

A representative office of a foreign corporation is an office established in Malaysia to perform permissible activities for its head office/principal. The Representative Office/Regional Office does not undertake any commercial activities and only represents its head office/principal to undertake designated functions.

Representative office must be fully funded from sources outside Malaysia. Representative office/regional office are not subject to equity condition.

Prior approval must be obtained from the Ministry of International Trade and Industry (MITI) and applications must be made in the prescribed form. The form can be obtained from the website of MITI. (<http://www.miti.gov.my>)

Certain restricted industry sectors require specific written approvals from the regulatory agency even before you make your application for the establishment of the representative office from MITI.

There are eligibility criteria and the duration of establishments also vary for the type of representative office/regional office.

Permissible Activities

- (a) planning or coordinating business activities;
- (b) gathering and analysis of information or feasibility studies pertaining to investment and business opportunities in Malaysia and in this region;
- (c) identifying source of raw materials, components or other industrial products;
- (d) research and product development;
- (e) as a coordination centre for the corporation's affiliates, subsidiaries, agents or branches in this region;
- (f) other activities which will not result directly in actual commercial transactions.

Commercial activities may include but not limited to

- (a) trading (including import and export) or business activities;
- (b) warehousing and handling, shipment trans-shipment or storage of goods
- (c) negotiation and signing of contracts;
- (d) provision of services; and
- (e) management of any of its affiliates subsidiaries, agents or branches in Malaysia.

Disclaimer

The information contained in the article is for guidance only and is not exhaustive. The information is provided gratuitously and without liability. **ASQ Consultants Sdn Bhd** shall not be liable for any loss or damage caused by the usage of or reliance on the information and guidance provided in this article and other information provided on the **ASQ Consultants Sdn Bhd** website. **Professional advice and assistance must always be obtained before you act on any of the guidance provided.** Please refer to the respective source of information, legislation and the regulatory authorities for authoritative guidance.

Privacy Statement

The firm's Privacy Statement is available for viewing at the office of **ASQ Consultants Sdn Bhd** and at <http://www.asq.com.my>

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