

WORLD TRADE ORGANIZATION

RESTRICTED

WT/DS1/1

13 January 1995

(95-0037)

Original: English

MALAYSIA - PROHIBITION OF IMPORTS OF POLYETHYLENE AND POLYPROPYLENE

Request for Consultations under Article XXIII:1 of the GATT 1994 by Singapore

The following communication, dated 10 January 1995¹, sent by the Permanent Representative of the Republic of Singapore to the United Nations, to the Permanent Representative of the Permanent Mission of Malaysia to the United Nations in Geneva, is circulated in accordance with Article 4.4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes.

Pursuant to paragraph 1 of Article XXIII of the 1994 General Agreement on Tariffs and Trade (GATT) and Article 4 of the World Trade Organization (WTO) Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), the Government of Singapore requests that the Government of Malaysia enter into consultations regarding the prohibition of imports of polyethylene (HS. 3901.10 000 and 3901.20 000) ("PE") and polypropylene (3902.10 300 and 3902.30 000) ("PP") instituted and maintained by the Malaysian Government under the Customs (Prohibition of Imports) (Amendments) (No.5) Order 1994 dated 16 March 1994.

The Government of Singapore is requesting consultations pursuant to Article XXIII:1 because its benefits under the Agreement are being nullified and impaired as a result of the institution and maintenance of the import prohibitions in violation of the Malaysian Government's obligations under, inter alia: (1) Article XI of the GATT 1994; (2) Article X of the GATT 1994; (3) Article 3 of the WTO Agreement on Import Licensing Procedures; and (4) the notification requirements under paragraph 3 of the 1979 Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance (L/4907) as well as paragraph 1 of the WTO Decision on Notification Procedures.

As the Government of Malaysia is aware, the Government of Singapore has, since 1991, expressed its deep concern over the Malaysian Government's restrictive trade policies regarding the import of plastic resins. These policies are of particular concern since, up until the recent imposition of the import prohibitions, Singaporean producers exported a significant volume of plastic resins to Malaysia. Unfortunately, these approaches have not resulted in a removal of the Malaysian Government's trade restrictions. Instead, the Malaysian Government has formalised its restrictive policies through the recent imposition of import prohibitions on PE and PP in violation of its obligations under GATT 1994 and the Agreement Establishing the WTO.

¹A corrigendum dated 12 January 1995 was received to amend the initial request for consultations. The changes are incorporated into the present document.

In light of the failure of these previous approaches, the Government of Singapore wishes, in accordance with Article XXIII:1, to enter into consultations with a view to the satisfactory resolution of this matter. In accordance with Article XXIII:1 and paragraph 3 of Article 4 of the DSU, the Government of Singapore requests that the Malaysian Government give sympathetic consideration to its request and promptly agree to enter into good faith consultations within 30 days of the date of this request. The Government of Singapore hopes that these consultations will lead to the removal of the offending import prohibitions thereby avoiding the necessity of a request for the establishment of a panel pursuant to Article XXIII:2.