

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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AGREEMENT OF ASSOCIATION BETWEEN THE EUROPEAN
ECONOMIC COMMUNITY AND MALTA

The Director-General has received the following communication from the Council of the European Communities and from the Government of Malta.

"I have the honour to forward to you herewith, for the information of the contracting parties, the text of the Agreement Establishing an Association
E between the European Economic Community and Malta, signed on 5 December 1970.

"The purpose of this Agreement is to bring about in two stages the progressive elimination of obstacles with respect to substantially all the trade between the Community and Malta, leading to the formation of a customs union."

The document submitted has the following sections:

1. Text of the Agreement
2. Implementation of Article 3(1) of the Agreement
3. Implementation of Article 3(2) of the Agreement
4. Protocol relating to the definition of the concept "originating" products and to methods of administrative co-operation
5. Text of the Final Act

Sections 1, 2 and 5 are reproduced in full herewith. As, however, Sections 3 and 4 contain extensive product lists, only the main provisions of these sections are reproduced. The complete list will be found in the printed copies of the Agreement, one of which is now being made available to each contracting party.

AGREEMENT
ESTABLISHING AN ASSOCIATION
BETWEEN MALTA AND THE
EUROPEAN ECONOMIC COMMUNITY

THE GOVERNMENT OF MALTA, of the one part, and

THE COUNCIL OF THE EUROPEAN COMMUNITIES, of the other part,

DETERMINED to consolidate and to extend the economic and commercial relations existing between Malta and the European Economic Community,

AWARE of the importance of the harmonious development of trade between the Contracting Parties,

WHEREAS, while observing the provisions of the General Agreement on Tariffs and Trade, the object of this Agreement is the progressive elimination of obstacles to trade between Malta and the European Economic Community, and whereas it provides that, eighteen months before the expiry of the first stage, negotiations may be opened with a view to determining the conditions under which a customs union between Malta and the Community could be established,

HAVE DECIDED to conclude an Agreement establishing an Association between Malta and the European Economic Community, in accordance with Article 238 of the Treaty establishing the European Economic Community, and to this end have designated as Plenipotentiaries:

THE GOVERNMENT OF MALTA:

Dr. Giorgio BORG OLIVIER,
Minister of Commonwealth and Foreign Affairs

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

Mr. Sigismund von BRAUN,
President in Office of the Council of the European Communities

Mr. Franco Maria MALFATTI,
President of the Commission of the European Communities

WHO, having exchanged their Full Powers, found in good and due form,

HAVE AGREED UPON THE FOLLOWING PROVISIONS:

ARTICLE 1

By this Agreement, an Association is established between the European Economic Community and Malta.

ARTICLE 2

1. The aim of the Agreement is progressively to eliminate obstacles as regards the main body of trade between the European Economic Community and Malta and thus to contribute to the development of international trade.
2. The Agreement provides for two successive stages, the first being of five years' duration and the second, in principle, of five years.
3. Negotiations are provided for during the eighteen months preceding the expiry of the first stage, with a view to defining the content of the second stage, providing for a further elimination of obstacles to trade between the European Economic Community and Malta and the adoption by Malta of the Common Customs Tariff.
4. The first stage shall be governed by the provisions set forth hereinafter.

TITLE I

TRADE

ARTICLE 3

1. Products originating in Malta, shall, on importation into the Community, benefit from the provisions set forth in Annex I.
2. Products originating in the Community shall, on importation into Malta, benefit from the provisions set forth in Annex II.
3. The Contracting Parties shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of the Agreement.

They shall refrain from any measure likely to jeopardise the achievement of the aims of the Agreement.

ARTICLE 4

Any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, a discrimination between the products of one Contracting Party and like products originating in the other Contracting Party shall be forbidden.

ARTICLE 5

The rules governing trade applied by Malta to products originating in or exported to the Community may not give rise to any discrimination between the Member States, or between nationals or companies of these States.

The rules governing trade applied by the Community to products originating in or exported to Malta may not give rise to any discrimination between Maltese nationals or companies.

ARTICLE 6

To the extent that export duties are levied on products of one Contracting Party exported to the other Contracting Party, such duties shall not be higher than those applicable to products exported to the most favoured third country.

ARTICLE 7

The provisions set forth in the Protocol shall determine the rules of origin to be applied to the products covered by the Agreement.

ARTICLE 8

1. If one of the Contracting Parties finds that dumping is being practised in its relations with the other Contracting Party, it may, following consultations within the Council of Association, have recourse to protective measures against such practices, in accordance with the provisions of the Agreement relating to the application of Article VI of the General Agreement on Tariffs and Trade.

In case of urgency, such Contracting Party may, after having informed the Council of Association, take the provisional measures provided for in the said Agreement. Consultations shall be held on such measures not later than two weeks after their implementation.

2. In the event of measures being taken against drawbacks and subsidies, the Contracting Parties undertake to comply with the provisions of Article VI of the General Agreement on Tariffs and Trade.

3. Any dumping practices, drawbacks or subsidies which have been ascertained, and any measures taken against them, shall, at the request of one of the Contracting Parties, give rise to consultations within the Council of Association at three-monthly intervals.

ARTICLE 9

Payments relating to trade in goods, and the transfer of such payments to the Member State in which the creditor is resident, or to Malta, shall be free from any restrictions, to the extent that such transactions fall within the provisions of this Agreement.

ARTICLE 10

1. If serious disturbances occur in a sector of Malta's economic activity or jeopardise its external financial stability, or if difficulties arise which result in the deterioration of the economic situation of any area of Malta, Malta may take the necessary safeguard measures.

Such measures and the procedures for applying them shall be notified to the Council of Association without delay.

2. If serious disturbances occur in a sector of the economic activity of the Community or of one or more of its Member States, or jeopardise their external financial stability, or if difficulties arise which result in the deterioration of the economic situation of any area of the Community, the Community may take, or may authorise the Member State or States concerned to take, the necessary safeguard measures.

Such measures and the procedures for applying them shall be notified to the Council of Association without delay.

3. For the purpose of implementing paragraphs 1 and 2 above, the measures selected must, as a matter of priority, be such as would least disturb the functioning of the régime established by this Agreement. Such measures shall not exceed the limits of what is strictly necessary to remedy the difficulties that have arisen.

4. Consultations may be held within the Council of Association concerning measures taken pursuant to paragraphs 1 and 2.

ARTICLE 11

The provisions of this Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy, public security, the protection of health and life of humans, animals or plants, the protection of national treasures possessing artistic, historic, or archaeological value, or the protection of industrial or commercial property. However, such prohibitions or restrictions shall not constitute a means of arbitrary discrimination or a disguised restriction on trade.

TITLE II

GENERAL AND FINAL PROVISIONS

ARTICLE 12

1. A Council of Association is hereby established, which shall be responsible for the administration of this Agreement and shall supervise its implementation. For this purpose, it shall make recommendations, and shall take decisions in the cases provided for under Title II.

2. The Contracting Parties shall keep each other informed and, at the request of either Party, shall hold consultations within the Council of Association with a view to the proper implementation of this Agreement.

3. The Council of Association shall lay down its rules of procedure in a Decision.

ARTICLE 13

1. The Council of Association shall consist of the members of the Council and members of the Commission of the European Communities, on the one hand, and of members of the Government of Malta, on the other.

Members of the Council of Association may arrange to be represented, in accordance with the conditions to be laid down in the rules of procedure.

2. The Council of Association shall take its decisions by common agreement.

ARTICLE 14

1. The Council of Association shall be presided in turn by each of the Contracting Parties, in accordance with the provisions to be adopted in the rules of procedure of the Council of Association.

2. Meetings of the Council of Association shall be convened once a year by its President.

The Council of Association shall, in addition, meet whenever circumstances so require, at the request of either of the Contracting Parties, in accordance with the conditions to be laid down in its rules of procedure.

3. The Council of Association may decide to set up any committee that can assist it in the discharge of its tasks.

In its rules of procedure, the Council of Association shall determine the composition and duties of such committee and how they shall function.

ARTICLE 15

This Agreement may be denounced by either Contracting Party, subject to six months' notice in advance being given.

ARTICLE 16

1. This Agreement shall apply on the one hand, to the European territories to which the Treaty establishing the European Economic Community applies, and, on the other hand, to the territory of the Maltese Islands.

2. The Agreement shall also apply to the French Overseas Departments in the sectors of this Agreement corresponding to those mentioned in Article 227 (2), first paragraph, of the Treaty establishing the European Economic Community.

The conditions governing the application to the said Departments of the provisions of this Agreement relating to other sectors, shall be determined at a later date by agreement between the Contracting Parties.

ARTICLE 17

Annexes I and II and the Protocol shall form an integral part of this Agreement.

ARTICLE 18

This Agreement shall come into force on the first day of the month following the date on which the Contracting Parties have notified each other that the necessary procedures to this end have been completed.

ARTICLE 19

This Agreement is drawn up in duplicate, in the English, German, French, Italian and Dutch languages, each of these texts being equally authentic.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries have affixed their signatures below this Agreement.

Done at Valletta on this fifth day of December in the year one thousand, nine hundred and seventy.

For the Government of Malta,

Giorgio BORG OLIVIER

For the Council of the European Communities,

Sigismund von BRAUN

Franco Maria MALFATTI

Provided that the Community shall be finally bound only after the other Contracting Party has been notified that the procedures required by the Treaty establishing the European Economic Community, and, in particular, consultation of the European Parliament, have been completed.

ANNEX I

IMPLEMENTATION OF ARTICLE 3 (1) OF THE AGREEMENT

ARTICLE 1

Subject to the special provisions laid down in Article 2, the customs duties applicable on importation into the Community of products originating in Malta, other than those falling under Annex II of the Treaty establishing the European Economic Community and other than those mentioned in Lists A and B, of this Annex, shall be those of the common customs tariff reduced by 70 per cent.

ARTICLE 2

Within the limits of annual Community tariff quotas, the products listed below, originating in Malta, shall, on importation into the community, benefit from the reductions in customs duties provided for in Article 1.

CCT Heading	Description of goods	Annual Community tariff quota
55.05	Cotton yarn, not put up for retail sale	750 tons
56.04	Man-made fibres, (discontinuous or waste), carded, combed or otherwise prepared for spinning	600 tons
60.05	Outer garments, clothing accessories and other articles, knitted or crocheted, not elastic nor rubberised	100 tons
61.01	Men's and boy's outer garments	300 tons

ARTICLE 3

1. Without prejudice to the levying of a variable element, determined in accordance with Articles 6 and 7 of Regulation (EEC) No. 1059/69 laying down the trading arrangements applying to certain goods obtained from the processing of agricultural products, the fixed element levied on importation into the Community of products listed below which originate in Malta shall be reduced by 70 per cent.

CCT Heading	Description of goods
19.03	Macaroni, spaghetti and similar products
19.08	Pastry, biscuits, cakes and other fine bakers' wares, whether or not containing cocoa in any proportion

2. The provisions of paragraph 1 above shall be applied in accordance with the terms set out in Article 4.

ARTICLE 4

1. The rates of the common customs tariff duties to be taken into consideration for calculating the reduced duties mentioned in Articles 1 and 2 shall be those effectively applied at any given time vis-à-vis third States.

2. The reduced duties, calculated in accordance with the provisions of Articles 1 and 2 shall be applied by approximating to the first lowest decimal point.

ARTICLE 5

Products referred to in Articles 1 and 2, and originating in Malta, shall not, on importation into the Community, be subject to taxes having an effect equivalent to customs duties.

ARTICLE 6

Should the date of entry into force of the Agreement not coincide with the beginning of the calendar year, the quotas referred to in Article 2 shall be applied "pro rata temporis":

- (i) for the first year, as from the date on which the Agreement comes into force;
- (ii) for the last year, until the date on which the first stage expires.

ARTICLE 7

Products originating in Malta referred to in this Annex, including products mentioned in List A, may be imported into the Community free of quantitative restrictions.

This provision shall be without prejudice to the rules governing the importation of petroleum products.

ARTICLE 8

In respect of products referred to in this Annex, other than those falling under Annex II of the Treaty establishing the European Economic Community, the Community reserves the right, particularly for the purpose of avoiding certain distortions of competition or the replacement of trade to amend the system provided for in this Annex, in the event of specific regulations being laid down as a consequence of the implementation of the common agricultural policy.

In adopting such regulations or amending this system, the Community shall take the interests of Malta into account.

List A

relating to products imported into the Community under specific regulations as a consequence of the implementation of the common agricultural policy, and excluded from the treatment provided for in Article 1

CCT Heading	Description of goods
17.02	<p>Other sugars; sugar syrups; artificial honey (whether or not mixed with natural honey); caramel:</p> <p>A. Lactose and lactose syrup:</p> <p style="padding-left: 20px;">I. containing in the dry state 99% or more by weight of pure product</p> <p>B. Glucose and glucose syrup:</p> <p style="padding-left: 20px;">I. containing in the dry state 99% or more by weight of pure product:</p> <p style="padding-left: 40px;">(a) Glucose in white crystalline powder, whether or not agglomerated</p> <p style="padding-left: 40px;">(b) Other</p>
ex 17.04	<p>Sugar confectionery, not containing cocoa - excluding liquorice extract containing more than 10% by weight of sugar, but not containing other added substances</p>
18.06	<p>Chocolate and other food preparations containing cocoa</p>
19.01	<p>Malt extract</p>
19.02	<p>Preparations of flour; starch or malt extract, of a kind used as infant food or for dietetic or culinary purposes, containing less than 50% by weight of cocoa</p>
19.04	<p>Tapioca and sago; tapioca and sago substitutes obtained from potato or other starches</p>
19.05	<p>Prepared foods obtained by the swelling or roasting of cereals or cereal products (puffed rice, corn flakes and similar products)</p>
19.06	<p>Communion wafers, empty cachets of a kind suitable for pharmaceutical use, scaling wafers, rice paper and similar products</p>
19.07	<p>Bread, ships' biscuits and other ordinary bakers' wares, not containing sugar, honey, eggs, fats, cheese or fruit</p>
ex 21.01	<p>Roasted chicory and other roasted coffee substitutes; extracts, essences and concentrates thereof - excluding roasted chicory and extracts thereof</p>

CCT Heading	Description of goods
21.06	Natural yeasts (active or inactive); prepared baking powders: A. Active natural yeasts: II. Yeasts for making bread
ex 21.07	Food preparations not elsewhere specified or included, containing sugar, milk products, cereals or cereal products ¹ .
ex 22.02	Lemonade, flavoured spa waters and flavoured aerated waters, and other non-alcoholic beverages, not including fruit and vegetable juices falling within heading No. 20.07: - containing milk or milk fats
29.04	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives: C. Polyhydric alcohols: II. Mannitol III. Sorbitol
ex 35.01	Casein, caseinates and other casein derivatives;
35.02	Albumins, albuminates and other albumin derivatives: A. Albumins: II. Other: (a) ovo-albumin and lacto-albumin: 1. Dried (in sheets, flakes, crystals, powders, etc.) 2. Other
35.05	Dextrins and dextrin glues; soluble or roasted starches; starch glues
38.12	Prepared glazings, prepared dressings and prepared mordants, of a kind used in the textile, paper, leather or like industries: A. Prepared glazings and prepared dressings: I. With a basis of starchy substances

¹The description of goods concerns only products which, on importation into the Community, are subject to the charges laid down in the Common Customs Tariff, consisting of: (a) an "ad valorem" duty, constituting the fixed element of such charge; (b) a variable element.

List B
relating to Article 1

CCT Heading	Description of goods
27.10	<p>Petroleum and shale oils, other than crude; preparations not elsewhere specified or included, containing not less than 70% by weight of petroleum or shale oils, these oils being the basic constituents of the preparations:</p> <p>A. Light oils: III. For other uses</p> <p>B. Medium oils: III. For other uses</p> <p>C. Heavy oils: I. Diesel oil: (c) for other uses</p> <p> II. Fuel oils: (c) for other uses</p> <p> III. Lubricating and other oils: (c) for blending in accordance with the conditions set out in Additional Note 7 to Chapter 27</p> <p> (d) for other uses</p>
27.11	<p>Petroleum gases and other gaseous hydrocarbons:</p> <p>A. Propane and butane: III. For other uses</p>
27.12	<p>Petroleum jelly:</p> <p>A. Crude: III. For other uses</p> <p>B. Other</p>
27.13	<p>Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral wax, whether or not coloured:</p> <p>B. Other</p>

CCT Heading	Description of goods
27.14	I. Crude: (c) for other uses II. Other Petroleum bitumen, petroleum coke and other petroleum and shale oil residues:
55.09	C. Other Other woven fabrics of cotton

ANNEX II

IMPLEMENTATION OF ARTICLE 3 (2) OF THE AGREEMENT

ARTICLE 1

The customs duties and taxes having equivalent effect applicable on the importation into Malta of products originating in the Community, other than those mentioned in Lists A and B to this Annex, shall be those of the Maltese customs tariff reduced by the following percentages and according to the following timetable:

<u>Timetable</u>	<u>Rate of Reduction</u>
On the date of entry into force of the Agreement	15%
As from the beginning of the third year	25%
As from the beginning of the fifth year	35%

ARTICLE 2

1. The tariff system applied by Malta to products originating in the Community may not be less favourable than that applied to products originating in the most favoured third state.

2. Until the end of the fourth year of the Agreement, the provisions of paragraph 1 shall not be applicable in respect of states granted preferential treatment by Malta at the time of entry into force of the Agreement.

However, the tariff measures taken by Malta shall not have the effect of increasing any preference enjoyed by the states referred to in the above subparagraph.

ARTICLE 3

1. The customs duties and taxes having equivalent effect applicable on the importation into Malta of products originating in the Community mentioned in List A shall be those of the Maltese customs tariff, reduced by the percentages and according to the timetable set out in Article 1, provided that such reductions do not exceed the number of points shown under each heading in relation to the Maltese general tariff.

2. For the products mentioned in List B, no tariff reduction shall be made during the first stage of the Agreement.

ARTICLE 4

1. The rates of duties of the Maltese customs tariff to be taken into consideration for the purpose of calculating the reduced duties referred to in Article 1 shall be those of the Maltese general tariff effectively applied at any given time vis-à-vis third States. The reduced duties shall be applied by approximating to the nearest lower decimal point.
2. In the event of the introduction or modification of customs duties in the Maltese Customs Tariff, or of taxes having equivalent effect, the reduction percentages granted to the Community pursuant to Article 1 shall remain unchanged.

ARTICLE 5

1. Without prejudice to the right of Malta to modify the duties in its customs tariff and the taxes having equivalent effect, and notwithstanding the provisions of Articles 1 and 4, and to the extent that protective measures prove necessary to meet the requirements of its industrialization and development, Malta may re-introduce, increase, or establish customs duties. Such customs duties may not exceed a level of 20 per cent ad valorem, and in certain special and exceptional cases, of 25 per cent ad valorem. Such measures may only be applied to a maximum volume of 10 per cent of the total value of Maltese imports from the Community during 1969.
2. Such measures may not be taken unless they are necessary to protect, and to further the development of, any new processing industry not existing in Malta at the time of entry into force of the Agreement; they shall only be applicable in respect of a specific form of production.
3. Twelve months after the re-introduction, increase or establishment of such customs duties, Malta shall proceed to an annual tariff reduction of 10 per cent with regard to imports originating in the Community.
4. The measures referred to in paragraph 1 shall be taken after consultations within the Council of Association. Such consultations shall take place at the earliest possible opportunity.

ARTICLE 6

Malta shall refrain from introducing new quantitative restrictions on the importation of products originating in the Community.

This provision shall not affect the regulations applicable to the importation of petroleum products.

The treatment applied to the Community as regards quantitative restrictions shall be at least as favourable as that applied to the most favoured state.

ARTICLE 7

1. In respect of products referred to in this Annex other than those falling under Annex II of the Treaty establishing the European Economic Community, Malta reserves the right, particularly for the purpose of avoiding certain distortions of competition or the replacement of trade, to amend the system provided for in this Annex, in the event of specific regulations being laid down as a consequence of the implementation of its agricultural policy.

In adopting such regulations or amending this system, Malta shall take the interests of the Community into account.

2. In respect of products referred to in this Annex falling under Annex II of the Treaty establishing the European Economic Community, Malta reserves the right, in the event of the adoption of regulations, to amend the system provided for in this Annex.

In adopting such regulations or amending this system, Malta shall take the interests of the Community into account.

3. In respect of products referred to in this Annex falling under Annex II of the Treaty establishing the European Economic Community, Malta reserves the right, in the event of the amendment of its regulations, to amend the system provided for in this Annex.

In amending this system, Malta shall confer on imports originating in the Community a benefit comparable with that provided for in this Annex.

4. Consultations may take place within the Council of Association with a view to implementing the provisions of this Article.

List A
relating to paragraph 1 of Article 3

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
17.05 (A)	Liquid soft drink concentrates	10
(B)	Dry soft drink concentrates	10
19.03	Macaroni, spaghetti and similar products	10
20.02 (B)	Peas and beans, preserved	10*
20.04	Fruit, fruit-peel and parts of plants, preserved by sugar (drained, glacé or crystallized)	10
20.06 (B)	Fruit otherwise prepared or preserved, whether or not containing added sugar or spirit, in airtight containers, other than roasted and salted nuts imported for repacking in Malta	10
20.07 (A)	Fruit juices, concentrated	10
21.07 (A)	Ice cream	10
(B) and (C)	Liquid and dry soft drink concentrates	10
22.01 (B)	Aerated waters	10
22.02	Lemonade, flavoured spa waters and flavoured aerated waters, and other non-alcoholic beverages, not including fruit and vegetable juices falling within heading No. 20.07	10
22.05	Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol: (A) Imported in casks or tank: (1) not exceeding 15% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade	5/- per hectolitre

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
22.06	(B) Imported in bottles: (1) Still (2) Sparkling Vermouths, and other wines of fresh grapes flavoured with aromatic extracts: (A) Imported in casks or tanks: (1) not exceeding 15% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade	5/- per hectolitre 5/- per hectolitre 5/- per hectolitre
22.07 (B)	(B) Imported in bottles: (1) Still Other fermented beverages (for example cider, perry and mead): (A) Imported in casks or tanks: (1) Not exceeding 15% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade	5/- per hectolitre 5/- per hectolitre
22.08	(B) Other Ethyl alcohol or neutral spirits, undenatured, of a strength of 80% or higher; denatured spirits (including ethyl alcohol and neutral spirits) of any strength:	5/- per hectolitre 5/- per hectolitre 1/- per litre of alcohol content

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
22.09	Spirits (other than those of heading 22.08); liqueurs and other spirituous beverages; compound alcoholic preparations (known as 'concentrated extracts') for the manufacture of beverages: (A) not exceeding 20° underproof by Sykes hydrometer (B) exceeding 20° underproof but not exceeding the strength of proof (London Proof) (C) exceeding the strength of proof (London Proof)	1/- per litre 1/- per litre 1/- per proof litre
24.01	Unmanufactured tobacco; tobacco refuse	6d. per kg.
25.23	Portland cement, ciment fondu, slag cement, supersulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinker	4/- per 1,000 kg.
27.10	Petroleum and shale oils, other than crude; preparations not elsewhere specified or included, containing not less than 70 per cent by weight of petroleum or shale oils, these oils being the basic constituents of the preparations: (A) Lubricating oils and greases regardless of density	14
28.13 (A)	Carbon dioxide	2d. per kg. net
33.06 (E)	Perfumery, cosmetics and toilet preparations: Other	10
43.03	Articles of furskin	14
43.04	Artificial fur and articles made thereof	14

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
60.03 (A)	Women's stockings of man-made fibres in continuous filament	14*
(C)	Women's stockings of other material	14*
60.05 (A)	Cardigans, jackets, pullovers, sweaters and the like	14*
61.01 (A)	Men's trousers, shorts, slacks and jeans	14*
61.02	Women's, girls' and infants' outer garments	14*
61.03 (A)(i)(1)	Men's shirts, collar attached	14*
(A)(ii)	Boys' shirts	14*
(B)	Pyjamas, men's and boys'	14*
61.07 (A)	Ties	14*
61.09 (A)	Brassieres	14*
64.02	Footwear with outer soles of leather or composition leather; footwear (other than footwear falling within heading No. 64.01) with outer soles of rubber or artificial plastic material: (A) With uppers of leather and soles of any material or with soles of leather or composition leather and uppers of other materials: (i) 20 cm. in length or less (ii) 26 cm. in length or less (iii) more than 26 cm. in length	10* 10* 10*
64.03	Footwear with outer soles of wood or cork: (A) Containing leather: (i) 20 cm. in length or less (ii) 26 cm. in length or less (iii) more than 26 cm. in length	10* 10* 10*

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
64.04	Footwear with outer soles of other materials: (A) Containing leather: (i) 20 cm. in length or less (ii) 26 cm. in length or less (iii) more than 26 cm. in length	10* 10* 10*
64.05	Parts of footwear (including uppers, insoles and screw-on heels) of any materials except metal (A) Uppers of leather	10
71.01	Pearls, unworked or worked, but not mounted, set or strung (except ungraded pearls temporarily strung for convenience of transport)	15
71.02 (B)	Precious and semi-precious stones, unworked, cut or otherwise worked, but not mounted, set or strung (except ungraded stones temporarily strung for convenience of transport): Other	15
71.03 (B)	Synthetic or reconstructed precious or semi-precious stones, unworked, cut or otherwise worked, but not mounted, set or strung (except ungraded stones temporarily strung for convenience of transport): Other	15
71.12	Articles of jewellery and parts thereof, of precious metal or rolled precious metal	15
71.13	Articles of goldsmiths' or silver-smiths' wares and parts thereof, of precious metal or rolled precious metal, other than goods falling within heading No. 71.12	15

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
71.14	Other articles of precious metal or rolled precious metal	15
71.15	Articles consisting of, or incorporating, pearls, precious or semi-precious stones (natural, synthetic or reconstructed)	15
83.13 (A)	Crown corks of base metal	14*
84.12	Air conditioning machines, self-contained, comprising a motor-driven fan and elements for changing the temperature and humidity of air: (A) of the household type	5
85.15	Radiotelegraphic and radiotelephonic transmission and reception apparatus; radio-broadcasting and television transmission and reception apparatus (including those incorporating gramophones) and television cameras; radio navigational aid apparatus, radar apparatus and radio remote control apparatus (C) Other (1) Wireless sets (2) Radio gramophones (3) Television receivers (4) Other	5 5 5 5
85.21	Thermionic, cold cathode and photo-cathode valves and tubes (including vapour or gas-filled valves and tubes, cathode ray tubes, television camera tubes and mercury arc rectifying valves and tubes); photo-cells; crystal diodes, crystal triodes, and other crystal valves (e.g. transistors); mounted piezo-electric crystals: (B) Other	5

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
87.02 (B)	Motor vehicles for the transport of persons, goods or materials (including sports motor vehicles, other than those of heading No. 87.09): Other	15*
87.03 (B)	Special purpose motor lorries and vans, (such as breakdown lorries, fire engines, fire-escapes, snow-ploughs, spraying lorries, crane lorries, searchlight lorries, mobile workshops and mobile radiological units), but not including the motor vehicles of heading No. 87.02: Other	15
87.04 (B)	Chassis fitted with engines for the motor vehicles falling within heading No. 87.01, 87.02 or 87.03	15
87.05	Bodies (including cabs) for the motor vehicles falling within heading No. 87.01, 87.02 or 87.03	15
89.01 (B)	Ships, boats and other vessels not falling within any of the following headings of this Chapter (89): Other	14
91.01	Pocket-watches, wrist-watches and other watches, including stop-watches: (A) Gold, silver or platinum watches (including rolled or plated with such metals)	15
91.09	Watch cases and parts of watch cases, including blanks thereof: (A) Gold, silver or platinum (including rolled or plated with such metals)	15
92.11	Gramophones, dictating machines and other sound recorders and reproducers, including record-players and tape-decks with or without sound heads	4

Maltese Tariff Heading (BTN)	Description of goods	Reduction of the General Tariff expressed in number of points
Chapter 93	Arms and ammunition; parts thereof	15
94.01 (C)	Other seats, including parts	15
94.03 (B)	Other furniture of wood, and parts thereof	15
Chapter 95	Articles and manufactures of carving or moulding material	15
97.04	Equipment for parlour, table and funfair games for adults or children (including billiard tables and pintables and table-tennis requisites):	
	(A) Coin or disc operated machines of the kinds used in cafes, funfairs, etc., for games of skill or chance (e.g. pintables of various types) and machines for various games (football, revolver practice, etc.)	14
98.03	Fountain pens, stylograph pens and pencils (including ball point pens and pencils) and other pens, pen-holders, pencil holders, and similar holders, propelling pencils and sliding pencils; parts and fittings thereof, other than those falling within heading No. 98.04 or 98.05:	
	(A) Made wholly of gold, silver, or platinum or plated with such metals	15
98.14	Scent sprays and similar sprays of a kind used for toilet purposes, and mounts and heads therefor	14

* For the following headings, the reduction in the specific duty shall not in each case exceed:

20.02 (B)	12s.6d. per 100 kg.
60.03 (A)	4d. per pair
(C)	6d. per pair
60.05 (A)	3d. per piece
61.01 (A)	1s.0d. per piece
61.02	8d. per piece

61.03	(A)	(i)	(1)	1s.5d. per piece
	(A)	(ii)		8d. per piece
	(B)			8d. per piece
61.07	(A)			2d. per piece
61.09	(A)			3d. per piece
64.02	(A)	(i)		NIL
		(ii)		2s.6d. per pair
		(iii)		2s.6d. per pair
64.03	(A)	(i)		NIL
		(ii)		2s.6d. per pair
		(iii)		2s.6d. per pair
64.04	(A)	(i)		NIL
		(ii)		2s.6d. per pair
		(iii)		2s.6d. per pair
83.13	(A)			2d. per gross (the additional duty of 6s.0d. per gross shall remain unchanged)
85.04	(B)			3s.0d. per accumulator
87.02	(B)			£30 sterling per passenger car, and £18 sterling per other vehicle.

List B

relating to paragraph 2 of Article 3

Maltese Tariff Heading	Description of goods
02.01	Meat and edible offals of the animals falling within heading No. 01.01, 01.02, 01.03, or 01.04, fresh, chilled or frozen
02.02	Dead poultry (that is to say, fowls, ducks, geese, turkeys and guinea fowls) and edible offals thereof (except liver), fresh, chilled or frozen
02.03	Poultry liver, fresh, chilled, frozen, salted or in brine
02.04	Other meat and edible meat offals, fresh, chilled or frozen
02.06 (A)	Bacon
(B)	Ham, dried, salted or smoked
(D)	Other meat and edible meat offals (except poultry liver), salted, in brine, dried or smoked
04.02	Milk and cream, preserved, concentrated or sweetened: (A) liquid or semi-solid, unsweetened (B) liquid or semi-solid, sweetened
04.03 (A)	Butter put up for retail sale
07.01	Vegetables, fresh or chilled: (A) Potatoes: (1) for consumption (B) Tomatoes: (1) released between 1 May and 31 December, both dates inclusive (C) Onions (D) Garlic (E) Green peas (F) Green beans (G) Kidney beans (H) Others
07.02 (A)	Peas, frozen
(B)	Other vegetables, frozen

Maltese Tariff Heading	Description of goods
15.13 (A)	Margarine
16.01	Sausages and the like, of meat, meat offal or animal blood
16.02	Other prepared or preserved meat or meat offal: (A) Corned beef (C) Other
17.01	Beet sugar and cane sugar, solid: (A) Put up for retail sale (B) In bulk: (1) Raw (2) Refined
19.07	Bread, ships' biscuits and other ordinary bakers' wares not containing sugar, honey, eggs, fats, cheese or fruit
19.08 (A) (B) (C)	Biscuits, all kinds, with the exception of cream crackers Cream crackers Pastry, cakes and other fine bakers' wares
20.02 (A)	Tomato extract and sauce or tomatoes otherwise preserved
20.07 (C)	Grape must, unfermented
21.07 (D)	Sweetening agents (for example, saccharine, dulcin), in tablets or other forms making them a food preparation
22.03	Beer made from malt: (A) Beer imported in tanks or casks (B) Beer imported in bottles or tins shall pay an additional duty per hectolitre
22.04	Grape must in fermentation, or with fermentation arrested otherwise than by the addition of alcohol
22.05	Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol: (A) Imported in casks or tanks: (2) Not exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade (3) Exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade

Maltese Tariff Heading	Description of goods
22.06	<p>Vermouths, and other wines of fresh grapes flavoured with aromatic extracts:</p> <p>(A) Imported in casks or tanks:</p> <p>(2) Not exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade</p> <p>(3) Exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade</p>
22.07 (B)	<p>Other fermented beverages (for example: cider, perry and mead):</p> <p>(A) Imported in casks or tanks:</p> <p>(2) Not exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade</p> <p>(3) Exceeding 24% of alcohol in 100 parts by volume of dutiable liquid at 20° centigrade</p>
22.08	<p>Ethyl alcohol or neutral spirits, undenatured, of a strength of 80° higher; denatured spirits (including ethyl alcohol and neutral spirits) of any strength:</p> <p>(A) Methylated spirits</p>
24.02	<p>Manufactured tobacco; tobacco extracts and essences:</p> <p>(A) Cigarettes</p> <p>(B) Cigars and cigarillos</p> <p>(C) Other manufactured tobacco:</p> <p>(1) Pipe tobacco, chewing tobacco and snuff</p> <p>(2) Other, including tobacco cut or cut and blended but not further manufactured</p>
27.10	<p>Petroleum and shale oils, other than crude; preparations not elsewhere specified or included, containing not less than 70% by weight of petroleum or shale oils, these oils being the basic constituents of the preparations:</p> <p>(B) Light oils with a density up to 0.780 exclusive at 15.5 degrees centigrade (this density includes motor vehicle spirit)</p> <p>(C) Oils with a density of 0.780 to 0.810 exclusive at 15.5 degrees centigrade (this density includes oil for household purposes - kerosene - aviation turbine fuels and white spirit)</p>

Maltese Tariff Heading	Description of goods
27.11	(D) Oils with a density of 0.810 to 0.900 exclusive at 15.5 degrees centigrade (this density includes so-called gas and diesel oil) Petroleum gases and other gaseous hydrocarbons: (A) Propane and butane
36.06 (A)	Matches in containers of not more than 20 matches
(B)	Matches in containers of more than 20 matches
44.15	Plywood, blockboard, laminboard, batten-board and veneered panels, whether or not containing any material other than wood; inlaid wood and wood marquetry
44.16	Cellular wood panels, whether or not faced with base metal
44.17	"Improved" wood, in sheets, blocks or the like
44.18	Reconstituted wood, being wood shavings, wood chips, sawdust, wood flour or other ligneous waste agglomerated with natural or artificial resins or other organic binding substances, in sheets, blocks or the like
48.07 (A)	Printed wrapping paper of a width not exceeding 102 cm.
64.01	Footwear with outer soles and uppers of rubber or artificial plastic material
64.02	Footwear with outer soles of leather or composition leather; footwear (other than footwear falling within heading No. 64.01) with outer soles of rubber or artificial plastic material: (B) Other
64.03 (B)	Footwear with outer soles of wood or cork: Other
64.04 (B)	Footwear with outer soles of other materials: Other
73.10	Bars and rods (including wire rod), of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made); hollow mining drill steel: (A) Building bars and rods of a size of from 6 mm. to 26 mm. in diameter (both included): (1) Round and oval, whether plain or deformed and square-twisted, of Thomas commercial quality or equivalent or BSS mild steel or equivalent (2) Other

Maltese Tariff Heading	Description of goods
97.04	Equipment for parlour, table and funfair games for adults or children (including billiard tables and pin-tables and table-tennis requisites): (B) Playing cards
98.10	Mechanical lighters and similar lighters, including chemical and electrical lighters, and parts thereof, excluding flints and wicks

PROTOCOL

Relating to the definition of the
concept of "originating" products and to methods
of administrative co-operation

CHAPTER 1

Provisions relating to the definition
of the concept of "originating" products

ARTICLE 1

For the purpose of implementing the provisions of the Agreement establishing an Association between the European Economic Community and Malta, the following products shall be considered as:

1. Products originating in the Community, provided that they have been transported to Malta directly, within the meaning of Article 5:
 - (a) products wholly obtained in the Member States;
 - (b) products obtained in the Member States, in the manufacture of which products other than those referred to in (a) above are used, provided that the said products have undergone sufficient working or processing within the meaning of Article 3. This condition shall not apply, however, to products which, within the meaning of this Protocol, originate in Malta.
2. Products originating in Malta, provided that they have been transported to the importing Member State directly, within the meaning of Article 5:
 - (a) products wholly obtained in Malta;
 - (b) products obtained in Malta, in the manufacture of which products other than those referred to in (a) above are used, provided that the said products have undergone sufficient working or processing within the meaning of Article 3. This condition shall not apply, however, to products which, within the meaning of this Protocol, originate in the European Economic Community.

The products listed in List C shall be temporarily excluded from the scope of this Protocol.

ARTICLE 2

The following shall be considered as wholly obtained either in the Member States or in Malta, within the meaning of Article 1, sub-paragraphs 1(a) and 2(a):

- (a) Mineral products extracted from the ground thereof
- (b) Vegetable products harvested therein
- (c) Live animals born and raised therein
- (d) Products from live animals raised therein
- (e) Products from hunting and fishing conducted therein
- (f) Marine products taken from the sea by their vessels
- (g) Scrap and waste resulting from manufacturing operations and used articles, provided that they have been collected therein and are only fit for the recovery of raw materials
- (h) Goods obtained therein exclusively from animals or products referred to in (a) to (g) or derivatives therefrom.

ARTICLE 3

For the purpose of implementing the provisions of Article 1, sub-paragraph 1(b) and 2(b), the following shall be considered as sufficient working or processing:

- (a) working or processing as a result of which the goods obtained receive a classification under a tariff heading other than that covering each of the products worked or processed, except, however, working or processing appearing in List A, where the special provisions of that list apply;
- (b) working or processing appearing in List B.

"Tariff headings" shall mean the headings in the Brussels Nomenclature for the Classification of Goods in Customs Tariffs.

ARTICLE 4

Where the Lists A and B referred to in Article 3 provide that the goods obtained in a Member State or Malta shall be considered as originating therein only if the value of the products worked or processed does not exceed a given percentage of the value of the goods obtained, the values to be taken into consideration for determining such percentage shall be:

on the one hand,

as regards products whose importation can be proved: their customs value at the time of importation;

as regards products of undetermined origin: the earliest ascertainable price paid for such products in the territory of the State where manufacture takes place;

on the other hand,

the ex-factory price of the goods obtained, less internal taxes refunded or refundable on exportation.

ARTICLE 5

The following shall be considered as transported directly from the exporting Member State to Malta or from Malta to the importing Member State:

- (a) goods transported without passing through territory other than that of Contracting Parties;
- (b) goods transported through territories other than those of Contracting Parties, or transhipped in such territories, if the passage in such territories or the transshipment is covered by a single transport document drawn up in a Member State or in Malta.

Transshipments carried out in the ports of territories other than those of Contracting Parties shall not be considered as interrupting direct transport if such transshipments are caused by "force majeure" or are the result of an act of God at sea.

CHAPTER II

Provisions relating to the organization of methods of administrative co-operation

ARTICLE 6

"Originating" products within the meaning of this Protocol shall, in the importing Member State or in Malta, benefit from the provisions of the Agreement, upon submission of an A.M. 1 movement certificate issued by the customs authorities of Malta or the customs authorities of the Member State.

Any such products, however, which form part of postal consignments (including parcels), shall, provided that the consignments contain only "originating" products and that the value does not exceed one thousand units of account per consignment, benefit from the provisions of the Agreement in Malta or in the Member States, on the presentation of form A.M. 2.

ARTICLE 7

Movement certificates A.M. 1 shall be issued only on application being made in writing by the exporter, on the form prescribed for this purpose.

ARTICLE 8

The A.M. 1 movement certificate shall be endorsed by the customs authorities of the exporting State when the goods to which it relates are exported. It shall be made available to the exporters as soon as actual exportation has been effected or ensured.

In exceptional circumstances, an A.M. 1 movement certificate may also be endorsed after the exportation of the goods to which it refers, if it was not submitted at the time of such exportation because of an error or involuntary omission. In this case, the certificate shall bear a special reference to the conditions in which it was endorsed.

An A.M. 1 movement certificate may be endorsed only in cases where it can serve as documentary evidence for the purpose of implementing the preferential treatment laid down in the Agreement.

ARTICLE 9

Movement certificates A.M. 1 must be submitted, within four months from the date of endorsement by the customs authorities of the exporting Member State, to the customs authorities of the importing Member State where the goods are delivered.

ARTICLE 10

Movement certificates A.M. 1 must be made out on a form of which a specimen is annexed to this Protocol. They shall be drawn up in one of the languages in which the Agreement is drawn up, in accordance with the provisions of the national law of the exporting country. They shall be typewritten or hand-written; in the latter case, they shall be completed in ink and in capital letters.

Each certificate shall measure 21 x 29.7 cm. The paper used must be white sized writing paper not containing mechanical pulp and weighing not less than 64 grs. per square metre or between 25 and 30 grs. per square metre if airmail paper is used. It shall have a green machine-turned background making any falsification by chemical or mechanical means apparent to the eye.

On the front of each certificate, a diagonal pattern of three blue stripes, each 3 mm. wide, shall run from the bottom left hand corner to the top right hand corner.

The Member States and Malta may reserve the right to print the certificates themselves or may have them printed by approved printers. In the latter case, each form must carry reference to such approval. Each form must bear the name and address of the printer or a sign by which the printer can be identified. It shall also bear a serial number which can be identified.

ARTICLE 11

In the importing State, movement certificates shall be submitted to the customs authorities, in accordance with the provisions made in the laws and regulations of that State. The said authorities may require a translation of a certificate. They may also require the import declaration to be accompanied by a statement from the importer to the effect that the goods meet the conditions required for the implementation of the provisions of the Agreement.

ARTICLE 12

Form A.M. 2, of which a specimen is annexed to this Protocol, shall be completed by the exporter. It shall be drawn up in one of the languages in which the Agreement is drawn up and in accordance with the provisions of the national law of the exporting country. It shall be typewritten or hand-written; in the latter case it shall be completed in ink and in capital letters.

Form A.M. 2 is composed of two parts, each part being 21 cm. x 14.8 cm. The paper used shall be white sized writing paper not containing mechanical pulp and weighing not less than 64 grs. per square metre. On the front of each part, a diagonal pattern of three blue stripes, each 3 mm. wide, shall run from the bottom left hand corner to the top right hand corner.

Form A.M. 2 may be perforated mechanically so that the two parts may be separated and the portion of the form to be affixed on the consignment can be detached. The back of this portion may be adhesive.

The Member States and Malta may reserve the right to print the forms themselves or may have them printed by approved printers. In the latter case, each form must carry a reference to such approval. Each form must bear the name and address of the printer or a sign by which the printer can be identified. It shall also bear a serial number by which it can be identified.

ARTICLE 13

For each postal consignment, an A.M. 2 form shall be completed. After completing and signing the two parts of the form, the exporter shall insert his declaration (Part 1) in the consignment and stick the label from Part 2 of form A.M. 2 on the outer packing of the consignment.

These provisions do not dispense exporters from complying with any formalities required by customs or postal regulations.

ARTICLE 14

Unless they suspect some irregularity, the customs authorities of the importing Member State or Malta shall admit as benefiting from the provisions of the Agreement any goods contained in a consignment bearing an A.M. 2 label.

For the purpose of a survey or in a case of doubt as to regularity, the customs authorities of a Member State or of Malta may ask for a customs examination by the customs authorities of Malta or the Member State, forwarding, for this purpose, Part 1 of the A.M. 2 form contained in the consignment, and may suspend, while waiting for the result of such examination, the application of the provisions of the Agreement. In such cases, withdrawal of the consignment shall nevertheless be open to the importer, subject to any preventive measures considered necessary.

ARTICLE 15

1. Member States and Malta shall admit as "originating" products benefiting from the provisions of the Agreement, without requiring the production of an A.M. 1 movement certificate or the completion of an A.M. 2 form, goods sent as small packages to private persons or forming part of passengers' personal luggage, in so far as such goods are not imported by way of trade and have been declared as meeting the conditions required for the application of these provisions, and where there is no doubt as to the veracity of such declaration.
2. Importations which are occasional and consist solely of goods for the personal use of the addressee or passenger or his family, it being evident from the nature and quality of the goods that no commercial purpose is in view, shall not be considered as importations by way of trade. Furthermore, the total value of these goods must not exceed 60 units of account in the case of small packages or 200 units of account in the case of the contents of passengers' personal luggage.

ARTICLE 16

In order to ensure the proper application of the provisions of this Chapter, the Member States and Malta shall assist each other, through their respective customs administrations, for the purpose of checking the authenticity and correctness of A.M. 1 movement certificates and of exporters' declarations made on A.M. 2 forms.

The Council of Association shall draw up any recommendations necessary for the application of the provisions of this Protocol, especially the provisions of this Chapter, so that the methods of administrative co-operation may be applied in due course in the Member States and in Malta.

CHAPTER III

Final Provisions

ARTICLE 17

The Member States and Malta shall take all the measures necessary for the A.M. 1 movement certificates to be produced, in accordance with the provisions of Article 11, as from the date of entry into force of the Agreement.

ARTICLE 18

Malta, the Member States and the Community shall, each to the extent to which they are concerned, take the necessary steps to implement the provisions of this Protocol.

ARTICLE 19

The explanatory notes, Lists A, B and C, the specimen of the A.M. 1 movement certificate and that of the A.M. 2 form shall form an integral part of this Protocol.

ARTICLE 20

Goods which conform to the provisions of Chapter I and which, on the date of entry into force of the Agreement, are either being transported or are being held in a Member State or Malta under temporary warehouse procedure, in bonded warehouses or in free zones, may be allowed to benefit from the provisions of the Agreement, subject to the submission - within four months from that date - to the customs authorities of the importing country of an A.M. 1 movement certificate, drawn up retroactively by the authorities of the exporting State, and of any documents that provide supporting evidence of direct transport.

EXPLANATORY NOTES

Note 1 - Article 1

The terms "in the Member States" or "in Malta" shall also cover territorial waters and ships operating on the high seas, including "factory ships" on which the fish caught is worked or processed, provided that they satisfy the conditions laid down in Explanatory Note 4.

Note 2 - Article 1

In order to determine whether goods originate in a Member State or in Malta, it shall not be necessary to establish whether the power and fuel, plant and equipment and machine and tools used to obtain such goods originate or not in third states.

Note 3 - Article 1

Packing shall be considered as forming a whole with the goods contained therein. This provision, however, shall not apply to packing which is not of the normal type for the article packed and which has intrinsic value of a durable nature apart from its function as packing.

Note 4 - Article 2 (f)

The term "their vessels" shall apply only to vessels:

- (a) which are registered in a Member State or in Malta;
- (b) which sail under the flag of a Member State or of Malta;
- (c) which are owned to an extent of at least 50 per cent by nationals of Member States or Malta, or by a company or firm with its head office in one of these States, of which the manager or managers, chairman of the board of directors or of the supervisory board, and the majority of the members of such boards are nationals of a Member State or Malta, and of which, in addition, in the case of partnerships or limited companies, at least half the capital belongs to States party to the Agreement, to public bodies or to nationals of the said States;
- (d) of which the captain and officers are all nationals of the Member States or Malta;
- (e) of which at least 75 per cent of the crew are nationals of the Member States or Malta.

Note 5 - Article 4

"Ex-factory price" shall mean the price paid to the manufacturer in whose undertaking the sufficient working or processing is carried out. Where such working or processing is carried out successively in two or more undertakings, the price to be taken into account shall be that paid to the last manufacturer.

Note 6 - Article 8

Where an A.M. 1 movement certificate relates to goods originally imported from a Member State or Malta, and re-exported in the same condition, the new certificates issued by the re-exporting State must compulsorily show in which country the original movement certificate was issued.

Note 7 - Article 13

After completing the A.M. 2 form, the exporter shall insert the words "A.M. 2", followed by the serial number of the form used, either on the C. 1 green label or on the C. 2 or C. 2 M declaration, or under the heading "Observations" of the CP 3 or CP 3 M customs declarations.

FINAL ACT

FINAL ACT

The Plenipotentiaries of

the Government of Malta,

of the one part,
and

of the Council of the European Communities,

of the other part,

assembled at Valletta on this fifth day of December in the year one thousand nine hundred and seventy

for the purpose of signing the Agreement establishing an Association between Malta and the European Economic Community,

have, at the time of signing this Agreement,

- adopted the following Joint Declarations by the Contracting Parties:

1. Joint Declaration by the Contracting Parties concerning co-operation and contacts between the European Parliament and the Maltese Parliament,
2. Joint Declaration by the Contracting Parties concerning amendments to the Customs Tariffs and to the import regulations,
3. Joint Declaration by the Contracting Parties concerning Article 2 of the Agreement,
4. Joint Declaration by the Contracting Parties concerning Article 2 of Annex I,

- and have taken note of the following Declarations by the Maltese Delegation:

1. Declaration by the Maltese Delegation concerning Article 3 of Annex II
2. Declaration by the Maltese Delegation concerning Article 6 of Annex II

The aforementioned Declarations are annexed to this Final Act.

The Plenipotentiaries have agreed that these Declarations shall, in so far as necessary, be subject, under the same conditions as the Agreement, to the procedures required to ensure their validity.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries have affixed their signatures below the Final Act.

Done at Valletta on this fifth day of December in the year one thousand nine hundred and seventy.

For the Government of Malta,

Giorgio BORG OLIVIER

For the Council of the European Communities,

Sigismund von BRAUN
Franco Maria MALFATTI

Provided that the Community shall be finally bound only after the other Contracting Party has been notified that the procedures required by the Treaty establishing the European Economic Community, and, in particular, consultation of the European Parliament, have been completed.

ANNEX

Joint Declaration by the Contracting Parties
concerning co-operation and contacts between
the European Parliament and the Maltese Parliament

The Contracting Parties agree to take all appropriate measures in order to facilitate co-operation and contacts between the European Parliament and the Maltese Parliament.

Joint Declaration by the Contracting Parties
concerning amendments
to the Customs Tariffs and to the import regulations

The Contracting Parties agree to notify each other with the least possible delay of any amendments made to their respective customs tariffs, or to the regulations governing their import trade.

Joint Declaration by the Contracting Parties
concerning Article 2 of the Agreement

1. Malta envisages the progressive establishment, during the course of the second stage, of a customs union with the Community. To this end, the products mentioned in List A to Annex II of the Agreement shall, as from the commencement of the second stage, be subject to an initial reduction vis-à-vis the Community of at least 35 per cent of customs duties and taxes having an equivalent effect.
 2. The Community envisages granting Malta, from the commencement of the second stage, exemption from customs duties and taxes having equivalent effect in respect of products referred to in Article 1 of Annex I of the Agreement.
 3. The procedures for the introduction by Malta of the common customs tariff, the elimination of the customs duties and quantitative restrictions applied vis-à-vis the Community, complementary provisions for the proper implementation of the customs union, and the special arrangements for the importation into the Community of agricultural products, which latter arrangement shall take due account of the common agricultural policy of the Community, shall be determined during the course of negotiations for transition to the second stage.
-

Joint declaration by the Contracting Parties
concerning Article 2 of Annex I

The Contracting Parties, taking into consideration the undertaking by Malta to apply the common customs tariff during the second stage of the Agreement, agree that, for the purpose of the implementation of the Protocol on the definition of "originating" products and on methods of administrative co-operation, the special provisions mentioned in List A to that Protocol shall not be applicable, during the first stage, to imports, made under the conditions laid down in Article 2 of Annex I, of products falling under tariff heading 56.04 (man-made fibres discontinuous or waste, carded, combed or otherwise prepared for spinning) and 61.01 (men's and boys' outer garments).

Declaration by the Maltese Delegation
concerning Article 3 of Annex II

The Government of Malta declares that it is prepared to make, before the end of the first stage of the Agreement, the necessary amendments to its customs tariff in order to distinguish customs duties from taxes pertaining to the internal fiscal system within the meaning of Article 4 of the Agreement.

Declaration by the Maltese Delegation
concerning Article 6 of Annex II

The Government of Malta declares that it is prepared to take the necessary steps to procure that, during the first stage of the Agreement, imports which are still subject to quantitative restrictions shall be freed from such restrictions as early as possible and to the extent compatible with the proper development of the Maltese economy.

It also declares that it is prepared to ensure that, when products still subject to quantitative restrictions are imported, normal conditions of competition, are respected.

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