



**THE COORDINATING COMMITTEE ON THE IMPLEMENTATION OF THE ATIGA
SUBMISSION FORM FOR CASES OF THE 'MATRIX OF ACTUAL CASES'
ON TRADE BARRIERS**

CASE REFERENCE ID <i>(For Secretariat's use)</i>	REPORTING COUNTRY	INVOLVING COUNTRY
Rejection of Wholesale and Retail Trade (WRT) Permit	INDONESIA	MALAYSIA
DATE OF REPORT SUBMISSION	HS CODE AND PRODUCT DESCRIPTION <i>(where applicable)</i>	
18 OCT 2016	COSMETIC BRAND : WARDAH	
DESCRIPTION OF TRADE BARRIER FACED <i>Please provide a description of the situation</i>		
<p>Pharmacore Technology and Innovation Sdn Bhd. (97006-D) have received official permission since November 2011 to import Wardah products from Indonesia and distribute Wardah Products in Malaysia. The license has received from Suruhanjaya Syarikat Malaysia (SSM) under Ministry of Domestic Trade, Co-operative & consumerism of Malaysia (KPDNKK /Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan). The company shares are 100% owned by Indonesian</p> <p>In addition, Pharmacore has notified the National Pharmaceutical Regulatory Agency and received a Commercial license from Kajang Municipal Council (MPKj) and also acquired bank account in Malaysia. To expand the Wardah™ market access in Malaysia, Pharmacore is requiring the license of WRT (Wholesale and Retail Trade) from KPDNKK as one of the requirements to obtain the working visa for the Manager level.</p> <p>In 2013, Pharmacore has begun to apply for WRT license and complet all required documents to KPDNKK, however, Pharmacore WRT permits is always rejected by KPDNKK Malaysia without clear explanation and reasonable solution (letter attached). One of KPDNKK employees said that the reasons to refuse WRT license is because of the the occupancy of cosmetic market in Malaysia.</p> <p>With regard to this reasons, Indonesia is now having difficulties in obtaining the working visa due to the requirement of the WRT license and consequently the Pharmacore operation is stalled. Over the past 5 years, Pharmacore suffered a loss of about Rp. 2 billion (including the expired Wardah™ products which has imported previously).</p> <p>For this reasons, Indonesia views that KPDNKK Malaysia doesnt support the principle of transparency and trade facilitation in ASEAN , therefore I sincerely wish that KPDNKK Malaysia would grant the WRT permit to Pharmacore Company, as the implication of this issues, the Pharmacore company may experience tremendous losses and impede the Wardah™ market access in Malaysia.</p>		

REFERENCE TO ATIGA PROVISION

Please provide a reference to the ATIGA provision to support your case, where applicable

Article 47

Principles on Trade Facilitation

Member States shall be guided by the following principles in relation to trade facilitation measures and initiatives at both ASEAN and national levels:

1. Transparency: Information on policies, laws, regulations, administrative rulings, licensing, certification, qualification and registration requirements, technical regulations, standards, guidelines, procedures and practices relating to trade in goods (hereinafter referred to as “rules and procedures relating to trade”) to be made available to all interested parties, consistently and in a timely manner at no cost or a reasonable cost;
2. Communications and Consultations: The authorities shall endeavour to facilitate and promote effective mechanisms for exchanges with the business and trading community, including opportunities for consultation when formulating, implementing and reviewing rules and procedures relating to trade;

LIST OF SUPPORTING DOCUMENTS PROVIDED *(where applicable)*

Rejection Letter KPDNKK Malaysia to Pharmacore, Kajang