

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

a) the acquisition of the voting rights of a Malaysian corporation by any single foreign interest or associated group of 15 per cent or more, or an aggregate foreign interest of 30 per cent or more or exceeding RM5 million in value;

b) any proposed acquisition of any assets or interests by any means which will result in ownership or control passing to foreign interest; and

c) control of Malaysian corporations through any form of joint-venture agreement, management agreement, technical assistance agreement or other arrangements.

Approval is normally granted. However it may be denied in circumstances where the proposed investment conflicts with the interest of the State.

4) Unbound except for measures affecting the entry and temporary stay of natural persons defined below:

1. Intra-corporate Transferees

a) senior managers being persons within an organization having proprietary information of the organization and who exercise wide latitude in decision making relating to the establishment, control and operation of the organization being directly responsible to the CEO and receive only general supervision or direction from the board of directors or partners of the organization; and

3) Land, Property and Real Estate

Approval may be denied if the acquisition, disposal or dealing of land or any interest in land, property and real estate is undertaken for speculative or non-productive purpose or for purposes which may conflict with the interest of the State.

Incentives/Preferences

Incentives are limited to eligible Malaysian-owned corporations engaged in service sectors promoted by the Government.

Any measure and special preference granted to Bumiputera, Bumiputera status companies, trust companies and institutions set up to meet the objectives of the New Economic Policy (NEP) and the National Development Policy (NDP) shall be unbound.

Corporations in which the Government has an interest shall, in acquiring services, give first consideration to service suppliers in which the Government has an interest. This requirement does not prevent the acquisition of services from other service suppliers where their services are competitive in terms of price, quality and delivery.

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

b) two specialists or experts per organization being persons within the organization who possess knowledge at an advanced level of continued expertise and who possess proprietary knowledge of the organization's new service products and technology, research equipment and techniques or management. Additional specialists or experts may be allowed subject to market test and the training of Malaysians through an acceptable training programme in the relevant services sector or subsector:

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 organizations's products and services subject to market test and the employment of Malaysians as counterparts and/or training of Malaysians through acceptable training programmes in the relevant services sector or subsector;

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

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 five years. For category 2 c), the period of stay shall not exceed a total of 90 days.