

ANNEX 15-A: SCHEDULE OF MALAYSIA

SECTION A

Central Government Entities

This Chapter applies to the entities of Central Government listed in this Section where the value of the procurement is estimated to equal or exceed the following relevant thresholds:

Goods (specified in Section D)	SDR1,500,000 From 1 st to 4 th year after date of entry into force of the Agreement for Malaysia;
	SDR800,000 Starting from the 5 th to 7 th year after date of entry into force of the Agreement for Malaysia;
	SDR130,000 Starting from the 8 th year onwards after date of entry into force of the Agreement for Malaysia.
Services (specified in Section E)	SDR2,000,000 From 1 st to 4 th year after date of entry into force of the Agreement for Malaysia;
	SDR1,000,000 Starting from the 5 th to 7 th year after date of entry into force of the Agreement for Malaysia;
	SDR500,000 Starting from the 8 th to 9 th year after date of entry into force of the Agreement for Malaysia;
	SDR130,000 Starting from the 10 th year onwards after date of entry into force of the Agreement for Malaysia.

Construction Services
(specified in Section F)

SDR63,000,000
From 1st to 5th year after date of entry into force of the Agreement for Malaysia;

SDR50,000,000
Starting from the 6th to 10th year after date of entry into force of the Agreement for Malaysia;

SDR40,000,000
Starting from the 11th to 15th year after date of entry into force of the Agreement for Malaysia;

SDR30,000,000
Starting from the 16th to 20th year after date of entry into force of the Agreement for Malaysia;

SDR14,000,000
Starting from the 21st year onwards after date of entry into force of the Agreement for Malaysia.

List of Entities ^(Note 1):

Jabatan Perdana Menteri (Prime Minister's Department)

- *Bahagian Hal Ehwal Undang-Undang (Legal Affairs Division)*
- *Bahagian Istiadat dan Urus Setia Persidangan Antarabangsa (Protocol Division and International Conference Secretariat)*
- *Bahagian PERMATA (PERMATA Division)*
- *Biro Pengaduan Awam (Public Complaints Bureau)*
- *Institut Latihan Kehakiman dan Perundangan (Judicial and Legal Training Institute)*
- *Jabatan Perkhidmatan Awam (Department of Public Service)*
- *Pejabat Ketua Pendaftar Mahkamah Persekutuan (Chief Registrar's Office Federal Court of Malaysia)*
- *Unit Pengurusan Prestasi dan Pelaksanaan (Performance Management and Delivery Unit)*
- *Unit Perancang Ekonomi (Economic Planning Unit)*

Kementerian Belia dan Sukan (Ministry of Youth and Sports)

- *All divisions*
- *Jabatan Belia dan Sukan Negara (Department of National Youth and Sports)*
- *Pejabat Pendaftar Pertubuhan Belia (Registrar of Youth Societies Office)*
- *Pejabat Pesuruhjaya Sukan (Sports Commissioner Office)*

Kementerian Dalam Negeri (Ministry of Home Affairs)

- *All divisions* ^{(Note 2(a) & Note 2(b))}
- *Agensi Antidadah Kebangsaan (National Anti-Drug Agency)* ^{(Note 2(b))}
- *Jabatan Imigresen Malaysia (Department of Immigration Malaysia)* ^{(Note 2(b))}
- *Jabatan Pendaftaran Negara (Department of National Registration)* ^{(Note 2(b))}
- *Jabatan Pendaftaran Pertubuhan Malaysia (The Registry of Societies Malaysia)*
- *Jabatan Penjara Malaysia (Department of Prison Malaysia)* ^{(Note 2(b))}
- *Jabatan Pertahanan Awam Malaysia (Department of Civil Defence Malaysia)* ^{(Note 2(b))}
- *Jabatan Sukarelawan Malaysia (Volunteer Corps)*
- *Polis Diraja Malaysia (Royal Malaysian Police Force)* ^{(Note 2(b))}

Kementerian Kemajuan Luar Bandar dan Wilayah (Ministry of Rural and Regional Development)

- *All divisions*
- *Institut Kemajuan Desa (Institute for Rural Advancement)*

Kementerian Kerja Raya (Ministry of Works)

- *All divisions*
- *Jabatan Kerja Raya (Department of Public Works)*

Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan (Ministry of Urban Wellbeing, Housing and Local Government) ^(Note 3)

- *All divisions*
- *Institut Latihan Perumahan dan Kerajaan Tempatan (Housing and Local Government Training Institute)*
- *Jabatan Bomba dan Penyelamat Malaysia (Department of Fire and Rescue Malaysia)*
- *Jabatan Kerajaan Tempatan (Department of Local Government)*
- *Jabatan Landskap Negara (Department of National Landscape)*
- *Jabatan Pengurusan Sisa Pepejal Negara (Department of National Solid Waste Management)*
- *Jabatan Perumahan Negara (Department of National Housing)*
- *Tribunal Perumahan dan Pengurusan Strata (Housing Tribunal and Strata Management)*

Kementerian Kesihatan (Ministry of Health)

- *All divisions* ^(Note 4)
- *Biro Pengawalan Farmaseutikal Kebangsaan (National Pharmaceutical Control Bureau)*
- *Institut Kanser Negara (National Institute of Cancer)*
- *Institut Kesihatan Umum (Institute for Public Health)*
- *Institut Pengurusan Kesihatan (Institute for Health Management)*
- *Institut Penyelidikan Perubatan (Institute for Medical Research)*
- *Institut Penyelidikan Sistem Kesihatan (Institute for Health System Research)*
- *Institut Penyelidikan Tingkahlaku Kesihatan (Institute for Health Behavioural Research)*
- *Institut Perubatan Respiratori (Institute for Medical Respiratory)*

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- *Pusat Darah Negara (National Blood Centre)*
- *Pusat Kawalan Kusta Negara (National Leprosy Control Centre)*
- *Pusat Penyelidikan Klinikal (Clinical Research Centre)*
- *Pusat Pergigian Kanak-Kanak & Kolej Latihan Pergigian Malaysia (Children Dental Centre & Dental Training College)*

Kementerian Kewangan (Ministry of Finance)

- *Jabatan Penilaian dan Perkhidmatan Harta (Property Valuation and Services Department)*
- *Kastam Diraja Malaysia (Royal Customs of Malaysia)*
- *Perbendaharaan Malaysia (Federal Treasury of Malaysia)* ^(Note 5)

Kementerian Komunikasi dan Multimedia (Ministry of Communication and Multimedia)

- *All divisions*
- *Institut Penyiaran dan Penerangan Tun Abdul Razak (Tun Abdul Razak Institute of Broadcasting and Information)*
- *Jabatan Penerangan (Department of Information)*
- *Jabatan Penyiaran (Department of Broadcasting)*

Kementerian Luar Negara (Ministry of Foreign Affairs)

- *All divisions*
- *Institut Diplomasi dan Hubungan Luar (Institute of Diplomacy and Foreign Relations)*
- *Pusat Serantau Asia Tenggara Bagi Mencegah Keganasan (South-East Asia Regional Centre for Counter Terrorism)*

Kementerian Pelancongan dan Kebudayaan (Ministry of Tourism and Culture)

- *All divisions*
- *Arkib Negara Malaysia (National Archives of Malaysia)*
- *Istana Budaya*
- *Jabatan Kebudayaan dan Kesenian Negara (Department of National Culture and Arts)*
- *Jabatan Muzium Malaysia (Department of Museums Malaysia)*
- *Jabatan Warisan Negara (Department of National Heritage)*
- *Perpustakaan Negara Malaysia (National Library of Malaysia)*

Kementerian Pembangunan Wanita, Keluarga dan Masyarakat (Ministry of Women, Family and Community Development)

- *All divisions*
- *Institut Pengupayaan Wanita Bagi Anggota Pergerakan Negara-Negara Berkecuali (NAM Institute for the Empowerment of Women)*
- *Institut Sosial Malaysia (Social Institute of Malaysia)*
- *Jabatan Pembangunan Wanita (Department of Women Development)*

Kementerian Pendidikan (Ministry of Education) ^(Note 6)

- *All divisions*
- *Jabatan Pendidikan Negeri (State Education Departments)*

Kementerian Pendidikan Tinggi (Ministry of Higher Education) ^(Note 7)

- *All divisions*
- *Jabatan Pendidikan Politeknik (Department of Polytechnic Education)*
- *Jabatan Pendidikan Kolej Komuniti (Department of Community College Education)*

Kementerian Pengangkutan (Ministry of Transport)

- *All divisions*
- *Jabatan Keselamatan Jalan Raya (Department of Road Safety)*
- *Jabatan Laut Malaysia (Department of Marine Malaysia)*
- *Jabatan Penerbangan Awam (Department of Civil Aviation)*
- *Jabatan Pengangkutan Jalan (Department of Road Transport)*

Kementerian Perdagangan Antarabangsa dan Industri (Ministry of International Trade and Industry)

- *All divisions*

Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan (Ministry of Domestic Trade, Cooperative and Consumerism)

- *All divisions*

Kementerian Pertahanan (Ministry of Defence) ^(Note 8)

- *All divisions*
- *Jabatan Hal Ehwal Veteran (Department of Veteran Affairs)*
- *Jabatan Ketua Hakim Peguam (Department of Judge Advocate General)*

Kementerian Pertanian dan Industri Asas Tani (Ministry of Agriculture and Agro-Based Industry) ^(Note 9)

- *All divisions*
- *Jabatan Perikanan (Department of Fisheries)*
- *Jabatan Perkhidmatan Quarantin dan Pemeriksaan Malaysia (Malaysian Quarantine and Inspection Services)*
- *Jabatan Perkhidmatan Veterinar (Department of Veterinary Services)*
- *Jabatan Pertanian (Department of Agriculture)*

Kementerian Perusahaan Perladangan dan Komoditi (Ministry of Plantation Industries and Commodities)

- *All divisions*

Kementerian Sains, Teknologi dan Inovasi (Ministry of Science, Technology and Innovations)

- *All divisions*
- *Jabatan Kimia Malaysia (Department of Chemistry Malaysia)*

- *Jabatan Meteorologi Malaysia (Department of Meteorology Malaysia)*
- *Jabatan Standard Malaysia (Department of Standards Malaysia)*
- *Pusat Sains Negara (National Science Centre)*

Kementerian Sumber Asli dan Alam Sekitar (Ministry of Natural Resources and Environment)

- *All divisions*
- *Institut Penyelidikan Hidraulik Kebangsaan (National Hydraulic Research Institute)*
- *Institut Tanah dan Ukur Negara (National Institute of Land and Survey)*
- *Jabatan Alam Sekitar (Department of Environment)*
- *Jabatan Biokeselamatan (Department of Biosafety)*
- *Jabatan Perhutanan Semenanjung Malaysia (Forestry Department of Peninsular Malaysia)*
- *Jabatan Perlindungan Hidupan Liar dan Taman Negara (Department of Wildlife and National Parks)*
- *Jabatan Taman Laut (Department of Marine Park)*

Kementerian Sumber Manusia (Ministry of Human Resources)

- *All divisions*
- *Jabatan Hal Ehwal Kesatuan Sekerja (Department of Trade Union Affairs)*
- *Jabatan Keselamatan dan Kesihatan Pekerjaan (Department of Occupational Safety and Health)*
- *Jabatan Pembangunan Kemahiran (Department of Skills Development)*
- *Jabatan Perhubungan Perusahaan Malaysia (Industrial Relations Department)*
- *Jabatan Tenaga Kerja Sabah (Department of Labour Sabah)*
- *Jabatan Tenaga Kerja Sarawak (Department of Labour Sarawak)*
- *Jabatan Tenaga Kerja Semenanjung Malaysia (Department of Labour Peninsular Malaysia)*
- *Jabatan Tenaga Manusia (Department of Manpower)*
- *Mahkamah Perusahaan Malaysia (Industrial Court of Malaysia)*

Kementerian Tenaga, Teknologi Hijau dan Air (Ministry of Energy, Green Technology and Water)

- *All divisions*

Kementerian Wilayah Persekutuan (Ministry of Federal Territories)

- *All divisions*

Notes to Section A of Malaysia:

1. This Chapter covers only the entities listed under each Ministry and Jabatan Perdana Menteri (Prime Minister's Department) including the subordinates of the listed entities, unless otherwise specified. Those subordinates that have separate legal status are not covered.

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2. Kementerian Dalam Negeri (Ministry of Home Affairs): This Chapter does not cover:
 - (a) *Bahagian Kawalan Penerbitan dan Teks Al-Quran (Publication and Qur'anic Text Control Division)*; and
 - (b) any procurement that has security considerations determined by the Ministry.
3. Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan (Ministry of Urban Wellbeing, Housing and Local Government): This Chapter does not cover procurement in relation to Program Perumahan Rakyat (People's Housing Programme).
4. Kementerian Kesihatan (Ministry of Health): For greater certainty, government hospitals and clinics are covered.
5. Kementerian Kewangan (Ministry of Finance): This Chapter covers all divisions under *Perbendaharaan Malaysia (Federal Treasury of Malaysia)* except *Bahagian Syarikat Pelaburan Kerajaan (Government Investment Company Division)*.
6. Kementerian Pendidikan (Ministry of Education):
 - (a) This Chapter does not cover:
 - *Lembaga Peperiksaan (Examination Syndicates)*; and
 - Procurement in relation to uniforms, text books, and milk and food programmes for pre-school and school children.
 - (b) For greater certainty, schools, matriculation colleges and teacher training institutes are covered.
7. Kementerian Pendidikan Tinggi (Ministry of Higher Education): For greater certainty, community colleges and polytechnics are covered.
8. Kementerian Pertahanan (Ministry of Defence): This Chapter covers the procurement of goods and services described in United States Federal Supply Code (FSC) classification (*Version August 1998*) listed below:

FSC Description

22	Railway Equipment
23	Ground Effect Vehicles, Motor Vehicles, Trailers and Cycles
24	Tractors
25	Vehicular Equipment Components
26	Tires and Tubes
29	Engine Accessories
30	Mechanical Power Transmission Equipment
31	Bearings
32	Woodworking Machinery and Equipment
34	Metalworking Machinery
35	Service and Trade Equipment
36	Special Industry Machinery
37	Agricultural Machinery and Equipment
38	Construction, Mining, Excavating and Highway Maintenance Equipment

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- 39 Materials Handling Equipment
- 40 Rope, Cable, Chain and Fittings
- 41 Refrigeration, Air Conditioning and Air Circulating Equipment
- 42 Fire Fighting, Rescue and Safety Equipment
- 43 Pumps and Compressors
- 44 Furnace, Steam Plant and Drying Equipment
- 45 Plumbing, Heating and Sanitation Equipment
- 46 Water Purification and Sewage Treatment Equipment
- 47 Pipe, Tubing, Hose and Fittings
- 48 Valves
- 51 Handtools
- 52 Measuring Tools
- 53 Hardware and Abrasives
- 54 Prefabricated Structures and Scaffolding
- 55 Lumber, Millwork, Plywood and Veneer
- 56 Construction and Building Materials
- 61 Electric Wire, and Power and Distribution Equipment
- 62 Lighting, Fixtures and Lamps
- 63 Alarm, Signal and Security Detection Systems
- 65 Medical, Dental and Veterinary Equipment and Supplies
- 67 Photographic Equipment
- 68 Chemicals and Chemical Products
- 69 Training Aids and Devices
- 70 General Purpose Automatic Data Processing Equipment, Software, Supplies and Support Equipment
- 71 Furniture
- 72 Household and Commercial Furnishings and Appliances
- 73 Food Preparation and Serving Equipment
- 74 Office Machines, Text Processing Systems and Visible Record Equipment
- 75 Office Supplies and Devices
- 76 Books, Maps and other Publications
- 77 Musical Instruments, Phonographs and Home-Type Radios
- 78 Recreational and Athletic Equipment
- 79 Cleaning Equipment and Supplies
- 80 Brushes, Paints, Sealers and Adhesives
- 81 Containers, Packaging and Packing Supplies
- 83 Textiles, Leather, Furs, Apparel and Shoe Findings, Tents and Flags
- 84 Clothing, Individual Equipment, and Insignia
- 85 Toiletries
- 87 Agricultural Supplies
- 88 Live Animals
- 91 Fuels, Lubricants, Oils and Waxes
- 93 Non-metallic Fabricated Materials
- 94 Non-metallic Crude Materials
- 95 Metal Bars, Sheets and Shapes
- 96 Ores, Minerals, and their Primary Products
- 99 Miscellaneous

9. Kementerian Pertanian dan Industri Asas Tani (Ministry of Agriculture and Agro-Based Industry): This Chapter does not cover any procurement and distribution of inputs for agro-food production in Malaysia.

SECTION B

Sub-Central Government Entities

None.

SECTION C

Other Entities

This Chapter applies to the entities listed in this Section where the value of the procurement is estimated to equal or exceed the following relevant thresholds:

Goods

(specified in Section D)

SDR2,000,000

From 1st to 4th year after date of entry into force of the Agreement for Malaysia;

SDR1,000,000

Starting from the 5th to 7th year after date of entry into force of the Agreement for Malaysia;

SDR150,000

Starting from the 8th year onwards after date of entry into force of the Agreement for Malaysia.

Services

(specified in Section E)

SDR2,000,000

From 1st to 4th year after date of entry into force of the Agreement for Malaysia;

SDR1,000,000

Starting from the 5th to 7th year after date of entry into force of the Agreement for Malaysia;

SDR500,000

Starting from the 8th to 9th year after date of entry into force of the Agreement for Malaysia;

SDR150,000

Starting from the 10th year onwards after date of entry into force of the Agreement for Malaysia.

Construction Services

(specified in Section F)

SDR63,000,000

From 1st to 5th year after date of entry into force of the Agreement for Malaysia;

SDR50,000,000

Starting from the 6th to 10th year after date of entry into force of the Agreement for Malaysia;

SDR40,000,000

Starting from the 11th to 15th year after date of entry into force of the Agreement for Malaysia;

SDR30,000,000

Starting from the 16th to 20th year after date of entry into force of the Agreement for Malaysia;

SDR14,000,000

Starting from the 21st year onwards after date of entry into force of the Agreement for Malaysia.

List of Entities ^(Note 1):

Lembaga Pembangunan Pelaburan Malaysia (Malaysian Investment Development Authority)

Perbadanan Pembangunan Perdagangan Luar Malaysia (Malaysia External Trade Development Corporation)

Perbadanan Perusahaan Kecil dan Sederhana Malaysia (SME Corporation Malaysia)

Perbadanan Produktiviti Malaysia (Malaysia Productivity Corporation)

Notes to Section C of Malaysia:

1. This Chapter covers only the entities listed including the subordinates of the listed entities, unless otherwise specified. Those subordinates that have separate legal status are not covered.

SECTION D

Goods

This Chapter applies to all goods, as described in the United Nations Provisional Central Product Classification (CPC), procured by the entities listed in Section A and Section C, unless otherwise specified in this Chapter and subject to the General Notes in Section G and the Notes to the respective Sections.

This Chapter does not cover the procurement of:

<i>UN CPC CODE</i>	<i>DESCRIPTION</i>
0113	Rice, not husked
0114	Husked rice
171	Electrical energy
180	Natural water
23160	Rice, semi- or wholly milled
239	Food products, n.e.c.

SECTION E

Services

This Chapter applies to services listed below, as described in the UN Provisional CPC, procured by the entities listed in Section A and Section C, unless otherwise specified in this Chapter and subject to the General Notes in Section G and the Notes to the respective Sections.

UN CPC CODE	DESCRIPTION
61	Sale, maintenance and repair services of motor vehicles and motorcycles
62	Commission agents' and wholesale trade services, except of motor vehicles and motorcycles
63	Retail trade services; repair services of personal and household goods
71	Land transport services
72	Water transport services
732	Freight transportation by air
74	Supporting and auxiliary transport services (except for Code: 747 - Travel agency, tour operator and tourist guide services)
75	Post and Telecommunications Services (except CPC 7511 - Postal services)
83	Leasing or rental services without operator (except for Code: 83101 – Leasing or rental services concerning private cars without operator)
84	Computer and Related Services
862	Accounting, auditing and book-keeping services
863	Taxation services
864	Market research and public opinion polls
865	Management consulting services (except for Code: 86502 – Financial management consulting services (except business tax))
86601	Project management services other than for construction
867	Architectural, engineering and other technical services
871	Advertising services
872	Placement and supply services of personnel
874	Building-cleaning services
875	Photographic services
876	Packaging services
87905	Translation and interpretation services

UN CPC CODE	DESCRIPTION
884	Services incidental to manufacturing, except to the manufacture of metal products, machinery and equipment
885	Services incidental to the manufacture of metal products, machinery and equipment
886	Repair services incidental to metal products, machinery and equipment (except for Code: 8867 - Repair services n.e.c. of motor vehicles, trailers and semi-trailers, on a fee or contract basis)
92	Education services
93	Health and social services
94	Sewage and Refuse Disposal, Sanitation and Other Environmental Protection Services (except 9401 - Sewage services and 9403 - Sanitation and similar services)
95	Services of membership organizations (except for Code: 95910 - Religious services)
96311	Library services
9641	Sporting services
97	Other services (except for Codes: 97030 - Funeral, cremation and undertaking services and 97090 - Other services n.e.c.)
98	Private households with employed persons
99	Services provided by extraterritorial organizations and bodies

Notes to Section E of Malaysia:

1. This Chapter does not cover procurement of cabotage services for the shipment of goods from any port or place in Malaysia to another port or place in Malaysia; or from any port or place in Malaysia to any place in the exclusive economic zone or vice versa, that form a part of, or are incidental to a procurement contract.
2. For CPC 75 and CPC 84, this Chapter does not cover any procurement that will affect Malaysia's essential security interest, as determined by the procuring entities.
3. This Chapter does not cover plasma fractionation services.

SECTION F

Construction Services

This Chapter applies to all construction services, as described in the UN Provisional CPC 51, procured by the entities listed in Section A and Section C, unless otherwise specified in this Chapter and subject to the General Notes in Section G and the Notes to the respective Sections.

Notes to Section F of Malaysia:

1. This Chapter does not cover procurement of dredging services.
2. This Chapter does not cover construction services that is carried out to maintain or improve the existing slope (hillside surfacing) conditions through periodic maintenance; or to reconstruct or improve existing slopes or construct new slopes due to natural disaster, flood, landslide ground subsidence and other emergency and unforeseen circumstances.

SECTION G

General Notes

Unless otherwise specified, the following General Notes apply without exception to this Chapter, including to all Sections of this Annex.

1. Chapter 15: Government Procurement shall not apply to-
 - (a) any procurement by and for Istana Negara;
 - (b) any procurement in relation to rural development programmes in rural areas with less than 10,000 residents and poverty eradication programmes for households earning below Malaysia's Poverty Line Income;
 - (c) any Public Private Partnership (PPP) contractual arrangements including build-operate-transfer (BOT) and public work concessions;
 - (d) any measures for the development, conservation or preservation of local handicraft, national treasures and national heritage;
 - (e) any procurement for religious purposes, including that form a part of, or incidental to a procurement contract;
 - (f) any procurement for research and development; and
 - (g) any procurement in relation to national celebration events except for construction services.

2. Malaysia reserves the right to adopt or maintain any measure that confers safeguards, provides preference or renders assistance, benefits or other forms of rights or interests to Bumiputera in relation to government procurement not covered by this Chapter. For procurement covered by this Chapter, Malaysia reserves the right to accord Bumiputera status to eligible companies and apply the following measures under the Bumiputera policy:
 - (a) set aside procurement of construction services contracts for Bumiputera up to 30 per cent of the total value of construction services contracts above the threshold from entry into force of the Agreement for Malaysia; and
 - (b) price preference for:

(i) **Category 1:**

- Bumiputera suppliers providing goods and services originating from any TPP Parties, according to the following schedule:

Procurement Value	Percentage of price preference for Category 1
Above RM500,000 – RM1.5 million	7%
Above RM1.5 million – RM5 million	5%
Above RM5 million – RM10 million	3%
Above RM10 million – RM15 million	2.5%
Above RM15 million	0

(ii) **Category 2:**

- Bumiputera suppliers providing goods and services originating from countries other than TPP Parties, according to the following schedule:

Procurement Value	Percentage of price preference for Category 2
Above RM500,000 – RM1.5 million	3.5%
Above RM1.5 million – RM5 million	2.5%
Above RM5 million – RM10 million	1.5%
Above RM10 million – RM15 million	1.25%
Above RM15 million	0

(iii) **Category 3:**

- Bumiputera manufacturers that produce goods, according to the following schedule:

Procurement Value	Percentage of price preference for Category 3
Up to RM10 million	10%
Above RM10 million – RM100 million	5%
Above RM100 million	3%

3. Procuring entities shall accord price preference for Category 2 to Malaysian suppliers (other than Bumiputera) and TPP suppliers providing goods and services originating from any TPP Parties.

4. Malaysia reserves the right to adopt or maintain any measure in relation to the procurement of items under Central Contract as described below:

- (a) postal and courier services;
- (b) envelopes;
- (c) high density polyethylene fittings;
- (d) environmentally friendly fire extinguisher including its related system;
- (e) Microsoft products and services under a Master Licensing Agreement; and
- (f) small arms ammunition and pyrotechnic devices.

5. Panel Contract shall be applied in a manner consistent with obligations under this Chapter with respect to the covered procurement set forth in this Annex.

6. Any measure to benefit micro, small and medium enterprises (SMEs) shall be applied in a manner consistent with obligations under this Chapter with respect to the covered procurement set forth in this Annex.

7. For greater certainty, this Chapter shall not apply to-

- (a) any procurement made by a covered entity on behalf of a non-covered entity; and
- (b) procurement funded by grants and sponsorship payments from persons not listed in this Annex.

SECTION H

Threshold Adjustment Formula

1. The thresholds shall be adjusted at two-year intervals with each adjustment taking effect on January 1, beginning on January 1, XX.
2. Every two years, Malaysia shall calculate and publish the value of the thresholds under this Chapter expressed in Malaysian Ringgit. These calculations shall be based on the conversion rates published by the International Monetary Fund in its monthly "International Financial Statistics".
3. The conversion rates shall be the average of the daily values of the Malaysian Ringgit in terms of the Special Drawing Rights (SDR) over the two-year period preceding October 1 of the year before the adjusted thresholds are to take effect and rounded to the nearest Malaysian Ringgit.
4. Malaysia shall notify the other Parties of the current thresholds in Malaysian Ringgit immediately after this Agreement enters into force, and the adjusted thresholds in Malaysian Ringgit thereafter in a timely manner.
5. Malaysia shall consult if a major change in Malaysian Ringgit relative to the SDR or to the national currency of another Party were to create a significant problem with regard to the application of the Chapter.

SECTION I

Publication of Procurement Information

All information on the government procurement is published on the following websites:

Ministry of Finance Malaysia: www.treasury.gov.my

ePerolehan: www.eperolehan.gov.my

SECTION J

Transitional Measures

Thresholds

1. Transitional thresholds for goods, services and construction services in Section A and Section C.

Economic Stimulus Package

2. This Chapter shall not apply to any procurement funded by an economic stimulus package in response to a severe nationwide economic crisis implemented within 25 years after entry into force of this Agreement for Malaysia.

Domestic Review Procedures

3. Article 15.19 (Domestic Review): Notwithstanding Article 15.19, Malaysia may delay application of its obligations under Article 15.19 (Domestic Review) for three years after entry into force of this Agreement for Malaysia. During this transitional period, Malaysia shall use existing internal administrative procedures to address complaints, provided that it complies with Article 15.4.1 and Article 15.4.2 (General Principles). Suppliers of any Party may submit complaints to the Ministry of Finance Malaysia at the address below:

Under Secretary of Government Procurement Division
Government Procurement Division
Ministry of Finance Malaysia
Ministry of Finance Complex
Precinct 2
62952 Putrajaya
Malaysia
Email: gpcompliance@treasury.gov.my
Tel: 0060388824376
Fax: 0060388824290

Dispute Settlement Mechanism

4. Notwithstanding Chapter 28 (Dispute Settlement), Malaysia shall not be subject to dispute settlement with respect to its obligations under Chapter 15 (Government Procurement) for a period of five years following the date of entry into force of this Agreement for Malaysia. During this transitional period, Malaysia shall enter into consultations with any Party that raises concerns with Malaysia's implementation of these obligations.

Offsets

5. Notwithstanding Article 15.4.6 (General Principles), Malaysia may delay application of its obligations under Article 15.4.6 (General Principles) on offsets for a period of twelve years following the date of entry into force of this Agreement for Malaysia.

6. During the transitional period, offsets may be applied as follows:

- (a) procurement with a value of more than RM50 million;
- (b) procurement conducted by the procuring entities listed under the Ministries and Jabatan Perdana Menteri (Prime Minister's Department):
 - (i) Jabatan Perdana Menteri (Prime Minister's Department);
 - (ii) Kementerian Belia dan Sukan (Ministry of Youth and Sports);
 - (iii) Kementerian Dalam Negeri (Ministry of Home Affairs);
 - (iv) Kementerian Kemajuan Luar Bandar dan Wilayah (Ministry of Rural and Regional Development);
 - (v) Kementerian Kerja Raya (Ministry of Works);
 - (vi) Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan (Ministry of Urban Wellbeing, Housing and Local Government);
 - (vii) Kementerian Kesihatan (Ministry of Health);
 - (viii) Kementerian Kewangan (Ministry of Finance);
 - (ix) Kementerian Komunikasi dan Multimedia (Ministry of Communication and Multimedia);
 - (x) Kementerian Pendidikan (Ministry of Education);
 - (xi) Kementerian Pengajian Tinggi (Ministry of Higher Education);
 - (xii) Kementerian Pengangkutan (Ministry of Transport);
 - (xiii) Kementerian Pertahanan (Ministry of Defence);
 - (xiv) Kementerian Pertanian dan Industri Asas Tani (Ministry of Agriculture and Agro-Based Industry);
 - (xv) Kementerian Sains, Teknologi dan Inovasi (Ministry of Science, Technology and Innovation);
 - (xvi) Kementerian Sumber Asli dan Alam Sekitar (Ministry of Natural Resources and Environment);
 - (xvii) Kementerian Tenaga, Teknologi Hijau dan Air (Ministry of Energy, Green Technology and Water);
- (c) upon entry into force of this Agreement for Malaysia, the procuring entities may impose offsets as set forth in Malaysia's offsets policy with credit value up to 60 per cent equivalent to procurement contract value until the end of the fourth year;
- (d) the procuring entities will continue imposing offsets with credit value up to 40 per cent equivalent to procurement contract value until the end of the eighth year; and
- (e) the procuring entities will continue imposing offsets with credit value up to 20 per cent equivalent to procurement contract value until the end of the twelfth year.

**Subject to Legal Review in English, Spanish and French for Accuracy, Clarity and Consistency
Subject to Authentication of English, Spanish and French Versions**

7. Starting from the thirteenth year after entry into force of this Agreement for Malaysia, the requirement for offsets will not be applied with regard to covered procurement.

8. Malaysia will ensure that its procuring entities clearly indicate the existence of any offsets requirements in the tender notices and specify the offsets programme required in the tender documentation.