

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF THAILAND

AND

THE GOVERNMENT OF MALAYSIA

ON

THE MOVEMENT IN TRANSIT OF PERISHABLE GOODS BY ROAD

FROM THAILAND THROUGH MALAYSIA TO SINGAPORE

The Government of the Kingdom of Thailand and the
Government of Malaysia,

DESIRING to strengthen further the existing bonds of
traditional friendship and economic co-operation between the two
countries,

HAVE AGREED AS FOLLOWS:

1. The Government of Malaysia agrees to permit, without
the payment of duties, taxes, fees or other charges which are
otherwise collected on or in connexion with the importation into
and exportation from Malaysia of goods, the movement in transit of
perishable goods by road from Thailand through Malaysia to Singapore,
but such exemption shall not extend to fees and charges payable for
services rendered.

Such movement in transit shall be allowed without
unnecessary delay in order to avoid any deterioration of the goods.

2. The Government of the Kingdom of Thailand shall ensure
that the movement in transit of fish shall not unduly affect the
supply for the export of fish for consumption in Malaysia. In the

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event that such supply is adversely affected in quantity or kinds, the Government of the Kingdom of Thailand upon consultation requested by the Government of Malaysia shall immediately and effectively take appropriate action which may extend to quantitative control on fish to be moved in transit to rectify the situation.

The Government of Malaysia may prevent any chilled or frozen meat from being brought into Malaysia unless the competent Malaysian authority is satisfied that Singapore will allow the importation of such meat into Singapore.

3. In this Memorandum of Understanding the term:

- (1) "competent Malaysian authorities" means the police, customs, road transport department officers and licensing authorities and any other authorities which are empowered under any law to exercise their respective legal powers;
- (2) "perishable goods" means fresh, chilled or frozen fish, crustacean, molluscs, fruits, vegetables and chilled or frozen meat;
- (3) "Permanent Joint Committee" means the committee established under paragraph 17;
- (4) "vehicles" means Thai or Malaysian vehicles that are used or to be used for the transportation of perishable goods in pursuant to this Memorandum of Understanding.

4. The total amount of perishable goods that may be transported from Thailand to Singapore through Malaysia in the manner specified in this Memorandum shall be about 30,000 metric tons annually and this amount shall not be increased unless agreed to by the Permanent Joint Committee.

5. The vehicles used for transportation of perishable goods under this arrangement shall be:

- (1) Refrigerated or closed van type trucks;
- (2) Container lorries;
- (3) Any other types of vehicle which are agreed to by the Permanent Joint Committee.

The vehicles shall be capable of being sealed to meet customs and security requirements.

6. The vehicles shall be only those which have been approved by the competent Malaysian authorities.

The number of vehicles that may be approved under this paragraph shall be determined and reviewed by the Permanent Joint Committee.

7. The vehicles shall also be registered and licensed under the laws relating to registration and licensing of commercial vehicles in Malaysia and shall be subject to the same legislations and other requirements as those applicable to Malaysian commercial vehicles used for similar purpose.

8. The entry point into Malaysia for the vehicles used for this purpose shall be Bukit Kayu Hitam and the vehicles shall travel along Asian Highway Route 2 or any other route designated by the Permanent Joint Committee.

The vehicles returning from Singapore to Thailand shall also travel along the same designated route and the exit point shall also be Bukit Kayu Hitam.

9. The drivers of the vehicles shall report at designated police stop points as may be determined by the competent Malaysian authorities along the designated route.

10. The normal Malaysian customs requirements, including security and bank guarantee, and examination and documentation, shall be fully complied with and the vehicles as well as the goods carried thereon may be examined by any competent Malaysian authorities whenever they deem it necessary to ensure that the vehicles travel along the designated route and that they do not in any way contravene Malaysian security, customs, road safety and traffic legislation and requirements.

11. The Thai drivers of the vehicles shall, when in Malaysia, be subject to the same legislations and other requirements applicable to Malaysians.

12. The vehicles shall be allowed to carry goods from Singapore to Thailand on their return journey through Malaysia and this shall be done in the same manner and subject to the same conditions as the movement in transit of perishable goods from Thailand to Singapore.

13. Goods, whether perishable or otherwise, carried on the vehicles shall not be unloaded anywhere in Malaysian territory unless so directed by any competent Malaysian authority.

14. Normal immigration facilities shall be accorded to drivers of the vehicles to enter Malaysia in the course of their duties.

15. In order to enable the competent Malaysian authorities to communicate with the consignors or consignees of the goods carried on the vehicles and the owners of the vehicles, there shall be appointed agents having their business registered under the law relating to registration of business in Malaysia.

In the event that the seal referred to in paragraph 5 has, without authority, been broken, the agent shall be liable to pay to the Government of Malaysia the customs duties, taxes, and other charges normally leviable on importation of such goods and the approval and licence granted in pursuant to this Memorandum of Understanding may be cancelled by the competent Malaysian authorities.

16. The authorities of Thailand and Malaysia concerned shall co-operate and work jointly as far as possible in facilitating the movement of the goods from Thailand to Singapore and vice-versa.

17. For the implementation of this Memorandum of Understanding there shall be established a Permanent Joint Committee comprising government officials appointed by the two Governments. The Permanent Joint Committee shall be an administrative body to ensure the implementation and compliance of this Memorandum of Understanding and in particular:-

- (i) to carry on mutual consultations,
- (ii) to exchange information;
- (iii) to settle any problem which may arise; and
- (iv) to agree upon new types of vehicle to be allowed under paragraph 5, the number of vehicles to be approved under paragraph 6 and new routing under paragraph 8.

18. The arrangements agreed to under this Memorandum of Understanding may be reviewed at the request by either party from time to time and any amendment may be made with consent of both parties.

Each party shall have the right to terminate this Memorandum of Understanding by giving the other party three months notice in writing without assigning any reason for such termination.

19. The authoritative text shall be the English text.

20. The record of the Meeting held in Bangkok from 21st-23rd of November 1979, culminating in the conclusion of this present Memorandum of Understanding is attached hereto.

21. This Memorandum of Understanding shall come into force on the date of signing.

22. Done in duplicate at Bangkok, the Twenty-Fourth of November in the year One Thousand Nine Hundred and Seventy-Nine in the English Language, the Thai Language and the Malay Language.

FOR THE GOVERNMENT OF

THE KINGDOM OF THAILAND

O. Suthiwart-Narueput

(Dr. Owart Suthiwart-Narueput)

Under-Secretary of State

for Foreign Affairs

FOR THE GOVERNMENT OF

MALAYSIA

Tan Sri Osman S. Cassim

(Tan Sri Osman S. Cassim)

Secretary-General,

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