

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/MYS/3/Rev.1*

4 July 1996

(96-2559)

Committee on Subsidies and Countervailing Measures

Original: English

SUBSIDIES

Questions from JAPAN regarding the New
and Full Notification of MALAYSIA¹

Revision

The following communication, dated 24 June 1996, has been received from the Permanent Mission of Japan.

Page 1

1. Double Deduction of Expenses for Promotion of Exports
2. Double Deduction of Export Credit Insurance Premium
3. Local Content Requirement Attached to Incentive
4. Export Credit Refinancing

Q. "Double Reduction of Expenses for Promotion of Exports" seem to be identical to the subsidy notified pursuant to Article 28.1 of the SCM Agreement (G/SCM/N/2/MYS). Is this a correct understanding? May this subsidy be maintained with "no expiry date", while red subsidies are supposed to be brought into conformity with the provisions of the SCM Agreement within a certain period of time?

*English only.

¹G/SCM/N/3/MYS.