

GENERAL AGREEMENT ON

L/6286

7 December 1987

TARIFFS AND TRADE

Limited Distribution

MALAYSIA

Establishment of a new Schedule XXXIX

Decision of 3 December 1987

Considering that the Government of Malaysia has notified the CONTRACTING PARTIES that in accordance with the decision of the Customs Co-operation Council that the CCCN be replaced by the Harmonized Commodity Description and Coding System (Harmonized System) on 1 January 1988, the Government of Malaysia has decided to implement the Harmonized System on that date;

Considering that the Government of Malaysia is presently in the final stage of completing the transposition of its Customs Tariff from the CCCN to the Harmonized System, and that its Harmonized System documentation required under the procedures of Article XXVIII will be circulated to contracting parties as soon as possible;

Noting that the Government of Malaysia has emphasized that in the process of conversion, it will be ensured that no change in the tariff rates of bound items, the Initial Negotiating Rights or the product descriptions will take place, but that the Government of Malaysia is prepared to enter into consultations with any interested contracting parties;

Recognizing that in view of the time constraint, it will not be possible for the Government of Malaysia to conduct consultations under the procedures of Article XXVIII of the General Agreement before the scheduled date of implementation;

The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement,

Decide, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of the General Agreement to enable the Government of Malaysia to implement, on 1 January 1988, the Harmonized Commodity Description and Coding System, subject to the following conditions:

1. The Government of Malaysia will promptly enter into negotiations and consultations with interested contracting parties pursuant to paragraphs 1-3 of Article XXVIII.
2. The negotiations and consultations mentioned above shall be completed not later than 30 June 1988.
3. Pending the entry into force of the results of the negotiations or consultations mentioned above, the other contracting parties will be free to suspend concessions initially negotiated with Malaysia to the extent that they consider that adequate compensation is not offered by the Government of Malaysia.