to49%. After two years fromthe entry into force of theAgreement, foreign equity isallowed up to 51% and afterseven years,

70%.(ii)Large

scale

infrastructure projects such as airports, highways and sports facilities and projects that exceed 450 million US dollars, foreign equity is allowed up to 75%. After five years from the entry into force of the Agreement, participation of foreign capital for such high scale projects will be allowed up to 100%. For further clarity, foreign companies established pursuant to this paragraph (ii) will

not

be

allowed

to participate in any project that is below

450 million US dollars. 4) Unbound, except as indicated in the horizontal section. 1) Unbound. 2) None. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section. 4. DISTRIBUTION SERVICES =>,,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-18

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

Distribution Services do not include unmanufactured tobacco, tobacco, tobacco products, alcoholic beverages, pharmaceutical and medical goods, and any goods covered by an agency contract registered with the UAE Ministry of Economy in accordance with Law No. 3 of 2022 on commercial agencies and its successor legislation.

B. Wholesale

Trade

Services

(CPC 622)

1) Unbound. 2) Unbound. 3) Foreign

equity

is

limited

to 49%. After 3 years, foreign equity is allowed up to 75%. 4)

Unbound, except as indicated in the horizontal section. 1) Unbound. 2) Unbound. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section. C. Retailing Services? Food Retailing Services (CPC 631)? Non-food Retailing Services (CPC 632)? Sales of motor vehicles (CPC 6111)? Sales of parts and accessories of

motor vehicles (CPC

6113)? Sales of motorcycles and snowmobiles and related parts and accessories (CPC 6121) 1) Unbound. 2) Unbound. 3) Foreign

equity

is

limited

to 49%. After 3 years, foreign equity is allowed up to 75%. 4) Unbound,

except

as

indicated

in the horizontal

section. 1) Unbound. 2) Unbound. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section. D. Franchising

(CPC

8929) 1) Unbound. 2) Unbound. 3) Foreign

equity

is

limited

to

49%. After 3 years, foreign equity is allowed up to 75%. 4)

Unbound, except as indicated in the horizontal section. 1) Unbound. 2) Unbound. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section., , , ,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-19

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

5. EDUCATIONAL SERVICESB. Secondary Education Services(CPC 922)

C. Higher

Education

Services(CPC 923)D. Adult Education

(CPC

924)E. Other Education

Services:

Excluding public education

1)None.2)None.3)(i)Foreign

equity

is

allowed

upto 100%.(ii)Natural persons of Malaysia may

be

required

to

obtain authorization from competent authorities to establish and direct an education institution and to teach; this may also be subject to the condition of suitability of school facilities and ensuring high quality level of education.4)Unbound, except as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound, except as indicated in the horizontal section.6. ENVIRONMENTAL SERVICESA. Sewage services

(CPC 9401)B. Refuse disposal services

(CPC 9402)

C. Sanitation and similar services(CPC 9403)

1)None.2)None.3)Participation of foreign equity is limited

to 70%. After

7 years

from

the

entry

into force of the Agreement, up to 100% foreign equity will be allowed.4)Unbound, except as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound, except as indicated in the horizontal section

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-20

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

D.Other?Cleaning services for exhaustgases (CPC 94040)1)

None.2)None.3)Participation of foreign equity is limited

to 70%. After

7

years

from

the

entry

into force of the Agreement, up to 100% foreign equity will be allowed.

4)Unbound, except as indicatedin the horizontal section.1)None.2)None.3)None.4)

Unbound, except as indicated in thehorizontal section.?Treatment, remediation ofcontaminated/polluted soiland water (part of CPC94060)1)Unbound.2)Unbound.3)Foreign equity is limited to70%. After 7 years from theentry into force of theAgreement, up to 100%foreign equity will beallowed.4)Unbound, except as indicatedin the horizontal section1)Unbound.2)Unbound.3)None.4)Unbound, except as indicated in thehorizontal section.?Noise abatement services(CPC 9405)?

Nature and landscape protection services (CPC 9406)

?

Other environmentalprotection services (CPC94091)None.2)None.3)Foreign equity is limited

to70%. After

7

years

from

theentry

into force of theAgreement, up to 100%foreign equity will beallowed.4)Unbound, except as indicatedin the horizontal section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-21

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

7.FINANCIAL SERVICESHorizontal Commitments:

Commercial

presence

is

allowed

up

to 100%

foreign

equity

in

Dubai

International

Financial

Centre

(DIFC)

for

the

following

activities: banking

services

(investment

banking,

corporate

banking,

and

private

banking);

capital

markets

(equity,
debt
instruments,
derivatives
and commodity
trading);
asset
management
and
fund
registration;
insurance
and
re-insurance;
Islamic
finance;
business
processing
operations
and ancillary services.

A. Insurance and insurance-related servicesHorizontal Commitments:

General
conditions:
?The
absence
of
any
limitation
on
the
ability
of
a
service
consumer

in
UAE
to
purchase
the
service
in
the
territory
of
Malaysia
does
not
signify a
commitment
to allow
a
non-resident
service
supplier
to
solicit
business
or
to
conduct
active
marketing
in
the
territory
of
the
UAE. Commercial
presence

is
subject
to
the
provisions
regarding
the
licensing
and
registration
of
foreign
companies
as
contained
in
the
UAE
pertinent laws. Within
the
context
of
paragraph
2
(a)
of
the
WTO
Annex
on
Financial
Services,
the
UAE
shall

not

be

prevented

from

taking

measures

for prudential reasons

such

as

minimum

capital

requirement;

minimum

operating

funds

requirement

and

approval

for

business

activities. (i) Direct insurance (including co-insurance): I I I I I ~ : :-.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-22

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

(a) Life -

Life and health insurance services (CPC 81211 and CPC 81212)? Excluding pension fund management 1) Commercial presence

is required. 2) Unbound. 3) Transparent Economic Needs Test (ENT) shall apply to the commercial presence for branches of the new foreign insurance companies as well as new branches of the existing foreign insurance companies. This ENT shall be based on criteria such as the provision of new

insurance services,

increase of local demand and the conformance with international standards. ? Foreign

equity

is

limited

to 25% of the capital of UAE life and non-life insurance companies. 4) Unbound, except as indicated in the horizontal section. 1) Commercial presence

is required. 2) Unbound. 3) None. 4) Unbound, except as indicated in the horizontal section.

=>,,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-23

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

(b) Non-

life insurance services (CPC 8129)? Including accidents insurance services 1) Commercial presence is required

for

all

non-life

insurance services except marine and aviation insurance. None for marine and aviation

insurance.

2) Unbound for all non-life insurance services except marine shipping and commercial aviation insurance. None for marine and aviation insurance. 3)

- Transparent Economic Needs Test (ENT) shall apply to the commercial presence for branches of the new foreign insurance companies as well as new branches of the existing foreign insurance companies. This ENT shall be based on criteria such as the provision of new

insurance services,

increase of local demand and the conformance with international standards. - The establishment of joint ventures

with

UAE

life

and non-

life insurance companies is not allowed. 4) Unbound, except as indicated 1) Commercial presence is required

for all

non-life

insurance services except marine and aviation insurance. None for marine and aviation

insurance. 2) Unbound for all non-life insurance services except marine shipping and commercial aviation insurance. None for marine and aviation insurance. 3) None. 4) Unbound, except as indicated in the.....,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-24

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

horizontal section.

(ii)Reinsurance & retrocessionOther insurance services n.e.c. (CPC 81299)

1)None.2)None.3)Foreign

equity

is

limited

to49%.4)Unbound,

except

as

indicatedin the horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in thehorizontal

section.(iii)Insurance intermediation, such asbrokerage and agency servicesOnly brokers dealing with direct insurance3

(CPC 8140**)

1)Commercial

presence

isrequired, except for marineshipping and commercialaviation insurance and re-insurance intermediationservices. None for marineshipping and commercial1)None,

except

as

indicated

in themarket access

column.3

For greater certainty ?Direct Insurance?

means: Life and health services (CPC 81211 and CPC 81212) (excluding pension fund management.) and Non-life insurance services (including accident insurance (CPC 8129).

** Indicates that the service specified constitutes only a part of the total range of activities covered by the CPC concordance.

=>

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-25

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

aviation insurance and reinsurance intermediation services.

2)Commercial presence is required.3)Foreign

equity

is limited

to49%.4)Unbound, except as indicatedin the horizontal section.2)None, except as indicated in themarket access column.3)None.4)Unbound, except as indicated in thehorizontal section.(iv)Insurance consultancy (CPC 81402)1)None.2)None.3)Foreign equity is limited to49%.4)Unbound, except as indicatedin the horizontal section.1)None.2)None.3)None.4)Unbound, except as indicated in thehorizontal section.Actuarial services (CPC 81404)

1)None, except that the foreignservice supplier must beregistered

at

the

UAE

Ministryof Economy. (The registrationrequirement does not preventthe foreign supplier fromproviding services from theterritory of its country into theterritory of the UAE).2)None.3)Foreign equity is limited to

49%.4)Unbound,

except

as

indicatedin the horizontal

section.1)None,

expect

as

indicated

in

themarket access

column.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section. Loss Adjustment, risk assessment and claim settlement services (CPC 81403)

1) Commercial

presence

is

required. 2) Commercial

presence

is

required. 3) Foreign equity

is

limited to

49%. 4) Unbound,

except

as

indicated

in the horizontal

section. 1) Commercial

presence

is

required. 2) Commercial

presence

is

required. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-26

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

B.Banking and other financial services

(excluding insurances)(v) Acceptance of deposits and other repayable funds from the public1)None.2)None.3)(i)No limitation for establishment of representative offices;(ii)Unbound for new licenses for operating bank branches;

(iii)

Unbound for the expansion of activities of existing financial entities.

(iv)Foreign equity is limited to 49%.4)Unbound, except as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound, except as indicated in the horizontal section.(vi) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction1)None.2) None.3) (i)No

limitation for

establishment of representative

offices;(ii)Unbound

for

new

licenses for operating bank branches;(iii)Unbound

for

the

expansion of activities of existing financial entities;(iv) Foreign equity is limited to

49%.1)None.2)None.3)None.4)Unbound,

except

as indicated in the horizontal section.-:;:,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-27

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

4)Unbound,

except

as indicated in the horizontal section.(vii) Financial leasing1)None.2)None.3)(i)No

limitation for

establishment of representative

offices;(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicatedin the horizontal section.1)None.2)None.3)None.4)Unbound,

except

as indicated in thehorizontal section.(viii) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts

1)None.2)None.3)(i)No

limitationfor

establishmentof representative

offices;(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv) Foreign equity is limited to49%4) Unbound, except as indicated inthe horizontal section.1)None.2)None.3)None.4) Unbound, except as indicated in thehorizontal section.

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-28

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

(ix) Guarantees and commitments1)None.2)None.3)(i)No

limitationfor

establishmentof representative

offices;(ii)Unbound for new licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicated in the horizontal section.1)None.2)None.3)None.4) Unbound,

except

as indicated in the horizontal section.(x) Trading for own account or for account of customers, whether on an exchange, in an over-the-

countermarket or otherwise, the following:A.money market instruments (including cheques, bills, certificates of deposits);B.foreign exchange;C.derivative products including, but not limited to, futures and options;D.exchange rate and interest rate instruments, including products such as swaps, forward rate agreements;E.transferable securities;F.other negotiable instruments and1)None.2)None.3)(i)No

limitation for

establishment of representative

offices;(ii)Unbound

for

new

licenses for operating bank branches;(iii)Unbound

for

the

expansion of activities of existing financial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound,

except

as indicated in the horizontal section.

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-29

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

financial assets, including bullion

(xi) Participation in issues of all kinds of securities, including under-writing and placement as agent (whether publicly or privately) and provision of services related to such issues1)None.2)None.3)(i)No

limitation for

establishment of representative

offices;(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicatedin the horizontal section.1)None.2)None.3)None.4)Unbound,

except

as indicated in thehorizontal section.(xii) Money broking1)None.2)None.3)(i)No

limitationfor

establishmentof representative

offices;(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicatedin the horizontal section.1)None.2)None.3)None.4) Unbound, except as indicated in thehorizontal section.(xiii)

Asset management, (only cash orportfolio management, all forms ofcollective investment schemes

and1)None.2)None.3)1)None.2)None.....,,

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural
PersonsRAHSIA

8A-UAE-30

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

management)

(i)No

limitationfor

establishmentof representative

offices;(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound,

except

as indicatedin the horizontal section.3)None.4)Unbound, except as indicated

in

thehorizontal

section.(xiv)Provision and transfer of financialinformation, and financial dataprocessing and related software.1)None.2)None.3)(i)No

limitation

for

establishment of representative

offices;

(ii)Unbound

for

new

licensesfor operating bankbranches;(iii)Unbound

for

the

expansionof activities of existingfinancial entities;(iv)Foreign equity is limited to

49%.4)Unbound, except as indicated inthe horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as indicated inthe horizontal section.(xv) Advisory and other auxiliaryfinancial services on all the activitieslisted in sub-

paragraphs (v) through(xv), including credit reference andanalysis, investment and portfolioresearch and advice, advice onacquisitions and on corporate1)None.2)None.3)(i)No

limitation

for

establishment of representative

offices;

1)None.2)None.3)None.4)Unbound,

except

as indicated in the horizontal section. - : : : , , ,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-31

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

restructuring and strategy

(ii) Unbound

for

new

licences for operating bank branches; (iii) Unbound

for

the

expansion of activities of existing financial entities; (iv) Foreign equity is limited to

49%. 4) Unbound,

except

as indicated in the horizontal section. 8. HEALTH AND RELATED SOCIAL SERVICES (other than those listed under 1.A.h-i.)

A. Hospital Services (CPC 9311) 1) None. 2) None. 3) 100% is allowed for foreign equity, subject to the authorization by the competent authorities, which would be based

on

the

economic

needs tests taking in to consideration the number of hospital, medical and health centres in a given

region. - Participation of foreign equity is allowed up to 100% in Dubai Health Care City. An economic needs test will not be

required. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. B. Other Human Health Services 1) None. 2) None. 1) None. 2) None.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-32

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

(CPC 9319, except CPC 93191)

3)100% is allowed for foreign equity, subject to the authorization by the competent authorities, which would be based on

the

economic

needs taking in to consideration the number of hospital, medical and health centres in a given

region. Participation of foreign equity is allowed up to 100% in Dubai Health Care City. An economic needs test will not be required. 4)

Unbound, except as indicated in the horizontal section. 3) None. 4) Unbound, except as indicated in the horizontal section. 9. TOURISM AND TRAVEL RELATED SERVICES

A. Hotels and restaurants (including catering) (CPC 64110, 64120 & 642, 643)

1) None. 2) None. 3) -Hotels:

foreign

equity

is limited to

49%. For hotel management,

foreign

equity

is limited to 70%. -Restaurants:

foreign

equity is limited to

70%. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. B. Travel agencies and tour operators services (CPC 7471)

Excluding Umra and Hajj 1) None. 2) None. 3) Unbound. 4) Unbound. 1) None. 2) None. 3) Unbound. 4) Unbound.....,

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-33

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

services and related services (i.e. Islamic pilgrimages services and related services)

C. Tourist guides services (CPC 74720) Excluding Umra and Hajj services and related services (i.e. Islamic pilgrimages services and related services)

1) None. 2) None. 3) Foreign equity

is

limited to 49%.4)Unbound,

except

as indicated in the horizontal section.1)None.2)None.3)None.4)Unbound,

except

as indicated in the horizontal section.10.

RECREATIONAL CULTURAL AND SPORTING SERVICES

(other than audiovisual services)

A. Entertainment Services (including theatre, live bands and circus services)

(CPC 9619)

Only for theatre, live bands and circus services

1)None.2)None.3)Foreign

equity

is

limited

to 75%.4)Unbound,

except

as

indicated

in the horizontal

section.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section. B. News Agency Services (CPC 962 -

Only in Dubai Media

City)1)Unbound.2)Unbound.3)None.4)Unbound.1)Unbound.2)Unbound.3)Unbound.4)Unbound. D. Sporting and Other Recreational Services

(Only CPC 96491 -

only parks and public gardens services)

1)Unbound.2)Unbound.3)Foreign equity is limited to 75%.4)Unbound, except as indicated in the horizontal section.1)Unbound.2)Unbound.3)None.4)Unbound, except as indicated in the horizontal section.11. TRANSPORT SERVICES.....

RAHSIA

Modes of Supply: 1)Cross-border supply2)Consumption abroad3)Commercial Presence4)Presence of Natural PersonsRAHSIA

8A-UAE-34

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

A.Maritime Transport Services

International Transport

freight and passengers (CPC 7211

and

7212,

less

cabotage transport

services)

Including the following:

?Maintenance and repair

of vesselsMaritime Auxiliary Services:

?

Maritime cargo

1)None.2)None.3)-Freight:

Foreign

equityis limited

to

49%.-Passengers:

Foreign

equityis limited

to

70%.-Maintenance

and

repairof vessels:

None.4)Unbound,

except

as

indicated in the horizontal

section.

1)None.2)None.1)None.2)None.3)None.4)Unbound,

except

as

indicated

in the horizontal

section. 1) None. 2) None. The following services at the port are made available to international maritime transport suppliers on non-

discriminatory terms and conditions:

? Pilotage? Towing and

tug assistance? Provisioning,

fueling and watering? Garbage

collecting and ballast waste disposal? Port Captain's services? Navigation aid services? Shore based operational services essential to ship operations including communications, water and electrical supplies? Emergency repair facilities? Anchorage, berth

and berthing

services====

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-35

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

handling services 4

? Storage and

warehousing services

(CPC 742)? Container station and depot services 5? Maritime agency

services 6? Maritime

freight

forwarding services 7 3) Foreign equity is limited to

49%. 8 4) Unbound,

except

as

indicated in the horizontal

section.

3) None. 4) Unbound,

except

as

indicated

in the horizontal

section. C. Air Transport Services d. Maintenance and repair of aircraft and parts thereof 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. 4

?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: the loading/discharging of cargo to/from a ship; the lashing/unlashing of cargo; the reception/delivery and safekeeping of cargos

before shipment or after discharge.

5

?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.?

6

?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:

-

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 resale of the necessary related services, preparation of documentation, and provision of business information;-

acting on behalf of the companies organizing the call

of the ship or taking over cargoes when required.?

?Freight forwarding services? means the activity consisting of organizing and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information.?

8

Operations and functions may be subject to specific services obligations set out by operators with concession from public authorities.

RAHSIA

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial Presence 4) Presence of Natural Persons RAHSIA

8A-UAE-36

Sector or Subsector

Limitations on Market Access

Limitations on National Treatment

Additional comments

Computer Reservation Systems

1) None. 2) None. 3) None. 4) Unbound, except as indicated in the horizontal section. 1) None. 2) None. 3) None. 4) Unbound, except

as

indicated

in the horizontal

section. E. Rail Transport Services a. Passenger transportation (CPC 7111) b. Freight transportation

(CPC 7112) c. Pushing

and towing

services (CPC

7130) d. Maintenance and repair of rail transport

equipment

(CPC 8868) e. Supporting services for rail transport

services

(CPC

743) 1) None. 2) None. 3) None. 4) Unbound,

except

as

indicated in the horizontal

section. 1) None. 2) None. 3) None. 4) Unbound,

except

as

indicated

in the horizontal

section. =>

8B-Malaysia-1

ANNEX 8B

MALAYSIA

-

LIST

OF

MFN

EXEMPTIONS

Sector

or

sub

sector

Description

of

measure

indicating

its

inconsistency

with Article

8.4

Countries to which the

measure

applies

Intended

duration

Conditions

creating

the

need

for

the

exemption

All

Sectors

Liberalisation of measures affecting

movement of foreign semi-skilled and

unskilled

workers

into

Malaysia

may

be

carried out in a differentiated manner

based on reasons including proximity,

either contiguous or regional, religious

and/or

cultural

compatibility

All

countries

Indefinite

The

measure

is

required

to:

-

maintain the

arrangements under

existing bilateral

agreements;

and

-ensure that themovement

of

foreignsemi-skilled and

unskilled workers

contributes to the

social stability and

industrial

harmony

in

Malaysia

All

Sectors

Liberalisation

of

measures

in

existing

or

future policies limiting foreign equity or

interests in companies and businesses

in

Malaysia shall be carried out in a

preferential
and
differentiated
manner
All
countries
Indefinite
The measure would be
applied in a differentiated
manner to those
investments that match
Malaysia's specific
development requirements
with the abilities and
facilities
provided
by
foreign
enterprises and their home
countries.

The objective is
to maximise economic
benefits of foreign
participation in the
Malaysian
economy.

~ ~

8B-UAE-1

ANNEX 8B

UAE ?

LIST OF MFN EXEMPTIONS

Sector or Subsector

Description of the measure indicating its
inconsistency with Article 8.4

Countries to which

the measure applies

Intended duration

Conditions creating the need

for the exemption

Financial Services

Authorization for the entry/establishment/operation of foreign financial services suppliers (including banks and insurance companies) and the opening of new branches will be subject to the decision of competent authorities.

All countries

Indefinite

UAE is a small market and is already saturated. Preferential treatment, on a case-by-case basis, may have to be accorded in order to get mutually advantageous benefits for the UAE.

8C-1

ANNEX 8C

TELECOMMUNICATIONS SERVICES

Article 1:

Scope and Definitions

1. This Annex applies to measures by Parties affecting trade in telecommunications services¹. It shall not apply to measures relating to broadcasting or to cable distribution of radio or television programming.²² Nothing in this Annex shall be construed to: (a) require a Party to compel any enterprise to establish, construct, acquire, lease, operate, or provide telecommunications networks or services where such networks or services are not offered to the public generally; (b) require a Party to compel any enterprise exclusively engaged in the broadcast or cable distribution of radio or television programming to make available its broadcast or cable facilities as a public telecommunications transport network; or (c) prevent a Party from prohibiting persons operating private networks from using their networks to supply public telecommunications transport networks or services to third parties.³ For the purpose of this Annex: (a) a regulatory authority

means the body or bodies charged

with any of the regulatory tasks assigned in relation to the issues mentioned in this Annex; (b) 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 supply a service; (c) major supplier

means a supplier which 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: ¹

² Trade in telecommunications services shall be understood in accordance with the definitions contained in Article 8.1 (Definitions), and also includes measures in respect of the access to and use of public telecommunications networks and services.

2

³ Broadcasting shall be defined as provided for in the relevant domestic law of each Party.

C, , , , ? : : : , , ,

8C-2

(i) control

over essential facilities; or(ii)the use of its position in the market.(d)public

telecommunications transport

network

means

the

publictelecommunications

infrastructure which permits telecommunicationsbetween and among defined network termination points;(e)public telecommunications transport service

means anytelecommunications transport service required, explicitly or in effect, by a Party to be offered to the public generally. Such services may include,inter alia, telegraph, telephone, telex, and data transmission typicallyinvolving the

real-time transmission of customer-supplied

informationbetween two or more points without any end-to-end change

in the form ofthe customer's information;(f)reference interconnection offer

means an interconnection offer extendedby a major supplier that is sufficiently detailed to

enable a supplier of apublic

telecommunications service to know the rates and conditions toobtain interconnection;

and(g)telecommunications

means

the transmission and reception of signals byany electromagnetic means

such as sound, data image and anycombination thereof. The sector of telecommunications services does notcover the economic

activity consisting of content provision which requirestelecommunications

services for its transport.Article 2: Competitive Safeguards

1.Each Party shall maintain appropriate measures for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.2.The anti-competitive practices referred to in paragraph 1 shall include, in particular:(a)engaging in anti-competitive cross-subsidization;(b)using information obtained from competitors with anti-competitive results;and(c)not making

available to other suppliers of public telecommunications networks or services

on a timely basis technical

information about essential facilities and commercially relevant information which are necessary for them to supply services.'

8C-3

Article 3: Interconnection

1.Each Party shall ensure that suppliers of public telecommunications networks or services in its territory take appropriate steps to protect, inter alia:(a)the privacy of individuals in relation to the processing and dissemination of

personal data;(b)the confidentiality

of individual records; and(c)the confidentiality of commercially sensitive information of, or relating to,

suppliers

and end-users of telecommunications services. Data and information obtained by a telecommunications service supplier shall only be used for the purpose of providing those services.2.Nothing in this Annex restricts the right of a Party to protect

personal data, personal privacy and the confidentiality of individual records

and accounts, and other information protected under law. Article

4: Universal Service

1. Each Party has the right to define the kind of universal service obligation it wishes to have. 2. Measures by Parties governing universal service shall be transparent, objective and non-discriminatory. They shall also be neutral with respect to competition and not be more burdensome than necessary for the kind of universal service defined by the Party. Article

5: Licensing Procedure

1. Where a license is required for the supply of a telecommunications service, the competent authority of a Party shall make the following publicly available: (a) the terms and conditions for such a license; and (b) the

period of time normally required to reach a decision concerning an

application for a license or a concession. 2. Where a license is required for the supply of a telecommunications service, and if the applicable conditions are fulfilled, the competent authority of a Party shall endeavour

to grant the applicant a license within a reasonable period of time after the submission of its application is considered complete under that Party's law. 3. The competent authority of a Party shall notify the applicant of the outcome of its application promptly after a decision has been taken. In case a decision is taken'

8C-4

to deny an application for a license, the competent authority of a Party shall make known to the applicant, upon request, the reason for the denial.

Article 6: Independent Regulatory Authority.

4.

Each Party's regulatory authority for telecommunications services shall be separate from, and not accountable to, any supplier of basic telecommunications services.

5.

Each Party shall ensure that the decisions of, and the procedures used by, its regulatory authority are impartial with respect to all market participants.

Article 7: Scarce Resources

1.

Each Party shall ensure that its procedures for the allocation and use of scarce telecommunications resources, including frequencies

and

numbers, are carried out in an objective, timely, transparent, and non-discriminatory

manner

in accordance to the Party's laws and regulations.

Each

Party

shall

make publicly available the current state of allocated frequency bands, but detailed identification of frequencies allocated for specific government uses shall not be required.

2.

When assigning a spectrum for commercial telecommunications services, each Party shall endeavour

to rely as a rule on open and transparent process that considers the public interests.

Article

8: Resolution of Telecommunications Disputes

Each Party shall ensure that:

(a)

suppliers may submit a recourse to its regulatory authority or other relevant body to resolve disputes regarding major suppliers;

(b)

a supplier that has requested interconnection with a major supplier, has recourse at any time or after a reasonable publicly specified period of time to its regulatory authority to resolve disputes regarding appropriate terms, conditions and rates for interconnection with that major supplier within a reasonable timeframe; and

(c)

suppliers affected by the decisions of its regulatory authority have recourse to appeal to an independent administrative body and/or a court in accordance with the Party's law.

Article

9: Transparency

In the application of Article 8.9

(Domestic Regulation), each Party shall ensure that relevant information on conditions affecting access to and use of public telecommunications transport networks and services is publicly available, including:

,

8C-5

(a)tariffs and

other terms and conditions of service;(b)specifications of technical interfaces with such networks and services;(c)information on bodies responsible for the preparation and adoption ofstandards affecting such access and use;(d)conditions

applying to attachment of terminal or other equipment to thepublic

telecommunications network; and(e)notifications, registration or licensing requirements, if any.Article

10: Flexibility in the Choice of Technologies 1.Neither Party may prevent suppliers of public telecommunications transportservices from having the flexibility to choose the technologies that they use to supplytheir services, including commercial mobile wireless services, subject to requirementsnecessary to satisfy legitimate public policy interests, provided that any measurerestricting such choice is not prepared, adopted, or applied in a manner that createsunnecessary obstacles to trade.2.For greater certainty, nothing in this Annex shall be construed to prevent atelecommunications regulatory body from requiring the proper license or otherauthorization to supply each public telecommunications transport service.'

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ANNEX 8D

FINANCIAL

SERVICES

Article

1: Scope and Definitions

1. This Annex applies to measures by Parties affecting trade in

financial services. 12. Article 8.1(a)

(Definitions) shall not apply to services covered by this Annex. 3. In the event of any inconsistency between this Annex and any other provision in this Agreement, this Annex shall prevail to the extent of the inconsistency. 4. For the purpose of this Annex: (a) financial institution

means any financial intermediary or other juridical person

that is authorized to do business and regulated or supervised as a financial institution, under the laws and regulations

of the Party in whose territory it is located. (b) financial

service

means any service of a financial nature offered by a financial service supplier of a Party. Financial services include all insurance and insurance-related services, and all banking and other financial services (excluding insurance). Financial services include the following activities: (i) Insurance and insurance-related services (A) direct insurance (including co-insurance): (I) life; (II) non-life; (B) reinsurance and retrocession; (C) insurance inter-mediation, such as brokerage and agency;

and (D) services auxiliary to insurance, such as consultancy, actuarial, risk

assessment and claim settlement services; (ii) Banking and other financial services (excluding insurance): (A) acceptance of deposits and other repayable funds from the public; 1

? Trade in financial services? shall be understood in accordance with the definition of ?trade in services? contained in

paragraph (u)

of Article 8.1 (Definitions).

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(B) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction; (C) financial leasing; (D) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts; (E) guarantees and commitments; (F) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following: (I) money market instruments (including checks, bills, certificates of deposits); (II) foreign exchange; (III) derivative products including, but not limited to, futures and options; (IV) exchange rate and interest rate instruments, including products such as swaps, forward rate agreements; (V) transferable securities; (VI) other negotiable instruments and financial assets, including bullion; (G) participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues; (H) money broking; (I) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services; (J) settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments; (K) provision and transfer of financial information, financial data processing and related software;

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(L) advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv) above, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy. (c) financial service supplier

means any natural or juridical person of a Party that seeks to supply or supplies financial services. The term

? financial service supplier? does not include

a public entity. (d) new financial service

means any financial service, including services related to existing and new products or the manner in which a product is delivered, that is not supplied by any

financial service supplier in the territory of a Party but which is supplied

and regulated

in the territory of the other Party. (e) public entity

means: (i) a government, a central bank or a monetary authority of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or (ii) a private entity, performing functions normally performed by a central bank or monetary authority, when exercising those functions; (f) services

supplied in the exercise of governmental authority means: (i) activities conducted by a central bank or a monetary authority or by any other public entity in pursuit of monetary or exchange rate policies; (ii) activities forming part of a statutory system of social security or public retirement plans; and (iii) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the Government. For the purposes of the Article 8.1 (Definitions), if a Party allows any of the activities,

referred to in subparagraphs (ii)

or (iii)

above,

to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier, ?services? shall include such activities.

Article

2: Payment and Clearing Systems

Under terms and conditions that accord national treatment, each Party shall grant to financial institutions

of the other Party established

in its territory access to

the use of

8D-4

payment and clearing systems operated by public entities and to liquidity management

facilities

available in the normal course of ordinary business. This paragraph is not intended to confer access to a Party's lender of last resort facilities.

Article

3: Prudential Carve-Out 1. Notwithstanding any other provisions of this Chapter, a Party

shall not be prevented from adopting

or maintaining measures for prudential reasons

including for: (a) the protection of investors, depositors, policy-holders, policy claimants, persons to whom a fiduciary duty is owed by a financial service supplier or any similar financial market participants;

or (b) ensuring the integrity and stability of a Party's financial system. 2. Where

such measures do not conform with the provisions of this Agreement, they shall not be used as a means of avoiding the Party's commitments or obligations under this Agreement. 3. Nothing in this Agreement shall be construed to require a Party to disclose information relating to personal data the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities. 4. For greater certainty

without prejudice to other means of prudential regulation of the cross-border supply of financial services, a Party may for prudential reasons

require the registration, authorization, or non-objection of cross-border suppliers of financial services of the other Party. Article

4: Recognition 1. A Party may recognize

prudential measures of a non-Party in determining how the Party's measures relating to financial services shall be applied.

Such recognition, which may be achieved through harmonization or otherwise, may be based upon an agreement or arrangement between that Party and the non-Party, or may be accorded autonomously. 2. A Party that is a party to an agreement or arrangement of the type referred to in subparagraph (1) with a non-Party, whether at the time of entry into force of this Agreement or thereafter, shall afford adequate opportunity for the other Party to negotiate its accession to such agreements or arrangements, or to negotiate comparable ones with it, under circumstances in which there would be equivalent regulation, oversight, implementation of such regulation, and, if appropriate, procedures concerning the sharing of information between the Parties to the agreement or

arrangement. Where a Party

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accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that such circumstances exist.

Article 5: New Financial Services

Recognizing the rapid development of financial services market, for greater certainty the Parties reaffirm their right to regulate and to introduce new regulations on the supply of new financial services within their territories.

Article

6: Exchange of Information

Each

Party, in accordance with its applicable laws and regulations, may share information with the other Party, on the basis that such information will be used solely for supervisory purposes

and

provided that

the confidentiality of information is maintained.

Article

7: Knowledge sharing

The Parties

shall

exchange

knowledge, knowhow and capabilities in areas of interest to

each Party, including the latest financial development technologies,

Islamic finance, research and the exchange of employees for the purpose of capacity building in accordance with their domestic laws

and regulations.

Article

8: Cooperation in Financial Services

The Parties agree to explore cooperation

in

areas of mutual interest, which may include

payment linkages

and sustainable finance.

Article

9: Data Processing

1. Each Party, in accordance with its applicable

and prevailing

laws and regulations, may

permit a financial service supplier of the other Party to transfer information in electronic or other form,

to be used only for the purposes for which it was shared for, into and out of its territory, for data processing where such processing is required in the ordinary course of business of such financial service supplier. 2. Nothing in this

Annex

restricts the right of a Party to protect personal data, personal privacy and the confidentiality of individual records and accounts,

and other information protected under its applicable

laws and regulations.

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Article 10: Specific Exceptions

1. For greater certainty, nothing in this Annex shall be construed to prevent a Party, including its public entities, from exclusively conducting or providing in its territory activities or

services forming part of a public retirement plan or statutory system of social security, except when those activities may be carried out, as provided by the Party's domestic regulation, by financial service suppliers in competition with public entities or private institutions. 2. For greater certainty, nothing in this Agreement applies to activities or measures conducted or adopted by a central bank or monetary, exchange rate or credit authority or by any other public entity in pursuit of monetary and related credit or exchange rate policies. 3. For greater certainty, nothing in this Annex shall be construed to prevent a Party, including its public entities, from exclusively conducting or providing in its territory activities or services for the account or with

the guarantee or using the financial resources of the Party, or its public entities, except when those activities may be carried out, as provided by the Party's domestic regulation, by financial service suppliers in competition with public entities or private institutions. 4. Notwithstanding Article 8.11

(Payments and Transfers),

nothing in this Annex shall be construed to prevent a Party from adopting measures that limits transfers by a

financial service supplier to, or for the benefit of, an affiliate of or person related to such institution or supplier, through the equitable, non-discriminatory, and good faith application of measures relating to maintenance of the safety, soundness, integrity, or financial responsibility of financial institutions or cross-border financial service suppliers. This paragraph does not prejudice any other provision of this Agreement that permits a Party to restrict transfers. Article 11: Expedient Application Procedures

1. Where a license is required for the supply of financial

services,

and if the applicable requirements are fulfilled, the competent authorities of a Party shall reach an administrative decision

on an application, within six months after the submission of the application

is

considered complete

under that Party's domestic laws and regulations. 2. Where

it is not practicable for such a decision to be made within six months, the competent authority shall notify the applicant without undue delay

the status of application, based on the applicant's request and shall endeavour

to make the decision within a reasonable period of time thereafter.

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3. If the competent authorities of a Party require additional information from the applicant in order to process its application, they shall notify the applicant without undue delay, in line with its laws and regulation. Article 12: Dispute Settlement

Panels established pursuant to Chapter 16 (Dispute Settlement) for disputes related to financial services suppliers and other financial matters shall have the necessary expertise relevant to the specific financial service under dispute.

9-1 CHAPTER 9

DIGITAL TRADE

Article 9.1: Definitions

For purposes of this Chapter:

(a) electronic authentication

means the process or act of verifying the identity of a party to an electronic communication or transaction and ensuring the integrity of an electronic communication; (b) electronic signature

means data in electronic form that is in, affixed to,

or logically associated

with, a digital or electronic document, and that may be used to identify or verify the signatory in relation

to the digital or electronic document and indicate the signatory's approval of the information contained in the digital or electronic document or message; (c) electronic transmission

or transmitted electronically

means a transmission made using any electromagnetic

means, including by photonic means; (d) government data

means data (i) held by the central government, and (ii) public disclosure of which is

not restricted under domestic law

and which a Party makes digitally available for public access and use; (e) metadata

means structural or descriptive information about data such as content, format, source, rights, accuracy, provenance, frequency, periodicity, granularity, publisher or responsible party, contact information, method of collection and context; (f) personal data

means any information, including data, about an identified or identifiable natural person; (g) trade administration documents

means

forms issued or controlled by a Party that must be completed by or for an importer or exporter in connection with the import or export of goods; and (h) unsolicited commercial electronic message

means an electronic message which is sent for commercial or marketing purposes to an electronic address, without the consent of the recipient or despite the explicit rejection of the recipient, through an Internet access service supplier or, to the extent provided for under the laws and regulations of each Party, other telecommunications service.~

9-2 Article 9.2: Objectives

1. The Parties recognise the economic growth and opportunity that digital trade provides, the importance of avoiding barriers to its use and development, the importance of frameworks that promote

trust and

confidence in digital trade, and the applicability of the WTO Agreement to measures affecting digital trade. 2. The Parties seek to foster an environment conducive to the further advancement of digital trade, including electronic commerce and the digital transformation of the global economy, by strengthening their bilateral relations on these matters. Article 9.3: Scope

1. This Chapter shall apply to measures adopted or maintained by a Party

that affect trade by electronic means. 2. This Chapter shall not apply to: (a) government procurement;

or (b) information held or processed by or on behalf of a Party, or measures related to such information, including measures related to its collection. 3. For greater certainty, the Parties affirm that measures affecting the supply of a service delivered or performed electronically are subject to the obligations contained in the

relevant provisions of Chapter 8

(Trade in Services) and its Annexes and Chapter 10

(Investment Facilitation), including any exceptions or limitations set out in this Agreement that are applicable to those obligations. Article 9.4: Customs Duties

1. No Party shall impose customs duties on digital or electronic transmissions, including content transmitted electronically, between a person of one Party and a person of another Party. 2. The

practice referred to in paragraph 1 is in accordance with the WTO Ministerial Decision

of 17 June 2022

in relation to the Work Programme on Electronic Commerce (WT/MIN(22)/32). 3. Each

party may adjust its practice referred to in paragraph 1 with respect to any further outcomes in the WTO Ministerial Decisions on customs duties on electronic transmissions within the framework of the Work Programme on Electronic Commerce. 4. The

Parties shall review this Article in light of any further WTO Ministerial Decisions in relation to the Work Programme on Electronic Commerce.~

9-35. For greater certainty, this Article

shall not preclude a Party from imposing internal taxes, fees or other charges on content transmitted digitally or electronically, provided that such taxes, fees or charges are imposed in a manner consistent with this

Agreement. Article 9.5: Domestic Electronic Transactions Framework

1. Each Party shall endeavour

to maintain a legal framework governing electronic transactions consistent with the principles of the UNCITRAL Model Law on Electronic Commerce

(1996) or the United Nations Convention on the Use of Electronic Communications in International Contracts, done at New York on 23 November 2005. 2. Each Party shall endeavour to: (a) avoid any unnecessary regulatory burden on electronic transactions; and (b) facilitate input by interested persons in the development of its legal framework for electronic transactions, including in relation to trade

administration

documents. Article 9.6: Electronic Signatures and

Electronic Authentication

1. Except in circumstances otherwise provided for under its law, a Party shall not deny the legal validity of a signature solely on the basis that the signature is in digital or electronic form. 2. Neither Party shall adopt or

maintain measures regarding authentication that would: (a) prohibit parties to an electronic transaction from mutually determining the appropriate authentication methods for that transaction; or (b) prevent parties to an electronic transaction from having the opportunity to establish before judicial or administrative authorities that their transaction complies with any legal requirements with respect to authentication. 3. Notwithstanding paragraph 2, a Party may require that, for a particular category of transactions, the method of authentication meets certain performance standards or is certified by an authority accredited in accordance with its law. 4. The Parties shall encourage the use of interoperable means of authentication. ~

9-4 Article 9.7: Paperless Trading

Each Party shall endeavour to: (a) make trade administration documents available to the public in digital or electronic form; and (b) accept

trade administration documents submitted electronically as the legal equivalent of the paper version of those documents. Article 9.8: Online Consumer Protection

1. The Parties recognise the importance of adopting and maintaining transparent and effective measures to protect consumers from misleading, deceptive, and fraudulent

commercial practices when they engage in digital trade. 2. Each Party shall

endeavour to adopt or maintain consumer protection laws to proscribe misleading, deceptive, and fraudulent commercial activities that cause harm or potential harm to consumers engaged in digital trade. 1 Article 9.9: Personal Data Protection

1. The Parties recognise the economic and social benefits of protecting the personal data

of persons who conduct or engage in electronic transactions and the contribution that this makes to enhancing consumer confidence in digital trade. 2. To this end, each

Party shall endeavour

to adopt or maintain a legal framework that provides for the protection of the personal data of the users of digital trade. 2

In the development of any legal framework for the protection of personal data, each Party should endeavour to take into account principles and guidelines of relevant international organisations. Article 9.10: Principles on Access to and Use of the Internet for Digital Trade

To support the development and growth of digital trade, each Party recognises

that consumers in its territory should be able to

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For greater certainty, a Party may comply with the obligation in this paragraph by adopting or maintaining measures such as generally-applicable consumer protection laws or regulations or sector-

or medium-specific laws or regulations regarding consumer protection.

2

For greater certainty, a Party may comply with the obligation in this paragraph by adopting or maintaining measures such as a comprehensive privacy, personal information or personal data protection laws, sector-specific laws covering privacy, or laws that provide for the enforcement of voluntary undertakings by enterprises relating to privacy.

,

9-5(a)access

and use services and applications of their choice, unless prohibited by the Party's law;

and (b) connect their choice of devices to the internet, provided that such devices do not harm the network and are not otherwise prohibited by the Party's law.

Article 9.11: Unsolicited Commercial Electronic Messages

1. Each Party shall endeavour to adopt or maintain measures regarding unsolicited commercial electronic messages that

(a) require a supplier of unsolicited commercial electronic messages to facilitate the ability of a recipient to prevent ongoing reception of those messages; (b) require the consent, as specified in the laws and regulations of each Party, of recipients to receive commercial electronic messages; or (c) otherwise provide for the minimisation of unsolicited commercial electronic messages.

2. Each Party shall endeavour to provide recourse against a supplier of unsolicited commercial electronic messages that does not comply with a measure adopted or maintained in accordance with paragraph

1.3. The Parties shall endeavour to cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages.

Article 9.12: Cross-Border Flow of Information

1. The Parties recognise that each Party may have its own regulatory requirements concerning the

transfer of information by electronic means.

2. A Party shall not prevent cross-border transfer of information by electronic means where such activity is for the conduct of the business of a covered person.

3. Nothing

in this Article shall prevent a Party from adopting or maintaining: (a) any measure inconsistent with paragraph 2 that it considers necessary to achieve a legitimate public policy objective, provided that the measure is not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade; or (b) any measure

that it considers necessary for the protection of its essential security interests. Such measures shall not be disputed by the other Party.

Article 9.13: Open Government

Data

1. The

Parties recognise that facilitating public access to and use of government information and data contributes to stimulating economic and social benefit, competitiveness, productivity improvements and innovation.

To the extent that a Party chooses to make available government information and

data

to the public, it shall endeavour to ensure

(a) that the information is appropriately anonymised, contains descriptive metadata and is in a machine readable and open format that allows it to be searched, retrieved, used, reused

and redistributed freely by the public; and (b) to the

extent practicable, that the information is made available in a spatially enabled format with reliable, easy to use and freely available Application Programming Interfaces (APIs)

and is regularly updated.

2. The Parties shall endeavour to cooperate to identify ways in which each Party can expand access to

and use of government data, with a view to enhancing and generating business and research opportunities.

3. For greater certainty, this Article is without prejudice to a Party's laws and regulations including but not limited to intellectual property and personal data protection.

Article 9.14: Electronic Invoicing

1. The

Parties recognise the importance of electronic invoicing to increase the efficiency, accuracy and reliability of commercial transactions.

Each Party also recognises the benefits of ensuring that the systems used for electronic invoicing within its territory are interoperable with the systems used in the other Party's territory.² Each

Party shall endeavour to ensure that the implementation of measures related

to electronic invoicing in its territory supports cross-border

interoperability between the Parties' electronic invoicing frameworks.

To this end, each Party

shall endeavour to base

its measures relating to electronic invoicing on international

frameworks.³ The

Parties recognise the economic importance of promoting the global adoption of electronic invoicing systems, including interoperable international frameworks.

To this end, the Parties shall endeavour to

(a) promote, encourage, support or facilitate the adoption of electronic invoicing

by enterprises; (b) promote

the existence of policies, infrastructure and processes that support electronic invoicing; ~

9-7 (c) generate

awareness of, and build capacity for, electronic invoicing; and (d) share

best practices and

promote the adoption of interoperable international electronic invoicing systems. Article 9.15: Electronic Payments

1. Recognising the rapid growth of electronic payments,

the Parties shall endeavour to support the development of efficient, safe and secure cross-border electronic payments by:

(a) fostering the adoption and use of internationally accepted standards for electronic payments; (b) promoting

interoperability and the

inter-connection of

electronic payment infrastructures; and (c) encouraging innovation and collaboration

in electronic payments services.² To this end and in accordance with their respective laws and regulations,

each Party shall endeavour

(a) to make publicly available, its laws and regulations of general applicability relating to electronic payments, including in

relation to regulatory approval, licencing requirements, procedures and technical standards; (b) to finalise decisions on regulatory or licencing approvals

relating to electronic payments

in a timely manner; (c) not to arbitrarily or unjustifiably discriminate between financial institutions and other payment service providers

as applicable in relation to access to services and infrastructure necessary for the operation of

electronic payment systems; (d) to take into account, for relevant electronic payment systems, internationally accepted payment standards to enable greater interoperability between payment systems; (e) to facilitate the use of open platforms and architectures such as tools and protocols provided for through APIs and encourage financial institutions and other payment service providers as applicable to safely and securely make APIs for their products and services available to third parties, where possible, to facilitate greater interoperability, innovation and competition in electronic payments; and (f) to facilitate innovation and collaboration, and recognise the importance of enabling the introduction of new financial and electronic payment products and services in a timely manner, such as through adopting regulatory and industry

sandboxes.~

9-8Article 9.16: Cooperation

1.Recognising the importance of digital trade to their respective

economies, the Parties shallendeavour to maintain a dialogue on regulatory matters relating to digital trade with a view tosharing information and experiences, as appropriate, including on related laws, regulations, andtheir implementation, and best practices with respect to digital trade, including but not limited to:(a)online consumer protection;(b)personal data

protection;(c)unsolicited commercial electronic messages;(d)electronic signatures and electronic authentication;(e)intellectual property concerns with respect to digital trade;(f)challenges for small and medium-sized enterprises in digital trade;(g)digital government;(h)transformative technologies including artificial intelligence and blockchain;(i)digital identities; and(j)other

areas of mutual interest between the Parties.2.The Parties have a shared vision to promote secure digital trade and recognise that threats tocybersecurity undermine confidence in

digital trade.

Accordingly, the Parties recognise theimportance of:(a)building the capabilities of their governmental agencies

responsible for computer security incident response; and(b)using existing collaboration mechanisms to cooperate on matters related to cybersecurity.

Chapter 10. INVESTMENT FACILITATION

Article 10.1. UAE-Malaysia Promotion and Protection of Investments

The Parties note the existence of and reaffirm the rights and obligations under the Agreement Between the Government of the United Arab Emirates and the Government of Malaysia for the Promotion and Protection of Investments, signed at Kuala Lumpur, on 11 October 1991 (UAE-Malaysia Bilateral Investment Agreement) and any subsequent amendments thereto.

Article 10.2. Promotion and Facilitation of Investments

1. The Parties affirm their desire to promote an attractive investment climate and expand trade in products and services. Consistent with Article 2 (Promotion and Protection of Investments) of the UAE-Malaysia Bilateral Investment Agreement, the Parties shall take appropriate measures to encourage and facilitate the exchange of goods and services and to secure favorable conditions for long-term economic development and diversification of trade between the two countries.

2. The Parties shall endeavour to publish or otherwise make publicly available its laws, regulations and international agreements that may affect the investments of investors of the other Party. Each Party shall endeavour to simplify procedures for investment applications. When a Party has admitted an investment on its territory, it shall endeavour to provide, in accordance with its laws and regulations, necessary authorisations in connection with such investment.

Article 10.3. Technical Council

The Parties shall establish a United Arab Emirates-Malaysia Technical Council on Investment (the Council), which shall be composed of representatives of both Parties. The United Arab Emirates will be chaired by Ministry of Finance and Malaysia will be chaired by Ministry of Investment, Trade and Industry. The Council may establish working groups as the Parties deem necessary.

Article 10.4. Objectives of the Council

The objectives of the Council are as follows:

(a) to promote and enhance investment facilitation and economic cooperationbetween the Parties;

(b) to monitor trade and investment relations, to identify opportunities for expandinginvestment and to identify issues relevant to investment that may be appropriatefor negotiation in an appropriate forum;

- (c) to hold consultations on specific investment matters of interest to the Parties;
- (d) to work toward the enhancement of investment flows;
- (e) to identify and work toward the removal of impediments to investment flows; and
- (f) to seek the views of the private sector, where appropriate, on matters related to the work of the Council.

Article 10.5. Role of the Council

The Council shall meet at such times and venues as agreed by the Parties, but the Parties shall endeavour to meet no less than once per year. A Party may refer a specific trade or investment matter to the Council by delivering a written request to the other Party that includes a description of the matter concerned. The Council shall take up the matter promptly after the request is delivered unless the requesting Party agrees to postpone discussion of the matter. Each Party shall endeavour to provide for an opportunity for the Council to discuss a matter before taking actions that could adversely affect the trade or investment interests of the other Party.

Article 10.6. Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter.

CHAPTER 11 GOVERNMENT PROCUREMENT

Article 11.1: Objectives

The Parties recognise the importance of developing cooperation between the Parties and the promotion of transparency of laws, regulations and procedures in the field of government procurement.

The Parties recognise the role of government procurement in furthering the economic integration of Parties to promote growth and employment.

Article 11.2: Scope

This Chapter shall apply to the laws, regulations and procedures of a Party regarding government procurement implemented by its central government entities, as defined or notified by that Party for the purposes of this Chapter.

Article 11.3: Transparency

1. Each Party shall:

- (a) make publicly available its laws and regulations; and
 - (b) endeavour to make publicly available its procedures, regarding government procurement, which may include information on where tender opportunities are published.
2. To the extent possible and as appropriate, each Party endeavours to make available and update the information referred to in paragraph 1 through electronic means.
3. Each Party may specify in Annex 11A (Paper or Electronic Means Utilised by Parties for the Publication of Transparency Information) the paper or electronic means utilised by that Party to publish the information referred to in paragraph 1.
4. Each Party may make the information referred to in paragraph 1 available in the English language.

Article 11.4: Cooperation

The Parties endeavour to cooperate on matters relating to government procurement with a view to achieving a better understanding of each Party's respective government procurement systems. Such cooperation may include:

- (a) exchanging information, to the extent possible, on Parties' laws, regulations and procedures and any modifications thereof;
- (b) providing training, technical assistance, or capacity building to Parties and sharing information on these initiatives as provided for in Chapter 14 (Economic Cooperation);
- (c) sharing information, where possible, on best practices, including those in relation to small and medium enterprises;

and(d)sharing information, where possible, on electronic procurement systems.

Article 11.5: Review

The Parties may review this Chapter within the period stipulated in Article 19.5 (General Review), with a view to improving this Chapter in the future to facilitate government procurement, as agreed by the Parties.

Article

11.6:

Contact Points

Each Party shall, within 30 days of the date of entry into force of this Agreement for that Party,

designate one or more contact points to facilitate cooperation and information sharing under this Chapter and notify the other Parties of the relevant details of that contact point or those contact points.

Each Party shall promptly notify the other Parties of any change regarding the relevant details of its contact point or contact points.

Article

11.7:

Non-Application

of Dispute Settlement No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter.

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ANNEX 11A

PAPER OR ELECTRONIC MEANS UTILISED BY PARTIES FOR THE PUBLICATION OF TRANSPARENCY INFORMATION

Paper or electronic means utilised for the publication of laws, regulations, general application, and procedures regarding government procurement covered by this Agreement:

For United Arab Emirates:

(a)laws and regulations: <https://mof.gov.ae/general-revenue-and-expenditure/>(b)Digital Procurement

Platform:

<https://mof.gov.ae/government-procurement-operations/>(c)supplier registration: <https://mof.gov.ae/supplier-registration-in-federal-supplier-register/>For Malaysia:

(a)<https://www.treasury.gov.my>(b)<https://myprocurement.treasury.gov.my>G;;,--- ? ----

12-1CHAPTER 12

INTELLECTUAL PROPERTY RIGHTS

SECTION A: GENERAL PROVISIONS

Article 12.1: Definition

For the purposes of this Chapter, intellectual property

embodies

copyright and related rights, patents and utility models, trademarks, industrial designs,

layout-designs (topographies) of integrated circuits,

geographical indications,

plant varieties

and

protection

of undisclosed information.

Article 12.2: Objectives

The protection and enforcement of intellectual property rights should contribute to the promotion of trade, investment, technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

Article 12.3: Principles

1. Appropriate measures, provided that they are consistent with this Chapter, may be needed to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology. 2. A Party may, in formulating or amending its laws and regulations, adopt measures necessary to protect public health and nutrition, and to promote the public interest in sectors of vital importance to their socio-economic and technological development, provided that such measures are consistent with the provisions of this Chapter.

Article 12.4: Nature and Scope of Obligations

Each Party shall give effect to the provisions of this Chapter. A Party may, but shall not be obliged to, provide more extensive protection for or enforcement of, intellectual property rights under its laws and regulations

than is required by this Chapter, provided that such protection or enforcement does not contravene the provisions of this Chapter. Each Party shall be free to determine the appropriate method of implementing the provisions of this Chapter within its own legal system and practice.

Article 12.5: International Agreements

1. The Parties reaffirm their obligations set out in the following multilateral agreements: (a) TRIPS Agreement; (b) the Patent Cooperation Treaty

done at Washington on 19 June 1970, as amended on 28 September 1979 and modified on 3 February 1984 and 3 October 2001; (c) the Paris Convention for the Protection of Industrial Property

done at Paris on 20 March 1883, as revised at Stockholm on 14 July 1967 and amended on 28 September 1979; (d) the Berne Convention for the Protection of Literary and Artistic Works

done at Berne on 9 September 1886, as revised at Paris on 24 July 1971 and amended on 28 September 1979

(Berne Convention); (e) the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

adopted at Madrid on 27 June 1989, as amended on 3 October 2006 and 12 November 2007; (f) the WIPO Performances and Phonograms Treaty adopted in Geneva on 20 December 1996

(WPPT); (g) the WIPO Copyright Treaty

adopted in Geneva on 20 December 1996

(WCT); (h) the Budapest Treaty on the International Recognition of the Deposit of Micro-

11-6 organisms for the Purposes of Patent Procedure

done at Budapest on 28 April 1977, as amended on 26 September 1980; and (i) the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who are Blind, Visually Impaired, or Otherwise Print Disabled adopted in Marrakesh on 27 June 2013

(Marrakesh Treaty). 2. Each Party shall endeavour to ratify or accede to

the 1991 Act of International Convention for the Protection of New Varieties of Plants

as revised at Geneva on 19 March 1991. Article 12.6: Intellectual Property and Public Health

The Parties recognise the principles established in the Declaration on The TRIPS Agreement and Public Health

adopted on 14 November 2001 (Doha Declaration) by the Ministerial Conference of the WTO and confirm that the provisions of this Chapter are without prejudice to the Doha Declaration.

12-3 Article 12.7: National Treatment

1. In respect of all categories of intellectual property covered in this Chapter, each Party shall accord to nationals of another Party treatment no less favourable than it accords to its own nationals with regard to the protection of intellectual property rights in accordance with Article 3(1) of TRIPS

Agreement. 2. A Party may derogate from paragraph 1 in relation to its judicial and administrative procedures, including requiring a national of another Party to designate an address for service of process in its territory, or to appoint an agent in its territory, provided that such derogation is: (a) necessary to secure compliance with laws or regulations that are not inconsistent with this Chapter; and (b) not applied in a manner that would constitute a disguised restriction on trade. 3. Paragraph 1 does not apply to procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights. Article 12.8: Transparency

1. Each Party shall endeavour, subject to its laws

and regulations,

to make general information concerning application and registration of trademarks, geographical indications, industrial designs, patents and plant variety rights accessible for the general public. 2. The Parties also acknowledge the importance of informational materials, such as publicly accessible databases of registered intellectual property rights that assist in the identification of subject matter that has fallen into the public domain. 3. Each Party shall endeavour to make available such information in English language. Article 12.9: Application of Chapter to Existing Subject Matter and Prior Acts

1. Unless otherwise provided, this Chapter gives rise to obligations in respect of all subject matter existing at the date of entry into force of this Agreement for a Party and that is protected on that date in the territory of a Party where protection is claimed, or that meets or comes subsequently to meet the criteria for protection under this Chapter

without unreasonably impairing the fair interest of the third parties. 2. Unless provided in this Chapter, a Party shall not be required to restore protection to subject matter that on the date of entry into force of this Agreement for that Party has fallen into the public domain in its territory.

12-4 Article 12.10: Exhaustion of Intellectual Property Rights

Each Party shall be free to establish its own regime for exhaustion of intellectual property rights.

SECTION B: COOPERATION

Article 12.11: Cooperation Activities and Initiatives

1. The Parties shall endeavour to cooperate on the subject matter covered by this Chapter, such as through appropriate coordination, training and exchange of information between the respective intellectual property offices of the Parties, or other institutions, as determined by each Party. 2. Cooperation activities and initiatives undertaken under this Chapter shall be subject to the availability of resources

and on request, and on terms and conditions mutually agreed upon between the Parties. Cooperation may cover areas such as: (a) developments

in

intellectual property law and policies; (b) training and capacity building programs; (c) promoting the role of IP rights protection in innovation, technology transfer, commercialization of innovation; (d) enforcement of intellectual property rights;

and (e) other areas of collaborations mutually agreed by the Parties. SECTION C: TRADEMARKS

Article 12.12: Types of Signs Registrable as Trademarks

No Party shall require, as a condition of registration, that a sign be visually perceptible, nor shall a Party deny registration of

a trademark only on the ground that the sign of which it is composed is a sound. Additionally, each Party shall make best efforts to register scent marks. A Party may require a concise and accurate description, or graphical representation, or both, as applicable, of the trademark.

12-5 Article 12.13: Collective and Certification Marks

Each Party shall provide that trademarks include collective marks and certification marks. A Party is not obligated to treat certification marks as a separate category in its laws and regulations, provided that those marks are protected. Each Party shall also provide that signs that may serve as geographical indications are capable of protection under its trademark system¹

in accordance with its laws and regulations.

Article 12.14: Use of Identical or Similar Signs

Each Party shall provide that the owner of a registered trademark has the exclusive right to prevent third parties that do not have the owner's consent from using in the course of trade identical or similar signs, including subsequent geographical indications,²

3

for goods or services that are related to those goods or services in respect of which the owner's trademark is registered, where such use would result in a likelihood of confusion. In the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Article 12.15:

Exceptions

A Party may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that those exceptions take account of the legitimate interest of the owner of the trademark and of third parties.

Article 12.16:

Well-Known Trademarks

1. No Party shall require as a

condition for determining that a trademark is well-known that the trademark has been registered in the Party or in another jurisdiction, included on a list of well-known trademarks, or given prior recognition as a well-known trademark.² Article 6 bis

of the Paris Convention shall apply, mutatis mutandis, to goods or services that are not identical or similar to those identified by a well-known trademark,⁴

whether registered or not, provided that use of that trademark in relation to those goods or services would indicate a¹

Consistent with the definition of a geographical indication in Article 12.24, any sign or combination of signs shall be eligible for protection under one or more of the legal means for protecting geographical indications, or a combination of such means.

2

For greater certainty, the exclusive right in this Article applies to cases of unauthorised use of geographical indications with goods for which the trademark is registered, in cases in which the use of that geographical indication in the course of trade would result in a likelihood of confusion as to the source of the goods.

3

For greater certainty, the Parties understand that this Article should not be interpreted to affect their rights and obligations under Articles 22 and 23 of the TRIPS Agreement.

4

In determining whether a trademark is well-known in a Party, that Party need not require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant goods or services.

12-6 connection between those goods or services and the owner of the trademark and provided that the interests of the owner of the trademark are likely to be damaged by such use.

3. Each Party recognises the importance of the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks

as adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of WIPO at the Thirty-Fourth Series of Meetings of the Assemblies of the Member States of WIPO September 20 to 29, 1999. 4. Each Party shall provide for appropriate measures to refuse the application or cancel the registration and prohibit the use of a trademark that is identical or similar to a well-known trademark⁵, for identical or similar goods or services, if the use of that trademark is likely to cause confusion with the prior well-known trademark. A Party may also provide such measures including in cases in which the subsequent trademark is likely to deceive. Article 12.17: Procedural Aspects of Examination, Opposition and Cancellation

Each Party shall provide a system for the examination and registration of trademarks which includes among other things:

(a) communicating to the applicant in writing, which may be by electronic means, the reasons for any refusal to register a trademark; (b) providing the applicant with an opportunity to respond to communications from the competent authorities, to contest any initial refusal and to make a judicial appeal of any final refusal to register a trademark; (c) providing an opportunity to oppose the registration of a trademark or to seek cancellation of a trademark; and (d) requiring administrative decisions in opposition and cancellation proceedings to be reasoned and in writing, which may be provided by electronic means. Article 12.18: Electronic Trademarks System

Each Party shall provide

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(a) a system for the electronic application for and maintenance of, trademarks; and (b) a publicly available electronic information system, including an online database, of trademark applications and of registered trademarks.⁵

The Parties understand that a well-known trademark is one that was already well-known before, as determined by a Party, the application for, registration of or use of the first-mentioned trademark.

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12-7 Article 12.19: Classification of Goods and Services

Each Party shall adopt or maintain a trademark classification system that is consistent with the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, done on 15 June 1957, as revised and amended (Nice Classification). Each Party shall provide that

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(a) registrations and the publications of applications indicate the goods and services by their names, grouped according to the classes established by the Nice Classification⁶; and (b) goods or services may not be considered as being similar to each other on the ground that, in any registration or publication, they are classified in the same class of the Nice Classification. Conversely, each Party shall provide that goods or services may not be considered as being dissimilar from each other on the ground that, in any registration or publication, they are classified in different classes of the Nice Classification. Article 12.20: Term of Protection for Trademarks

Each Party shall provide that initial registration and each renewal of registration of a trademark is for a term of no less than 10 years.

Article 12.21: Non-Recordal of a License

No Party shall require recordal of trademark licenses:

(a) to establish the validity of the license; or (b) as a condition for use of a trademark by a licensee to be deemed to constitute use by the holder in a proceeding that relates to the acquisition, maintenance or enforcement of trademarks. Article 12.22: Domain Names

In connection with each Party's system for the management of its country-code top-level domain (ccTLD) domain names, the following shall be available:

6

A Party that relies on translations of the Nice Classification shall follow updated versions of the Nice Classification to the extent that official translations have been issued and published.

12-8(a)an appropriate procedure for the settlement of disputes, based on, or modelled along the same lines as, the principles established in the Uniform Domain-Name Dispute-Resolution Policy, as approved by the Internet Corporation for Assigned Names and Numbers (ICANN) or that:(i)is designed to resolve disputes expeditiously and at low cost;(ii)is fair and equitable;(iii)is not overly burdensome; and(iv)does not preclude resort to judicial proceedings; and(b)online public access to a reliable and accurate database of contact information concerning domain name registrants,

in accordance with each Party's laws and regulations

and, if applicable, relevant administrator policies regarding the protection of privacy and personal data. SECTION D: COUNTRY NAMES

Article 12.23: Country Names

Each Party shall provide the legal means for interested persons to prevent commercial use of the country name of a Party in relation to a good in a manner that misleads consumers as to the origin of that good.

SECTION E: GEOGRAPHICAL INDICATIONS

Article 12.24: Protection

of Geographical Indications

1. Geographical indication means an indication that identifies a good as originating in the territory of a Party, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. 2. The Parties reaffirm that geographical indications may be protected through a trademark or sui generis

system or other legal means. 3. The Parties shall provide administrative procedures for the registration or recognition of geographical indications through

a trademark or a sui generis

system. The Parties shall, with respect to applications for that registration or requests for the recognition, ensure that its laws and regulations governing the filing of those applications or requests are readily available to the public and clearly set out the procedures for these actions.,

12-94. If a Party grants protection to a geographical indication, the protection shall commence no earlier than the filing date⁷

or the registration date in that Party according to the laws and regulations of each Party. SECTION F: Patents⁸

Article 12.25: Grace Period for Patents

Each Party shall disregard information contained in public disclosure of a patent related to an application to register a patent if the public disclosure:

(a) was made by the inventor, applicant or a person that obtained the information from the inventor or applicant inside or outside the territory of each Party; and (b) occurred within at least 12 months prior to the date of filing of the application. Article 12.26: Procedural Aspects of Examination, Opposition and Invalidation of Certain Registered Patent

Each Party shall provide a system for the examination and registration of patents which includes among other things:

(a) communicating to the applicant in writing, which may be by electronic means, the reasons for any refusal to register patent; (b) providing the applicant with an opportunity to respond to communications from the competent authorities, to contest any initial refusal and to make a judicial appeal of any final refusal to register patent; (c) providing an opportunity for interested parties to seek cancellation or invalidation of a registered patent and in addition may provide an opportunity for interested parties to oppose the registration of patent; and (d) making decisions in opposition, cancellation, or invalidation

proceedings to be reasoned and

in writing, which may be delivered by electronic means. Article 12.27: Amendments, Corrections and Observations

7

For greater certainty, the filing date referred to in this Article includes, as applicable, the priority filing date under the Paris Convention.

8 For greater certainty, patent may include utility model in accordance with each Party's laws and regulations.

12-101. Each Party shall provide an applicant for patent with at least one opportunity to make amendments, corrections or observations in connection with its application. 2. Each Party shall provide a right holder of patent with opportunities to make amendments or corrections after registration provided that such amendments or corrections do not change or expand the scope of the patent right as a whole. 9 Article 12.28: Exceptions

A Party may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the right holder, taking account of the legitimate interests of third parties.

Section G: Industrial Design

Article 12.29: Industrial Design Protection

1. Each Party

shall ensure that requirements for securing or enforcing registered industrial design protection do not unreasonably impair the opportunity to obtain or enforce such protection. 2. Each Party shall ensure adequate and effective protection of industrial designs and also confirms that protection for industrial designs is available for designs: (a) embodied in a part of an article; or, alternatively, (b) having a particular regard, where appropriate, to a part of an article in the context of the article as a whole. 3. The duration of protection available for registered industrial designs shall amount to at least 20 years from the date of filing. 4. This Article is subject to Articles

25 and 26 of the TRIPS Agreement. Article 12.30: Grace Period for Industrial Design

Each Party shall disregard information contained in public disclosure of a design related to an application to register an industrial design if the public disclosure?

9

It is understood that the amendments or corrections which do not change or expand the scope of the right means that the scope of the patent right stays the same as before or is reduced. '

12-11 (a) was made by the designer, applicant or a person that obtained the information from the designer or applicant inside or outside the territory of each Party; and (b) occurred within at least 6

months prior to the date of filing of the application. Article 12.31:

Procedural Aspects of Examination, Opposition and Invalidation

of Certain Registered Industrial Design

Each Party shall provide a system for the examination and registration of industrial designs which includes among other things:

(a) communicating to the applicant in writing, which may be by electronic means, the reasons for any refusal to register industrial design; (b) providing an opportunity for interested parties to seek cancellation or invalidation of a registered industrial design and in addition may provide an opportunity for interested parties to oppose the registration of industrial design; and (c) making decisions in opposition, cancellation, or invalidation proceedings to be reasoned and in writing, which may be delivered by electronic means. Article 12.32: Amendments and Corrections

Each Party shall provide a right holder of industrial design with opportunities to make amendments or corrections after registration provided that such amendments or corrections do not change or expand the scope of the industrial design right as a whole. 10

Article 12.33:

Exceptions

A Party may provide limited exceptions to the exclusive rights conferred by an industrial design, provided that such exceptions do not unreasonably conflict with a normal exploitation of the industrial design and do not unreasonably prejudice

the legitimate interests of the right holder, taking account of the legitimate interests of third parties.

SECTION G: COPYRIGHT AND RELATED RIGHTS

Article 12.34: General Provision

10

It is understood that the amendments or corrections which do not change or expand the scope of the right means that the scope of the industrial design right stays the same as before or is reduced. '

12-121. Without prejudice to the obligations set out in the international agreements to which the Parties are parties, each Party shall, in accordance with its laws and regulations, grant and ensure adequate and effective protection to the authors of works and to performers, producers of phonograms and audio-video fixations

and owner of broadcast work

for their works, performances, phonograms, audio-video fixations and broadcasts, respectively. 2. In addition to the protection provided for in the international agreements to which the Parties are parties or which the Parties shall ratify or accede to under the Agreement, each Party shall: (a) grant and ensure protection as provided for in Articles 5, 6, 7, 8 and 10 of the WPPT, mutatis mutandis, to performers for their audio-visual

and visual performances; and (b) grant and ensure protection as provided for in Articles 11

through 14 of the WPPT, mutatis mutandis, to producers of audio-video fixations. 3. Each Party shall ensure that the owner of broadcast work has at least the exclusive right to control the recording, the reproduction, and the rebroadcasting, of the whole or a substantial part of the broadcast, and the rebroadcasting by wireless means of broadcasts. 4. Each Party may, in its laws and regulations, provide for the same kinds of limitations or exceptions with regard to the protection of performers for their visual and audio-visual performances, to the protection of producers of audio-video fixations

and of owner of broadcast work

as it provides for, in its laws and regulations, in connection with the protection of copyright in literary and artistic works. Article 12.35: Term of Protection for Copyright and Related Rights

Each Party shall provide that in cases in which the term of protection of a work, performance or phonogram is to be calculated:

(a) on the basis of the life of a natural person, the term shall be not less than the life of the author and 50 years after the author's death; (b) the term of the protection to be granted to performers under the Agreement shall last, at least, until the end of a period of 50 years

computed from the beginning of the calendar year next following the year in which the performance was fixed; (c) the term of protection to be granted to producers of phonograms and of audio-video fixations under the Agreement shall last, at least, until the end of a period of 50 years computed from the beginning of the calendar year

next following the year

in which the phonogram and audio-video fixations

was published, or failing such publication within 50 years from fixation of the phonogram and audio-video fixations, 50 years from the end of the year in which the fixation was made;

and,

12-13 (d) the term of protection to be granted to owner of the broadcast work

under this Agreement shall last,

at least,

20 years computed from the end of the year in which the broadcast took place. Article 12.36: Limitations and Exceptions

1. With respect to this Section, each Party shall confine limitations or exceptions to exclusive rights to certain special cases that do not conflict with a normal exploitation of the work, performance or phonogram and do not unreasonably prejudice the legitimate interests of the right holder. 2. This Article does not reduce or extend the scope of applicability of the limitations and exceptions permitted by the TRIPS Agreement, the Berne Convention, the WCT or the WPPT. Article 12.37: Balance in Copyright and Related Rights Systems

Each Party shall endeavour to achieve an appropriate balance in its copyright and related rights system, among other things by means of limitations or exceptions that are consistent with Article 12.36, including those for the digital environment, giving due consideration to legitimate purposes such as but not limited to,

criticism,

comment,

news reporting,

teaching,

scholarship,

research and other similar purposes,

and facilitating access

to published works for persons who are blind, visually impaired or otherwise print disabled.¹¹,

¹²Article 12.38: Contractual Transfers

Each Party shall provide that for copyright and related rights, any person acquiring or holding any economic right¹³

in a work, performance or phonogram ?

(a) may freely and separately transfer that right by contract; and (b) by virtue of contract, including contracts of employment underlying the creation of works, performances or phonograms, shall be able to exercise that right in that person's own name and enjoy fully the benefits derived from that right.¹⁴

As recognised by the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled, done at Marrakesh, June 27, 2013 (Marrakesh Treaty).

¹²

For greater certainty, a use that has commercial aspects may in appropriate circumstances be considered to have a legitimate purpose under Article 12.36.

¹³

For greater certainty, this provision does not affect the exercise of moral rights.

¹⁴

Nothing in this Article affects a Party's ability to establish: (i) which specific contracts underlying the creation of works, performances or phonograms shall, in the absence of a written agreement, result in a transfer of economic rights by operation of law and (ii) reasonable limits to protect the interests of the original right holders, taking into account the legitimate interests of the transferees.

¹²⁻¹⁴Article 12.39: Obligations concerning Protection of Technological Measures and Rights Management Information

1. Each party shall provide adequate and effective legal remedies against any person who knowingly, without authorisation removes or alters any electronic rights management information and/or distributes, imports for distribution, broadcasts or communicates to the public, without authority, works or copies of works knowing that electronic rights management information has been removed or altered without authority. 2. For the purposes of this Article, the expression rights-

management information

means any information provided by a right holder that identifies the work or other subject matter that is the object of protection under this Chapter, the author or any other right holder, or information about the terms and conditions of use of the work or other subject matter and any numbers or codes that represent such information. Paragraph 1 shall apply when any of these items of information is associated with a copy of, or appears in connection with the communication

to the public of, a work or other subject matter that is the object of protection under this Chapter. Article 12.40: Collective Management

The Parties recognise the role of collective management societies for copyright and related rights in collecting and distributing royalties

based on practices that are fair, efficient, transparent and accountable, which may include appropriate record keeping and reporting mechanisms.

SECTION I: ENFORCEMENT

Article 12.41: General Obligation

in Enforcement

Each Party shall ensure that enforcement procedures as specified in this Section are available under its laws and regulations so as to permit effective action against any act of infringement of intellectual property rights covered by this Chapter, including expeditious remedies to prevent infringements and remedies that constitute a deterrent to future infringements. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.

Article 12.42: Border Measures

1. Each Party shall, in conformity with its laws

and regulations and the provisions of Part III, Section 4 of the TRIPS Agreement,

adopt or maintain procedures to enable a right holder, who has valid grounds for suspecting that the importations of counterfeit trademark or pirated copyright,

12-15 goods may take place, to lodge an application in writing with the competent authorities

of

the Party in which the border measure procedures are applied, for the suspension by that Party's customs authorities of the release into free circulation of such goods.

2. A Party

may enable such an application to be made in respect of goods which involve other infringements of intellectual property rights, provided that the requirements of Part III, Section 4 of the TRIPS

Agreement are met. A Party may also provide for corresponding procedures concerning the suspension by the customs authorities of the release of infringing goods destined for exportation from their territory as per its laws and regulation.,

13-1 CHAPTER 13

SMALL AND MEDIUM-SIZED ENTERPRISES

Article 13.1:

General Principles

1. The Parties, recognizing the fundamental role of SMEs in maintaining dynamism and enhancing competitiveness of their respective economies, shall foster close cooperation between SMEs of the Parties and cooperate in promoting jobs and growth in SMEs. 2. The Parties recognize the integral role of the private sector in the SME cooperation to be implemented under this Chapter. Article 13.2:

Information Sharing

1. Each Party shall promote the sharing of information related to this Agreement that is relevant to

SMEs, including through the establishment and maintenance of a publicly accessible information platform and through information exchange to share knowledge, experiences and best practices

among the Parties. 2. The information to be made publicly accessible

referred to in Paragraph 1 will

include

the following: (a) the full text of this Agreement; (b) information on trade and investment-related laws and regulations that each Party considers relevant to SMEs, such as: (i) customs regulations, procedures, or enquiry points; (ii) regulations or procedures concerning intellectual property, trade secrets and patent protection rights; (iii) technical regulations, standards, quality or conformity assessment procedures; (iv) sanitary or phytosanitary measures relating to importation or exportation; and (v) foreign investment regulations; (c) additional

business-related information that each Party considers

useful for SMEs interested in benefitting from the opportunities provided by this Agreement. 3. Each Party shall make publicly accessible the information referred to in Paragraph 1, on a website established by the Party.'

13-24. Where, in accordance with Paragraph 3, a Party makes information publicly accessible, including through online means, that information may include links to any equivalent websites of the other Parties. 5. Each

Party shall, as appropriate,

review the information referred to in

Paragraph 2 and the links referred to in Paragraph 4 to ensure that the information provided is

accurate and up-to-date. 6. Each Party shall work towards ensuring that information made publicly accessible for SMEs. Where

possible, each Party shall endeavour to make the information referred to in Paragraph 2 available in the English language. Article 13.3:

Cooperation 1. With a view to more robust cooperation between the Parties to enhance commercial opportunities for SMEs, each Party shall seek to increase trade and investment opportunities and in particular shall

(a) promote cooperation between the Parties, to create an international network for sharing best practices, exchanging market research and promoting SME participation in international trade, as well as business growth in local markets; (b) strengthen its collaboration with the other Party

on activities to promote SMEs owned by women and

youth, as well as start-ups

and promote partnership among these SMEs and their participation in international trade; (c) enhance its cooperation with the other Party

to exchange information and best practices in areas including improving SME access to capital and credit, SME participation in covered government procurement opportunities and helping SMEs adapt to

changing market conditions; (d) encourage participation in any

platform

as appropriate,

for business entrepreneurs and counsellors

to share information and best practices to help SMEs link with international suppliers, buyers and other potential business partners;

and (e) any other area of

cooperation as appropriate agreed between both Parties.2.Cooperation

activities undertaken under this Chapter are subject to the availability of resources and any terms and conditions agreed between the Parties.Article 13.4:

Sub-Committee on SME Issues

1.The Parties hereby establish the

Sub-Committee on SME Issues (SME Sub-Committee),comprising
national and local

government representatives of each Party.'

13-32.The SME Sub-Committee shall

?(a)identify ways to assist SMEs of the Parties to take advantage of the commercial opportunities and benefits under this Agreement. This may include exchange and discuss each Party's experiences and best practices in supporting and assisting SME exporters with respect to, among other things, training programs, trade education, trade finance, trade missions, trade facilitation, digital trade, identifying commercial partners in the territories of the Parties

and establishing good business credentials;(b)consider any other matters pertaining to SMEs as appropriate and as agreed by the Parties, including any issues raised by SMEs regarding their ability to benefit from this Agreement;(c)review and coordinate its work program with the work of other Sub-Committees,working groups, and other subsidiary bodies established under this Agreement, as well as of other relevant international bodies, to avoid duplication of work programs and to identify appropriate opportunities for cooperation to improve the ability of SMEs to engage in trade and investment opportunities resulting from this Agreement;(d)facilitate the development of programs to assist SMEs to participate and integrate effectively into the Parties' regional and global supply chains;(e)update the Joint

Committee as required and make recommendations as appropriate;and(f)decide on appointment of respective contact points as appropriate.3.The SME Sub-Committee shall convene within one year after the date of entry into force of this

Agreement and thereafter meet annually, unless the Parties decide otherwise.4.The SME Sub-Committee may seek to collaborate with appropriate experts and international donor organizations in carrying out its programs and activities.Article 13.5:

Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement)

for any matter arising under this Chapter.

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14-1CHAPTER 14

ECONOMIC COOPERATION

Article 14.1:

Objectives

1.The Parties reaffirm the importance of economic cooperation activities between them and shall promote cooperation activities under this Agreement,

in areas of mutual interest,

for their mutual benefit,

with the aim to

liberalize and

facilitate trade and investment between the Parties and foster economic growth.2.Economic cooperation under this Chapter, shall be built upon a common understanding between the Parties to support the implementation of this Agreement, with the

objective of maximising its benefits, supporting pathways to trade and investment facilitation and further improving market access and

openness to contribute to the sustainable inclusive economic growth and prosperity of the Parties. Article 14.2:

Scope

1. Economic cooperation under this Chapter shall support the effectiveness and efficiency of the implementation and utilisation of this Agreement through activities that relate to trade and investment as set out in the Implementing Arrangement to be agreed by

the Parties and those further developed in the Work Programme. Parties shall identify and develop cooperative activities which are

capable of providing added value to the bilateral relationship after the date of entry into force of this Agreement. 2. The Parties shall explore and undertake economic cooperation activities,

that shall initially focus, on the following areas: (a) manufacturing industries; (b) agriculture, forestry and fisheries; (c) tourism; (d) energy; (e) the global value chains; (f) trade and investment promotion; (g) intellectual property; (h) information and communication technology; (i) capacity building and technical assistance; (j) competition; ~ ? =---

14-2(k) SME; and (l) other matters, as agreed upon among the parties. 3. The Parties may agree in the Annual Work Programme on Economic Cooperation Activities to modify the above list, including by adding other areas for economic cooperation. 4. Economic cooperation between the Parties should contribute to achieving the objectives of this Agreement through the identification and development of cooperation initiatives capable of providing added value to the bilateral relationship, taking into account on-going efforts and resources available of the Parties. Article

14.3:

Annual Work Program on Economic Cooperation Activities

1. The Sub-Committee on Economic Cooperation shall adopt an Annual Work Programme on Economic Cooperation Activities (hereinafter "Annual Work Programme") based on proposals submitted by the Parties which may include fields and forms of cooperation, contact points, and if applicable, timeframes for the fulfilment of economic cooperation. 2. Each activity in an Annual Work Programme developed under this Chapter shall

(a) be guided by the objectives agreed in Article 14.1; (b) be related to trade or investment and support the implementation of this Agreement; (c) involve both Parties; (d) address the mutual priorities of the Parties; and (e) avoid duplicating existing economic cooperation activities. The Annual Work Programme shall include periodic reporting to Parties, and shall be subjected to periodic review and modification from time to time by the Joint Committee.

Article 14.4:

Competition Policy

1. The Parties shall endeavour to promote competition in markets through cooperation that includes sharing of the relevant experiences, expertise and non-confidential information on the development and implementation of competition law and policy, subject to their domestic laws and regulations. 2. The Parties may consult on matters related to anti-competitive practices and their adverse effects to trade. The consultations shall be without prejudice to the autonomy of each Party to uphold, maintain and enforce its domestic competition laws and regulations. ~ ? =---

14-3 Article 14.5:

Resources

1. Resources for economic cooperation under this Chapter shall be provided in a manner as agreed by the Parties and in accordance with the laws and regulations of the Parties. 2. The Parties, on the basis of mutual benefit, may consider cooperation with

and contributions from, external parties to support the implementation of the Annual Work Programme. Article 14.6:

Forms

of Cooperation

The Parties will endeavour

to encourage technical, technological and scientific economic cooperation in a manner as agreed by the Parties and in accordance with the laws and regulations of the Parties, through the following ways:

(a) joint organisation of conferences, seminars, workshops, meetings, training sessions and

outreach and education programs; (b) exchange of delegations, professionals, technicians and specialists from the academic sector, institutions dedicated to research, private sector and governmental agencies, including study visits and internship programs for professional training; (c) dialogue and exchange of experiences between the Parties' private sector and agencies involved in trade promotion; (d) initiation of the knowledge-sharing platform aiming to transfer experience and best practices in the field of government development and modernisation

to other countries through UAE's Government Experience Exchange Programme; (e) promote joint business initiatives between entrepreneurs of the Parties; and (f) any other form of cooperation that may be agreed by the Parties. Article 14.7:

Sub-Committee on Economic Cooperation

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Sub-Committee on Economic Cooperation (Sub-Committee) which shall comprise of Government representatives of the Parties. 2. The Sub-Committee shall undertake the following functions: (a) monitor and assess the implementation of this Chapter; (b) identify new opportunities and agree on new ideas for prospective cooperation or capacity building activities; (c) formulate and develop Annual Work Programme proposals and their implementation mechanisms; ~ ? =---

14-4 (d) coordinate, monitor and review progress of the Annual Work Programme to assess its overall effectiveness and contribution to the implementation and operation of this Chapter; (e) suggest amendments or modification if deemed necessary to the Annual Work Programme through periodic evaluations; (f) cooperate with other Sub-Committees and/or subsidiary bodies established under this Agreement to perform stocktaking, monitoring and benchmarking on any issues related to the implementation of this Agreement, as well as to provide feedback and assistance in the implementation and operation of this Chapter; and (g) report to and if deemed necessary, consult with the Joint Committee in relation to the implementation and operation of this Chapter. 3. In order to ensure the proper functioning of the Sub-Committee, each Party shall designate a contact point within a time as agreed between parties. Each Party will notify the other Party promptly of any change of contact point. 4. The Sub-Committee shall convene its inaugural meeting within a time to be agreed by the parties and subsequently meet at a venue and time to be agreed by the Parties. Article 14.8:

Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter.

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15-1 CHAPTER 15

ISLAMIC ECONOMY

Article 15.1: Definition

For the purposes of this Chapter, the following definitions shall apply:

(a) halal

means permissible in accordance with Halal rules in Islamic shariah; and (b) Islamic Economy

means economic activities and processes, including inter alia securing, producing, trading, disseminating, investing and financing of goods and services,

that are in accordance with Islamic rules and principles. Article 15.2: Objectives and Scope

1. This Chapter is based on the principles of cooperation, common values and interests, considering the differences in the level of development, as appropriate. 2. The Parties

recognise that the various sectors of Islamic Economy include

but are not limited to: (a) raw materials; (b) food and beverages; (c) pharmaceuticals and nutraceuticals; (d) cosmetics and personal care; (e) modest fashion; (f) tourism; (g) media and recreation; (h) logistics services; and (i) Islamic finance. 3. The

Parties

recognise that all sectors of the Islamic Economy are interdependent and mutually reinforcing the industry's growth, promotion, and development. Both Parties recognise that promoting the development of the Islamic Economy can be an engine for sustainable economic growth and diversification.

15-24. The

Parties shall strive to facilitate and promote investment, financing, trade-in, and dissemination

of, goods and services that contribute to the development of the Islamic Economy. 5. The Parties shall endeavour to expand bilateral trade volumes, knowledge

transfer, and investment of the Islamic Economy to achieve desired outcomes

and fully tap the market potential of the Islamic Economy. 6. The Parties underline the importance of promoting inclusive economic growth through supporting the contribution of micro,

small, and medium-sized enterprises

in the Islamic Economy. 7. The Parties

agree that sectors related to Islamic Economy must be provided with capacity-building programs to support Islamic Economy development. 8. The Parties emphasise the importance of information, innovation, education, training, research, empowerment programs and digitalisation in multiple

sectors of the Islamic Economy at all levels to contribute to Islamic Economy development. 9. The Parties agree to exchange views and cooperate in this area, either bilaterally, regionally or multilaterally. 10. Except as otherwise

provided, this Chapter applies to various

aspects of the Islamic

Economy in all its multi-dimensions. Article 15.3: Rights and Obligations

Each

Party

reserves

the right to supervise its

Islamic Economic

sectors in accordance with its laws

and regulations,

and its national interests, consistent with the rights and obligations

of both Parties under this Agreement.

Article 15.4: Cooperation on Mutual Recognition

of

Halal Certification

1. Subject to

the

Parties?

laws, regulations and national policies, the

Parties recognise the importance of cooperation on mutual recognition of halal certification

through the following means: (a) strengthening and promoting the cooperation on shariah

and technical procedures in halal certification between the Parties; and (b) facilitating

movement of local products from both countries through mutual recognition of halal certification of local products exported between the two countries. 2. The above means will be achieved through a memorandum of cooperation between the Parties.

15-3

Article 15.5: Cooperation in Halal Goods and Services

1.

The

Parties recognise the importance of developing sectors relating

to halal goods and services in a manner consistent with

Article 15.2.

2.

Subject to laws and regulations enforced in the respective countries, the Parties shall

cooperate to

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(a)

promote and provide necessary support

for economic cooperation

between

enterprises of halal products and Muslim-friendly services that operate in both Parties' territories, in accordance with their respective laws and regulations;

(b)

facilitate

and promote cross-border investment between both Parties that

contribute to the development of sectors related to halal products and Muslim-friendly services that include

but are

not limited to halal industrial parks or estates, halal ports, special economic zones for Muslim-friendly tourism and other supporting infrastructures for the halal industry;

(c)

develop and implement the effective and integrated value chain of halal goods and Muslim-friendly services between both Parties' territories;

(d)

establish international halal hubs in regions of each Party to

expand economic cooperation on the Islamic Economy with other Organisation of Islamic Cooperation member States;

(e)

develop and promote a halal assurance system on a halal industrial estate for securing domestic needs and reaching the export potential market of both Parties;

and

(f)

develop guiding principles, technical guidance

or best practices to

advance halal products and Muslim-friendly services sectors.

Article 15.6: Islamic Finance

The Parties recognise

the importance of developing sectors

of Islamic finance, where they

shall endeavour to

?

(a)

promote and facilitate the utilisation of Islamic finance for cross-border investments and activities within the Islamic Economy sectors;

(b)

provide ease of doing business

to Islamic financial institutions

and related professional service providers, including facilitating license to operate and business process support, in compliance with

the Parties?

laws and regulations;

15-4encourage integration of sustainable

practices with Islamic finance and effective utilisation of Islamic social finance instruments such as zakat and waqf;

(c)promote greater cooperation between both Parties to foster greater harmonisation ofpractices especially for cross-border investments and activities;(d)enhance the Parties? global thought leadership and innovation in Islamic financethrough collaboration in

research and development, capacity building, knowledgesharing, events, publications, and any other manner deemed essential by the Parties;and(e)examine other areas for mutual collaboration and cooperation as may be identified oragreed to by the Parties from time to time.Article 15.7: Micro, Small and Medium Enterprises

The Parties recognise the importance of developing SMEs operating in sectors of the Islamic Economy, in accordance with the promotion of inclusive growth, where they agree to cooperate to:

(a)provide

effective literacy and empowerment programs to

strengthen and upscale SMEsof the Islamic Economy;

and(b)integrate

SMEs into the global value chain of sectors of Islamic Economy betweenboth Parties? territories.Article 15.8: Digital Islamic Economy

1.The Parties recognise

the importance of digitalisation

of Islamic Economy.2.The Parties agree to cooperate in relation

to expanding all aspects of the digital IslamicEconomy between both Parties that include but are not limited to the centre

of Islamic economy,integrated information system or digitalised

value chain for halal traceability, digital IslamicEconomy ecosystem, incubator facilities and Shariah-compliant venture capital for digital start-ups in Islamic Economy.Article 15.9: Cooperation in Research, Innovation and Human Resources

1.The Parties agree to strengthen

their cooperation on jointly enhancing human resourcecapabilities and collaborating

on research and innovation to

achieve a global competitive edge in sectors of the Islamic Economy.

15-52.For paragraph 1, the Parties agree

to cooperate in initiatives that include but are not limitedto,

formulating competency standards

for human resources in the Islamic Economy, cooperationof halal incubation centres

for empowering micro and small enterprises and collaboration on halalresearch and development centres

and universities for producing breakthrough innovation relatedto sectors of Islamic Economy.Article 15.10: Cooperation in International Fora

The Parties agree to strengthen their cooperation on issues of mutual interest to jointly promote the Islamic Economy, including trade and investment-related aspects, standards development and best practices in relevant bilateral, regional and multilateral

fora.

Article 15.11: Transparency and Exchange of Information in Islamic Economy

1.Each Party shall disclose its regulations and procedures for trade in products, services

andprocesses under the Islamic Economy.

Each Party shall endeavour to provide and update theinformation electronically and in English. Any additions, amendments or exclusions shall becommunicated

by each Party.2.The

Parties shall exchange information on promoting and disseminating

halal and Islamiccertification

or accreditation, conformity assessment, conformity scheme, permissible commercialinformation

related to the Islamic Economy, and other related areas of mutual interest to respectivegovernment bodies, government-owned

and private business entities.3.A Party may request another Party to provide

permissible

information on any matter arisingunder this Chapter. A Party receiving a request under this paragraph shall provide that informationwithin a reasonable period

no later than 60 days, and if possible, by electronic means addressed tothe contact point as stated in Article 15.14.4.For greater certainty, a Party may request technical discussions with the other Partyregarding technical regulations and

equivalency procedures, which

may significantly affect

trade.5.The relevant Parties shall discuss the matter raised within 60 days of the date of the request.If a requesting Party considers the matter urgent, it may request that any discussions occur

within a shorter time frame. The Parties shall attempt to obtain a satisfactory resolution of the matter as expeditiously as possible, recognising that the time required to resolve a matter will depend on various

factors and that it may not be possible to resolve every matter through technical discussions.Article 15.12: Islamic Economy Cooperation

Committee

The Parties shall establish an Islamic Economy Cooperation Committee to further the trade of goods and services

and the investment in the

Islamic economy sector. At the discretion of the

15-6Islamic Economy Cooperation Committee,

sub-committees

and working groups may be formed on a long-term or temporary basis as needed. This Islamic Economy Cooperation Committee should meet once a year

or at closer intervals as needed.

Article 15.13: Review

The Parties shall periodically review, in the Islamic Economy Cooperation Committee, the progress achieved in pursuing

the implementation of all the provisions and outcomes of this Chapter and consider

relevant international developments to identify areas where further action

could promote these objectives.

Article 15.14: Contact Points

1.Within 60 days of the date of entry into force of this Agreement, each Party shall designate a contact point for matters arising under this Chapter.2.A Party shall promptly notify the other Parties of any change of its contact point or the details of the relevant officials.3.The responsibilities of each contact point shall include?(a)communicating with the other Parties? contact points, including facilitating discussions, requests and the timely exchange of information on matters arising under this Chapter;(b)communicating with and coordinating the involvement of relevant government agencies, including regulatory authorities, in its territory on relevant matters pertaining to this Chapter;(c)consulting and if appropriate, coordinating with interested persons in its territory on relevant matters pertaining to this Chapter; and(d)carrying out any additional responsibilities specified by the Islamic Economy Cooperation Committee in this Chapter.Article 15.15: Non-Application of Dispute Settlement No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter.

16-1

CHAPTER 16

DISPUTE SETTLEMENT

Article

16.1: Definitions

For the purposes of this Chapter, the following definitions shall apply unless the context otherwise requires:

(a)Complaining Party

means a Party that requests the establishment of a panel under Article 16.8;(b)Parties

means collectively the Complaining Party and the Responding Party;(c)Party

means

individually the Complaining Party or the Responding Party to the dispute;

and(d)Responding Party

means a Party that receives the request for the establishment of a panel under Article 16.8. Article

16.2:

Objective

The objective of this Chapter is to establish

an effective,

efficient

and transparent mechanism for settling disputes between the Parties concerning the interpretation and application of this Agreement with a view to reaching, where possible, a mutually agreed solution.

Article 16.3: Cooperation

The

Parties shall endeavour

to agree on the interpretation and application of this Agreement and shall make every attempt through cooperation to arrive at a mutually satisfactory resolution of any matter that might affect the

operation

of this Agreement.

Article 16.4: Scope

1.Except as provided in paragraphs 2 and 3, this Chapter shall apply with respect to the settlement of any dispute between the Parties concerning the interpretation or application of this Agreement (hereinafter referred to as 'covered provisions'),

wherever a Party considers that:(a) a measure of the other Party is inconsistent with its obligations under this Agreement; or(b) the other Party otherwise failed to carry out its obligations under this Agreement.G;,,--- ? ----

16-22.This Chapter shall not cover non-violation complaints and other situation complaints.3.The Parties agree that neither Party shall have recourse to dispute settlement under this Chapter for any matter arising under the following Chapters of this Agreement:(a) Trade Remedies,

except section A (Bilateral Safeguard Measures);(b) Sanitary and Phytosanitary Measures;(c) Investment Facilitation;(d) Government Procurement;(e) Small and Medium-Sized Enterprises;(f) Economic Cooperation;

and(g) Islamic Economy. Article 16.5: Contact Points

1.Each Party shall designate a contact point to facilitate communications between the Parties

with respect to any dispute initiated under this Chapter.2.Any request, notification, written submission or other document made in accordance with this Chapter shall be delivered to

the other Party through its designated contact point. Article 16.6

: Consultations

1.The Parties shall endeavour

to resolve any dispute referred to in Article 16.4

by entering into consultations in good faith with the aim of reaching a mutually agreed solution.2.A Party shall seek

consultations by means of a written request

delivered to the other Party identifying the reasons for the request, including the measure at issue and

a description of its factual basis and the legal basis specifying the covered provisions that it considers applicable.³The Party to which the request for consultations is made

shall reply to the request promptly, but no later than 10 days after the date of receipt of the request.

Consultations shall be held within 60 days after

the date of receipt of the request.

The consultations shall be deemed to

be

concluded within 60 days of the date of receipt of the request, unless the

Parties agree otherwise.⁴Notwithstanding paragraph 3, consultations on matters of urgency including those which concern perishable goods or where appropriate, seasonal goods or seasonal services, shall be held within 10

days after

the date of receipt of the request.

The consultations shall be deemed to be concluded within

16-3 to be concluded within

20

days

of the date of receipt of the request

unless the Parties agree otherwise.

5. During consultations,

each Party shall provide sufficient information so as to allow a complete examination of the measure at issue including how that measure is affecting the operation and application of this Agreement.⁶Consultations, including all information disclosed and positions taken by the Parties during

consultations, shall be confidential and without prejudice to the rights of either Party in any further proceedings.⁷Consultations may be held in person or by any other means of communication agreed by the Parties. Unless the Parties

agree otherwise, consultations, if held in person, shall take place in the territory of the Party to which the request is made.⁸If the Party to which the request is made does not respond to the request for consultations within 10 days of the date of its receipt, or if consultations are not held within the timeframes laid down in paragraph 3 or in paragraph 4 respectively, or if the Parties agree not to have consultations, or if consultations have been concluded and no mutually agreed solution has been reached, the Party that sought consultations may have recourse to Article 16.8. Article 16.7: Good Offices, Conciliation or Mediation

1. The Parties

may at any time agree to enter into good offices,

conciliation or mediation. They may begin at any time and be terminated by either Party

at any time.²Proceedings involving good offices,

conciliation or mediation and the particular positions taken by the Parties

in these proceedings, shall be confidential and without prejudice to the rights of either Party

in any further proceedings under this Chapter or any other proceedings before a forum selected by the Parties.³ If the Parties agree,

procedures for good offices,

conciliation or mediation may continue while the panel procedures proceed.

Article 16.8: Establishment of a Panel

1. The Complaining Party may request the establishment of a panel if: (a) the Responding

Party does not reply to the request for consultations in accordance to the time frames referred in Article 16.6; or (b) the consultations referred to in Article 16.6 are not held or fail to settle a dispute within 30

days or 20

days in relation to matter of urgency

including those which concern

perishable goods after the date of the receipt of the request for consultations by the Responding

Party. G.;, --- ? ----

16-42. The request for the establishment of a panel shall be made by means of a written request delivered

to the Responding Party

and shall identify the measure at issue and indicate the factual basis of the complaint and the legal basis specifying the relevant covered provisions in a manner sufficient to present how such measure is inconsistent with those provisions.³ When a request is made by the Complaining Party in accordance

with

paragraph 1, a panel shall be established.

Article 16.9: Composition of a Panel

1. Unless the Parties

agree otherwise, a panel shall consist of three panellists.² Within 30

days after the request for the establishment of a panel is made in accordance with Article 16.8.2, each Party

shall appoint a panellist

and notify to the

other Party of its appointment.

The Parties

shall, by common agreement, appoint the third panellist, who shall serve as the chairperson of the panel, within 45

days after the establishment of a panel in accordance with Article 16.8.3.3. If Party

fails to appoint a panellist

within the period established in paragraph 2, the

other Party, within a period of 20 days,

may request the Director-General of the WTO to appoint the unappointed panellists within 20

days of that request.⁴ If the Director-General of the WTO notifies the Parties to the dispute that he or she is unavailable or does not appoint the unappointed panellist

within

20

days of the date of the request made pursuant to paragraph 3, any Party to the dispute may request the Secretary-General of the Permanent Court of Arbitration to appoint the unappointed panellist

within 20 days of that request. 5. If the Parties do not agree on the chairperson of the panel within the time period established in paragraph 2, they shall within the next 10 days, exchange their respective lists comprising three nominees each who shall not be nationals of either Party.

The chairperson shall then be appointed by random selection

from the lists within 10 days after the expiry of the time period during which the Parties shall exchange their respective lists of nominees.

The random selection of the chairperson of the panel shall be made

by the two appointed panellists with the presence of representatives of both Parties. 6. If a Party fails to submit its list of three nominees within the time period established in paragraph 5, the chairperson shall be appointed by random selection

from the list submitted by the other Party. 7. The date of composition of the panel shall be the date on

which the last of the three selected panellists has notified to the Parties

the acceptance of his or her appointment. G; , --- ? ---

16-5 Article 16.10:

Decision on Urgency

If a Party so requests, the panel shall give a preliminary ruling, within 15 days of its composition,

whether the dispute concerns matters of urgency.

Article 16.11: Requirements for Panellists

1. Each panellist

including the chairperson

shall: (a) have demonstrated expertise in law, international trade and other matters covered by this Agreement; (b) be independent of and not be affiliated with or take instructions from, either Party; (c) serve in their individual capacities and not take instructions from any organisation or government with regard to matters related to the dispute; (d) comply with the Code of Conduct established in Annex 16B

(Code of Conduct for Panellists and Others Engaged in Dispute Settlement Proceedings under this Agreement); (e) be chosen strictly on the basis of objectivity, reliability and sound judgment; and (f) be a national of states having diplomatic relations with both Parties to the dispute. 2. The chairperson shall also have experience in dispute settlement procedures. 3. Persons who provided good offices, conciliation or mediation to the Parties, pursuant to Article 16.7

in relation to the same or a substantially equivalent matter, shall not be eligible to be appointed as panellists in that matter. Article 16.12: Replacement of Panellists

If any of the panellists of the original panel becomes unable to act, withdraws or needs to be replaced because that panellist

does not comply with the requirements of the code of conduct, a successor panellist

shall be appointed

in the same manner as prescribed for the appointment of the original panellist

under Article 16.9 and the work of the panel shall be suspended during the appointment of the successor panellist.

G; , --- ? ---

16-6 Article 16.13: Functions of the Panel

Unless the Parties otherwise agree, the panel

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(a) shall make an objective assessment of the matter before it, including an objective assessment of: (i) the facts of the case; (ii) the applicability of the provisions of this Agreement cited by the Parties to the dispute; and (iii) whether: (A) the measure at issue is not in conformity with the obligations under this Agreement; or (B) the Responding Party has otherwise failed to carry

out its obligations under this Agreement. (b) shall set out, in its decisions and reports, the rationale behind any findings and conclusions that it makes; and (c) should consult regularly with the Parties

and provide adequate opportunities for the development of a mutually

satisfactory

solution. Article 16.14:

Terms of Reference

1. Unless the Parties otherwise agree within 15 days after the date of establishment of the panel, the terms of reference of the panel shall be: to examine, in the light of the relevant covered provisions of this Agreement cited by the Parties, the matter referred to in the request for the establishment of the panel, to make findings

of law and fact and determinations

on the conformity of the measure at issue with the relevant covered provisions of this Agreement as well as recommendations, if any, on the means to resolve the dispute, and to deliver a report in accordance with Articles 16.18

and 16.19?

2. If

the Parties agree on other terms of reference than those referred to in paragraph 1 within the timeline specified therein, they shall notify the agreed terms of reference to the panel no later than 5 days after their agreement. G.;, --- ? ----

16-7 Article 16.15: Rules of Interpretation

1. The panel shall interpret the covered provisions

in accordance with customary rules of interpretation of public international law. 2. When appropriate, the panel may also take into account relevant interpretations in reports of panels established under this Agreement and reports of panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO. 3. The rulings of the panel cannot add to or diminish the rights and obligations of the Parties provided under this Agreement. Article 16.16: Procedures of the Panel

1. Unless the Parties

otherwise agree, the panel shall follow the model Rules of Procedures set out in Annex 16A

(Rules of Procedure for the Panel). 2. Any time period or other rules and procedures for panels provided for in this Chapter may be modified by mutual consent of the Parties

to the dispute. The Parties

to the dispute

may also agree at any time not to apply any provision of this Chapter. 3. There shall be no ex parte

communications with the panel concerning matters under its consideration. 4. The deliberations of the panel and the documents submitted to it shall be kept confidential. 5. A Party asserting that a measure of the other Party is inconsistent with the provisions of this Agreement shall have the burden of establishing such inconsistency.

A Party asserting that a measure is subject to an exception under this Agreement shall have the burden of establishing that the exception applies. 6. The panel should consult with the Parties as appropriate and provide adequate opportunities for the development of a mutually agreed solution. 7. The panel shall take

its decisions,

including its reports by consensus, but if consensus is not possible then by majority vote.

Any

panel list

may furnish

dissenting and

separate opinions on matters not unanimously agreed and such opinions shall not be disclosed.8. Decisions

of the panel shall be binding on the Parties.G;:;--- ? ----

16-8 Article 16.17:

Receipt of Information

1. Upon the request of a Party, or on its own initiative, the panel may seek from the Parties relevant information it considers necessary and appropriate.

The Parties shall respond promptly and fully to any request by the panel for information.2. Upon the request of a Party

or on its own initiative, the panel may seek from any source any information it considers appropriate.3. On request of a Party or on its own initiative, the panel may seek technical advice or expert opinion from any individual or body that it deems appropriate, and subject to any terms and conditions as the Parties

agree.4. Any information, advice

or opinion

obtained by the panel under this Article shall be made available to the Parties

and the Parties may provide

comments on that information. Article 16.18:

Interim Report

1. The panel shall deliver an interim report to the Parties

within 90 days after the date of composition of the panel.

When the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its interim report.

Under no circumstances shall the delay exceed 30 days after the deadline.

The interim report shall not be made public.2. The interim report shall set out a descriptive part and the panel's findings and conclusions.3. Each Party may submit to the panel written comments and a written request to review precise aspects of the interim report within 15 days of the date of issuance of the interim report. A Party may comment on the other's Party's request within 7

days

of the delivery of the request.4. After considering any written comments and requests by each Party

on the interim report, the panel may modify the interim report and make any further examination it considers appropriate. Article 16.19:

Final Report

1. The panel shall deliver its final report to the Parties within 150

days of the date of composition of the panel.

When the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its final report.

Under no circumstances shall the delay exceed 30 days after the deadline.G;:;--- ? ----

16-92. The final report shall include a discussion of any written comments and requests made by the Parties on the interim report.

The panel may, in its final report, suggest ways in which the final report could be implemented.3. The final report shall be made public within 15 days of its delivery to the Parties unless the Parties

otherwise agree to publish the final report only in parts or not to publish the final report. Article 16.20: Implementation of the Final Report

1. Where the panel finds that the Responding Party

has acted inconsistently with a covered provision pursuant to Article 16.4, the

Responding Party shall take any measure necessary to comply promptly and in good faith with the Panel ruling. 2. If it is impossible to comply immediately, the Responding Party

shall, no later than 30 days after the delivery of the final report, notify the Complaining Party

of the reasonable period of time necessary for compliance with the final report and the Parties shall endeavour

to agree on the reasonable period of time required for compliance with the final report. Article 16.21:

Reasonable Period of Time for Compliance

1. If the Parties have not agreed on the length of the reasonable period of time,

the Complaining

Party

shall, no later than 20

days after

the date of receipt of the notification made by Responding Party in accordance with Article 16.20.2,

request in writing the original panel to determine the length of the reasonable period of time.

Such request shall be notified to

the Responding Party.

The 20-day period referred to in this paragraph may be extended by mutual agreement of the Parties. 2. The original panel shall deliver its decision to the Parties within 20 days from the relevant request. 3. The length of the reasonable period of time for compliance with the final report may be extended by mutual agreement of the Parties. Article 16.22:

Compliance Review

1. The Responding Party

shall deliver a written notification of its progress in complying with the final report to the Complaining Party at least one month before the expiry of the reasonable period of time for compliance with the final report unless the Parties agree otherwise. 2. The

Responding Party

shall, no later than at the date of expiry of the reasonable period of time, deliver a notification to the Complaining Party of any measure that it has taken to comply with the final report along with a description on how the measure ensures compliance. 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its decision to the Parties within 60 days of the date of submission of the request. Article 16.23: Temporary Remedies in Case of Non-Compliance

1. If the Responding Party: (a) fails to notify any measure taken to comply with the final report before the expiry of the reasonable period of time; or (b) notifies the Complaining Party in writing that it is not possible to comply with the final report within the reasonable period of time; or (c) the original panel finds that no measure taken to comply exists or that the measure taken to comply with the final report as notified by the Responding

Party is inconsistent

with

the covered provisions; The Responding Party shall, on request of the

Complaining Party, enter into consultations with a view to agreeing on mutually satisfactory compensation or any alternative arrangement.

2. If the Parties fail to reach a mutually satisfactory compensation or

any alternative arrangement

within

20

days after the date of receipt of the request made in accordance with paragraph 1, the Complaining Party may deliver a written notification to the Responding

Party that it intends to suspend the application of

concessions or other obligations under this Agreement.

The notification shall specify the level of the intended suspension of

concessions or other obligations

and indicate the relevant sector or sectors in which the Complaining Party proposes to suspend such concessions or other obligations. 3. The Complaining Party may begin the suspension of concessions or other obligations referred to in the paragraph

2,

30

days after the date when it served notice on the Responding Party, unless the Responding Party

made a request under paragraph 7.G; ,--- ? ----

16-114. The suspension of

concessions or other obligations: (a) shall be at a level equivalent to the nullification or impairment that is caused by the failure of the

Responding Party

to comply with the final report; and (b) shall be restricted to benefits accruing to the Responding Party under this Agreement. 5. In considering what concessions or other obligations to suspend in accordance with paragraph 2, the Complaining Party shall apply the following principles: (a) the Complaining Party should first seek to suspend the concessions or other obligations in the same

sector or sectors as that affected by the measure that the panel has found to be inconsistent with this Agreement;

and (b) the Complaining Party may suspend concessions or other obligations in other sectors, if it considers that it is not practicable or effective to suspend concessions or other obligations in the same sector(s).

The communication in which it notifies such a decision shall indicate the reasons on which it is based. 6. The suspension of concessions or other obligations or the mutually satisfactory agreement foreseen in the paragraph 1 shall be temporary and

shall only apply until the inconsistency of the measure

with the relevant covered provisions has been removed, or until the Parties have reached a mutually agreed solution pursuant to Article 16.28.7. If the Responding Party

considers that the suspension of concessions or other obligations does not comply with paragraphs 4 and 5, that

Party may request in writing the original panel to examine the matter no later than 15 days after the date of receipt of the notification referred to in paragraph

2.

That request shall be notified simultaneously to the Complaining Party.

The original panel shall notify to the Parties its decision on the matter no later than 45

days of the receipt of the request from Responding Party, or if the original panel cannot be established with its original members, from the date on which the last panelist

of the newly established panel is appointed

pursuant to Article 16.9.

Concessions or other obligations shall not be suspended until the

panel has delivered its decision pursuant to this paragraph.

The suspension of concessions or other obligations shall be consistent with this decision. Article 16.24:

Review of any Measure Taken to Comply After the Adoption of Temporary Remedies

1. Upon the notification by the Responding Party

to the Complaining Party

of the measure taken to comply with the final report panel decision: (a) in a situation where the right to suspend concessions or other obligations has been exercised by the Complaining Party in accordance with Article 16.23, the Complaining Party shall terminate the suspension of concessions or other obligations; or

(b) in a situation where necessary compensation has been agreed, the Responding Party may terminate the application of such compensation no later than 30 days after the date of receipt of the notification, with the exception of the cases referred to in paragraph 2.2. If the Parties do not reach an agreement on whether the measure notified in accordance with paragraph 1 is consistent with the relevant covered provisions within 30 days after the date of receipt of the notification, the Complaining Party shall request in writing the original panel to examine the matter.

That request shall be notified to the Responding Party.

The decision of the panel shall be notified to the Parties

no later than 30 days after the date of submission of the request.

If the panel decides that the measure notified in accordance with paragraph 1 is consistent with the covered provisions, the suspension of concessions or other obligations, or the application of the compensation, as the case may be, shall be terminated no later than 15 days after

the date of the decision.

If the panel determines that the notified measure achieves only partial compliance with the covered provisions, the level of suspension of benefits or other obligations, or of the compensation, shall be adapted in light of the decision of the panel. Article

16.25:

Suspension and Termination of Proceedings

If both Parties so request in writing, the panel shall suspend for a period agreed by the Parties and not exceeding 12 consecutive months from such request.

In the event of a suspension of the work of the panel, the relevant time periods under this Chapter

shall be extended by the same period of time for which the work of the panel was suspended.

The panel shall resume its work before the end of the suspension

period at the written request of both Parties.

If the work of the panel has been suspended for more than 12 consecutive months, the authority of the panel shall lapse and the dispute settlement procedure shall be terminated

unless the Parties agree otherwise.

Article 16.26: Choice of Forum

1. Unless otherwise provided in this Article, this Chapter is without prejudice to the rights of the Parties to have recourse to dispute settlement procedures available under other international trade agreements to which they are both Parties. 2. If a dispute with regard to a particular measure arises under this Agreement and under another international trade agreement to which both Parties are party, including the WTO Agreement, the Complaining Party may

select the forum in which to settle the dispute. 3. Once the Complaining Party

has selected the forum and initiated dispute settlement proceedings

under this Chapter or under the other international agreement with respect to the G.;, --- ? ----

16-13 particular measure referred to in paragraph 2, the selected forum shall be used to the exclusion of other fora.

4. For the purpose of paragraph 3: (a) dispute settlement proceedings under this Chapter are deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 16.8; (b) dispute settlement proceedings under the WTO Agreement are deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 6 of the DSU; and (c) dispute settlement proceedings under any other agreement are deemed to be initiated

in accordance with the relevant provisions of that agreement. Article 16.27:

Costs

1. Unless the Parties otherwise agree, the costs of the chairperson

of the panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by the Parties. 2. Each Party shall bear its appointed panellist

and its

own expenses and legal costs in the panel proceedings. Article 16.28:

Mutually Agreed Solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article 16.3. 2. If a mutually agreed solution is reached during the panel procedure, the Parties shall jointly notify that solution to the chairperson of the panel.

Upon such notification, the panel shall be terminated. 3. Each Party shall take measures necessary to implement the mutually agreed solution within the agreed time period. 4. No later than at the expiry of the agreed time period, the implementing Party shall inform the other Party, in writing, of any measure that it has taken to implement the mutually agreed solution. Article 16.29: Time Periods

1. All time periods laid down in this Chapter shall be counted in calendar days from the day following the act or fact to which they refer, unless otherwise specified in this Chapter. G.;, --- ? ----

16-142. Any time period referred to in this Chapter may be modified by mutual agreement of the Parties. 3. All

time

periods laid down in this Chapter for cases of urgency shall be cut by half

except as otherwise provided in this Chapter. Article 16.30:

Annexes

The Joint Committee

may modify the Annexes 16A

(Rules of Procedure

for the Panel) and 16B

(Code of Conduct for Panellists

and Others Engaged in Dispute Settlement Proceedings under this Agreement).

G;;,--- ? ----

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ANNEX 16A

RULES OF PROCEDURE FOR THE PANEL

Timetable

1. After consulting the Parties, the panel shall, whenever possible within

10

days of the appointment of the final panellist, fix the timetable for the panel process. 2. The panel process shall, as a general rule, not exceed 150 days from the date of

composition of the panel

until the date of the final report, unless the Parties otherwise agree. 3. Should the panel consider there is a need to modify the timetable, it shall inform the Parties in writing of the proposed modification and the reason for it. In cases of urgency in accordance with Article 16.10,

the panel, after consulting the Parties, shall adjust the timetable as appropriate and shall notify the Parties of such adjustment. Written Submissions and other Documents

4. Unless the panel otherwise decides, the Complaining Party shall deliver its first written submission to the panel no later than 20 days after the date of composition of the panel. The Responding

Party shall deliver its first written submission to the panel and to the Complaining Party no later than

20

days after the date of delivery of the Complaining Party's first written submission unless the arbitral panel decides otherwise. 5. A Party shall provide a copy of its written submission to each of the panellists and to the other Party. The copy shall be delivered in electronic format against receipt or if agreed by the Parties, a copy of the documents shall also be provided by registered post, courier or facsimile. 6. Within 20 days of the conclusion of the hearing, each Party may deliver to the panel and the other Party a supplementary written submission responding to any matter that arose during the hearing. 7. The Parties shall transmit all information or written submissions, written versions of oral statements and responses to questions put by the panel to the other Party to the dispute at the same time as it is submitted to the panel. 8. All written documents provided to the panel or by one Party to the other Party shall be delivered in electronic format against receipt or if agreed by the Parties, a copy of the documents shall also be provided by registered post, courier or facsimile. 9. Minor errors of a clerical nature in any request, notice, written submission or other document related to the panel proceeding may be corrected by delivery of a new document clearly indicating the changes.'

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Operation of the Panel

10. The chairperson of the panel shall preside at all of its meetings and shall fix the date and time of the hearing in consultation with the Parties and other members of the panel.

The panel may delegate to the chairperson the authority to make administrative and procedural decisions. 11. Panel deliberations shall be confidential. Only panellists may take part in the deliberations of the panel.

The reports of panels shall be drafted without the presence of the Parties in the light of the information provided and the statements made. 12. Opinions expressed in the panel report by individual panellists shall be anonymous. Hearings

13. The Parties shall be given the opportunity to attend hearings and meetings of the panel. 14. The panel shall provide for at least one hearing for the Parties to present their cases to the panel. 15. Unless the Party disagrees the Panel may decide to convene additional hearings or not to convene a hearing at all. 16. All panellists shall be present at hearings. Panel hearings shall be held in closed session with only the panellists and the Parties in attendance. However, in consultation with the Parties, assistants, translators or designated note takers may also be present at hearings to assist the panel in its work. Any such arrangements established by the panel may be modified with the agreement of the Parties. 17. The hearing shall be conducted by the panel in a manner ensuring that the Complaining Party and the Responding Party are afforded equal time to present their case. The panel shall, as a general rule, conduct the hearing in the following manner: (a) argument of the Complaining Party; (b) argument of the Responding

Party; (c) the reply of the Complaining Party; (d) the counter-reply of the

Responding

Party; (e) closing statement of the Complaining Party; and (f) closing statement of the Responding

Party. 18. The chairperson may set time limits for oral arguments to ensure that each Party is afforded equal time.'

16A-3

Written Questions

19. The panel may direct written questions to either Party at any time during the proceedings. A Party to whom the panel addresses a written question shall deliver a written reply to the panel and the other Party in accordance with the timetable established by the panel. 20. Each Party shall be given the opportunity to provide written comments on the response of the other Party within the timetable established by the panel. Confidentiality

21. The panel's hearings and the documents submitted to it shall be confidential. Each Party shall treat as confidential information submitted to the panel by the other Party which that Party has designated as confidential. 22. Where a Party designates its written submissions to the panel

as confidential, it shall, on request of the other Party, provide the panel and the other Party with a non-confidential summary of the information contained in its written submissions that could be disclosed to the public no later than 10 days after the date of request. Nothing in these Rules shall prevent a Party from disclosing statements of its own positions to the public. Working language

23. The working language of the panel proceedings, including for written submissions, oral arguments or presentations, the report of the panel and all written and oral communications between the Parties and with the panel, shall be English. Venue

24. The venue for the hearings of the panel shall be decided by agreement between the Parties. If there is no agreement, the first hearing shall be held in the territory of the respondent

Responding Party complained against, and any additional hearings shall alternate between the territories of the Parties. Expenses

25. The panel shall keep a record and render a final account of all general expenses incurred in connection with the proceedings, including those paid to its assistants, designated note takers or other individuals that it retains. Ex Parte

Contacts

26. The panel shall not meet or

contact a Party in the absence of the other Party.'

16A-4

27. No Party shall contact any panellist in relation to the dispute in the absence of the other Party or other panellists. 28. No

panellist

shall discuss any aspect of the subject-matter of the proceedings with a Party in the absence of the other Party and other panellists.'

16B-1

ANNEX 16B

CODE OF CONDUCT FOR PANELLISTS AND OTHERS ENGAGED IN DISPUTE SETTLEMENT PROCEEDINGS UNDER THIS AGREEMENT

Definitions

1. For the purposes of this Annex 1: (a) assistant

means a person who, under the terms of appointment of a panellist, conducts research or provides support for the panellist's works,

and under the direction and control of a panellist

in assisting with case-specific task; (b) candidate

means a person who is under consideration for selection as a panellist; (c) panellist

means a member of a panel established under Article 16.8; (d) proceeding

means the proceeding of a panel under this Chapter, unless otherwise specified; and (e) staff

means, in respect of a

panellist, persons under the direction and control of the panellist, other than assistant. Responsibilities to the Process

2. Every panellist

shall

(a) avoid impropriety and the appearance of impropriety; (b) be independent and impartial; (c) avoid direct and indirect conflicts of interests;

and (d) observe high standards of conduct so that the integrity and impartiality of the dispute settlement process are preserved. 3. Former panellists shall comply with the obligations established in paragraphs 17 through 20 of this Annex. Disclosure Obligations

4. Prior to confirmation of his or her selection as a panellist

under Article 16.9, a candidate shall disclose any interest, relationship or matter that is likely to affect his or her independence or

For greater certainty, this Annex is applicable for the purpose of Article 16.7, unless otherwise provided by the instruments of good offices, conciliation and mediation.

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16B-2

impartiality or that might reasonably create an appearance of impropriety or bias in the proceeding. To this end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships and matters.

5. Once selected, a panellist

shall continue to make all reasonable efforts to become aware of any interests, relationships and matters referred to in paragraph 3 and shall disclose them by communicating them in writing to the Joint Committee

for consideration by the Parties. The obligation to disclose is a continuing duty, which requires a panellist

to disclose any such interests, relationships and matters that may arise during any stage of the proceeding. Performance of Duties by Panellists

6.A panellist

shall

?(a)comply with the provisions of this Chapter and its Annexes;(b)on selection, perform his or her duties thoroughly and expeditiously throughout thecourse of the proceeding with fairness and diligence;(c)not deny other panellists the opportunity to participate in all aspects of the proceeding;(d)consider only those issues raised in the proceeding and necessary to rendering adecision and shall not delegate the duty to decide to any other person;(e)take all appropriate steps to ensure that the panellist's assistant and staff are aware ofand comply with, paragraphs 2, 3, 4,

5,

9, 10 and 11;

of this Annex;(f)not engage in ex parte

contacts concerning the proceeding.(g)not communicate matters concerning actual or potential violations of this Annex byanother panellist

unless the communication is to both Parties or is necessary toascertain whether that panellist

has violated or may violate this Annex;

and(h)keep a record and render a final account of the time devoted to the panel proceedingsand of his or her expenses, as well as the time and expenses of his or her staff andassistants.Independence and Impartiality of Panellists

7.A panellist

shall ?(a)be independent and impartial;(b)act in a fair manner and shall avoid creating an appearance of impropriety or bias; (c)not be influenced by self-interest, outside pressure, political considerations, publicclamour, loyalty to a Party or fear of criticism;'

16B-3

(d)not directly or indirectly, incur any obligation or accept any benefit that would in anyway interfere, or appear to interfere, with the proper performance of the panellist'sduties;(e)not use his or her position on the panel to advance any personal or private interests;(f)avoid actions that may create the impression that others are in a special position toinfluence the panellist. A panellist

shall make every effort to prevent or discourageothers from representing themselves as being in such a position;(g)not allow past or existing financial, business, professional, family or socialrelationships or responsibilities to influence the panellist's conduct or judgment; and(h)avoid entering into any relationship, or acquiring any financial interest, that is likelyto affect the panellist's impartiality or that might reasonably create an appearance ofimpropriety or bias.Duties in Certain Situations

8.A panellist

or former panellist

shall avoid actions that may create the appearance that thepanellist

was biased in carrying out the panellist's duties or would benefit from the decision orreport of the panel.Maintenance of Confidentiality

9.A panellist

or former panellist

shall not at any time disclose or use any non-publicinformation concerning the proceeding or acquired during the proceeding except for the purposesof the proceeding and shall not, in any case, disclose or use any such information to gain personaladvantage, or advantage for others, or to affect adversely the interest of others.10.A panellist

shall not disclose a panel report, or parts thereof, prior to its publication.11.A panellist

or former panellist

shall not at any time disclose the deliberations of a panel, orany panellist's view, except as required by legal or

constitutional requirements.12.A panellist shall not make a public statement regarding the panel proceeding.'

17-1CHAPTER 17

EXCEPTIONS

Article

17.1

: General Exceptions

1.For the purposes of Chapter

2 (Trade in Goods),

Chapter 4 (Customs Procedures andTrade Facilitation),

Chapter 5

(Technical Barriers to Trade), Chapter 6 (Sanitary andPhytosanitary Measures)

and Chapter 7 (Rules of Origin),

Article XX of the GATT 1994 and itsinterpretative note

are

incorporated into and form part of this Agreement, mutatis

mutandis.2.For the purposes of Chapter

8

(Trade in Services) and Chapter

9

(Digital Trade)1, ArticleXIV of the GATS, including its footnotes, is incorporated

into and forms part of this Agreement,mutatis

mutandis.Article 17.2: Security Exceptions

1.Nothing in this Agreement shall be

construed:(a)to

require

any

Party

to

furnish

or allow

access to

any

information,

the

disclosure

of which it considers contrary to its essential security interests; or (b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security

interests: (i) relating to fissionable and fusionable materials or the materials from which they are

derived; (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military

establishment; (iii) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military

establishment; (iv) taken so as to protect

critical public infrastructure, including, but not limited to, critical communications infrastructures, power infrastructures and water infrastructures, from deliberate attempts intended to disable or degrade such infrastructures; (v) taken in time of war or other emergency in international relations;

or

This paragraph is without prejudice to whether a Party considers a digital product to be a good or service.

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17-2(c) to prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international

peace and

security. 2. Each Party shall to the extent possible inform the other Party of measures taken under subparagraphs

1(b) and (c) and of their termination. Article 17.3: Taxation

1. Nothing in this Agreement shall apply to

any taxation measure. 2. Nothing in this Agreement shall affect the rights and obligations of any Party under any tax convention. In the event of any inconsistency between this Agreement and any such tax convention, that tax convention shall prevail to the extent of the

inconsistency. 2

For the avoidance of doubt, provisions where corresponding rights and obligations are granted or imposed under the WTO Agreement shall apply to taxation measures.

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18-1 CHAPTER

18

ADMINISTRATION OF THE AGREEMENT

Article 18.1: Joint Economic and Trade Council

A Joint Economic and Trade Council is hereby established which shall be co-chaired by Ministers in charge of international trade. The Joint Economic and Trade Council shall meet within

two

years

after the entry into force of this Agreement

unless otherwise agreed by the Parties. Thereafter, it shall meet whenever necessary.

Article 18.2: Duties of the Joint Economic and Trade Council

The Joint Economic and Trade Council shall review the progress made in the implementation of this Agreement. It shall also examine any major issues arising

in relation to

this Agreement and any other bilateral or international issues of mutual interest.

Article

18.3: Procedures of the Joint Economic and Trade Council

1.The Joint Economic and Trade Council shall consist of senior officials of the Parties.2.The Joint Economic and Trade Council shall establish its rules of procedures and financial arrangements.3.The Joint Economic and Trade Council may take decisions on any matter related to this Agreement subject to the respective internal legal procedures of the Parties. The Joint Economic and Trade Council may also make recommendations on matters related to this Agreement.4.The Joint Economic and Trade Council shall take decisions and make recommendations by the consensus of the Parties.Article 18.4: Joint Committee

1.The Parties hereby establish a Joint Committee consisting of senior officials designated by each Party.2.The Joint Committee shall

convene its inaugural meeting

within one year

after

the entry into force of this Agreement. Thereafter, it shall meet every two years unless the Parties agree otherwise, to consider any matter relating to this Agreement. The regular sessions of the Joint Committee shall be held alternately in the territories of the Parties

unless the Parties agree otherwise.'

18-23.The Joint Committee shall also hold special sessions, within 30 days upon the request of either Party

unless agreed otherwise.4.The functions of the Joint Committee shall be as follows:(a)to review and assess the results and overall operation of this Agreement in the light of the experience gained during its application and its objectives;(b)to consider

and recommend

any amendments to this Agreement that may be proposed by either

Party, including the modification of concessions made under this Agreement.Any such amendment shall enter into force in accordance with the procedure set forth in Article 19.2 (Amendments)

and Article 19.6

(Entry into Force);(c)to endeavour

to amicably resolve disputes

between the Parties arising from the interpretation or application of this Agreement;(d)to supervise and coordinate the work of all sub-committees and working groups established under this Agreement;(e)consider any other matter that may affect the operation of this Agreement;(f)if requested by either Party, to propose mutually agreed interpretation to be given to the provisions of this Agreement;(g)adopt decisions or make recommendations as envisaged by this Agreement; and(h)to carry out any other functions as may be agreed by the Parties.5.The Joint Committee shall establish its own rules of working procedures.6.Meetings of the Joint Committee and of any standing or ad hoc sub-committees or working groups may be conducted in person or by any other means as determined by the Parties.Article 18.5: Sub-Committees

1.The following sub-committees established under this Agreement are subject to

the powers of the Joint Committee:(a)Sub-Committee on Trade in Goods;(b)Sub-Committee on Economy Cooperation; and(c)Sub-Committee on Islamic Economy Cooperation.'

18-32.The sub-committees, listed in paragraph 1, may set up ad hoc working groups to deal with specific issues referred to them by the Joint Committee. Other procedures and functions of the sub-committees are to be specified in the individual chapters which established such sub-committees.3.The Joint Committee may establish sub-committees other than those

listed in paragraph 1 as it considers necessary to assist it in accomplishing its tasks and address specific issues under any chapter of this Agreement.

Article 18.6: Communications

1. Each Party shall designate a contact point to receive and facilitate official communications among the Parties on any matter relating to this Agreement.

2. All official communications in relation to this Agreement shall be in the English language.'

Chapter 19. FINAL PROVISIONS

Article 19.1. Annexes, Side Letters and Footnotes

The Annexes, side letters and footnotes to this Agreement shall constitute an integral part of this Agreement.

Article 19.2. Amendments

1. This Agreement may be amended in writing by agreement between the Parties.
2. Either Party may submit proposals for amendments to this Agreement to the Joint Committee for consideration and recommendation.
3. Amendments to this Agreement shall, after consideration and recommendation by the Joint Committee, be submitted to the Parties for ratification, acceptance or approval in accordance with the constitutional requirements or legal procedures of the respective Parties.
4. Amendments shall take the form of a protocol unless otherwise agreed by the Parties and shall be an integral part of the agreement.
5. Amendments to this Agreement shall enter into force in the same manner as provided for in Article 19.6, unless otherwise agreed by the Parties.

Article 19.3. Accession

After the date of entry into force of this Agreement, any country may accede to this Agreement, subject to the consent of the Parties and to such terms and conditions agreed between the Parties and that country and following approval in accordance with the applicable legal requirements and procedures of each Party and acceding country.

Article 19.4. Duration and Termination

1. This Agreement shall remain in force, unless it is terminated.
2. Either Party may terminate this Agreement by written notification to the other Party and such termination shall take effect six months after the date of the notification.

Article 19.5. General Review

The Parties shall undertake a general review of the Agreement, with a view to furthering its objectives, within five years of the entry into force of this Agreement and at least every five years thereafter unless otherwise agreed by the Parties.

Article 19.6. Entry Into Force

1. The Parties shall ratify this Agreement in accordance with their domestic legal procedures.
2. When a Party has ratified this Agreement, that Party shall notify the other Party of such ratification, approval or acceptance in writing, through diplomatic channels, within a period of 60 days from such ratification.
3. Unless the Parties agree otherwise, where both Parties have notified each other of such ratification, approval or acceptance, this Agreement shall enter into force on the first day of the second month following the date of receipt of the last written notification.

Article 19.7. Authentic Texts

This Agreement is done in duplicate in Arabic and English languages. All texts shall be equally authentic. In case of any

divergence, the English text shall prevail.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at