

## APPENDIX

### NOTICE FOR THE IMPORTATION OF MOTOR VEHICLES

Pursuant to the Government policy to promote the development of motor vehicle assembly industry, this notice sets forth in the attached Schedules the definitions of completely knocked down (CKD), semi knocked down (SKD) or medium knocked down (MKD) and completely built up (CBU) vehicles to be imported into Malaysia. The interpretation of these definitions rests with the Comptroller-General, Royal Customs and Excise, Malaysia.

2. The Government has formulated the definitions in paragraph B, sub-paragraphs (iii), (v) and (vi) of the First Schedule in their present form. However, in view of the early stage of development of the motor vehicle assembly industry, exemption from the requirements of the aforesaid sub-paragraphs may be granted by the Minister of Finance, Malaysia, if he is satisfied that local assembly of these parts or sub-assemblies would not be economical and/or technically justified.

3. In exceptional cases, if specially designed vehicles could not conform to the C.K.D., S.K.D./M.K.D. definitions set forth in the First and Second Schedules to this notice, either for technical or economic reasons, it would be the importers'/assemblers' responsibility to prove to the Minister of Finance, Malaysia that the sub-assemblies or complete vehicles should be admitted under the relevant definition.

4. With a view to promoting the progressive manufacture of vehicle parts and components in Malaysia, the definitions in the Schedules will be subject to periodic review and revision.

5. For the purpose of paragraphs 2, 3 and 4 above, a Joint Advisory Committee consisting of officials of the proper authorities of both the Central and State Governments concerned, a representative of assemblers and later, a representative of the manufacturers of car components and parts will be appointed to advise and make recommendations to the Minister of Finance, Malaysia.

## First Schedule

### Definition of CKD (completely knocked down)

C.K.D. (completely knocked down) motor vehicle is defined as a motor vehicle imported in the conditions described below :-

#### A. GENERAL

i) For the purpose of this paragraph:

(a) 'part' shall mean an individual component shaped, fashioned or otherwise fabricated or manufactured, from one piece of metal or other material only and not joined or connected in any way to another component or material;

(b) 'sub-assembly' shall mean a component consisting of any two or more parts joined together by any means.

ii) Except where otherwise specified each individual part or sub-assembly provided for in this paragraph shall be imported unattached to other parts or sub-assemblies.

iii) Notwithstanding anything to the contrary, brackets, anchor nuts and clips, captive nuts and clips, or clinch nuts and clips, may be attached to parts or sub-assemblies which otherwise conform to the provision of this paragraph.

iv) Subject to the provisions of this paragraph otherwise being complied with, parts or sub-assemblies on which the undermentioned processes have been performed shall, notwithstanding anything to the contrary, be allowed :

The covering or bonding together of rubber or plastic to metal; bright metal plating; imitation wood graining.

v) Parts or sub-assemblies, otherwise conforming to the provisions of this paragraph, shall notwithstanding anything to the contrary, be allowed, if joined or attached by the undermentioned methods :

Automatic electric arc welding; flash butt welding; projection welding; high amp spot welding; hydraulic pressure welding; and friction welding.

vi) Parts or sub-assemblies not specially mentioned in this paragraph may be imported in the condition supplied, provided they are not attached or joined to other parts or sub-assemblies.

## B. CHASSIS

i) When the frame, whether of box, channel, tubular or other construction, is in a form consisting of side, cross, cruciform or other members, each individual member of such frame shall be adrift, but may have welded brackets or supports attached.

ii) When the separate chassis frame consists of several members, themselves consisting of separate frame components to be welded together, such chassis frame may be assembled.

iii) When the frame is in a form consisting of floor-components instead of side, cross, cruciform, or other members, such a frame shall not be assembled.

iv) The engine may be complete with fan, generator, fan and generator pulleys, exhaust and inlet manifolds, carburettor injection pumps, air filter or cleaner, sparking plugs, distributor, high tension cables, fuel, oil and water pumps starter motor, gear box, clutch housing and other parts of sub-assemblies attached.

v) The front axle or independent front suspension shall have the following parts or sub-assemblies unattached :

Supporting members, wish bones; axles complete with housing and bearings; brake equipment, complete with brake linings and other mechanism or parts ordinarily contained within the hub as an entire sub-assembly; shackles; shock absorbers; kingpins; tie or track rods; drop arms; drag links; coil or leaf springs with gaiters or other coverings in position; spring buffers or bumpers and covers; torsion bars with housing.

vi) The rear axle shall not be assembled; the requisite brake equipment and all other parts and sub-assemblies excepting the differential assembly, shall not be in position;

vii) For other than independent front suspensions :-

a) The front suspension and steering gear shall be adrift.

b) Road springs and shock absorbers shall not be in position, but may be assembled.

- e) Notwithstanding anything to the contrary, the front axles or independent front suspension parts or assemblies for front wheel drive or multiple wheel drive vehicles may be assembled.
- viii) The propeller shaft may have universal joints, brackets and supporting mechanism attached.
- ix) The steering gear may have the steering box and shaft assembled, but the steering wheel and horn ring shall be adrift. The steering column shall be adrift from the steering box unless permanently attached thereto.
- x) Coil or leaf springs for the rear axle may be complete with gaiters or other coverings in position.
- xi) The radiators, including the shell and mounting frame, may be assembled.
- xii) Mudguards and bonnets may be imported with holes made therein and reinforcements added, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- xiii) The cowl may be assembled, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- xiv) Chassis panels, pressings or stampings, not elsewhere provided for, shall be shaped, fashioned or otherwise manufactured from one piece of metal only and may be imported with holes made therein, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- xv) The windscreen frame may be imported with reinforcements or other attachments but shall be without glass.
- xvi) Toe and running boards may be imported with reinforcements attached, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- xvii) The dash unit or instrument board may be imported with reinforcements attached, but shall be devoid of all instruments and controls.
- xviii) The glove box and doors therefor may be assembled.
- xiv) The fuel tank may be complete, but the filler pipe shall be adrift therefrom unless permanently attached thereto.
- xx) The petrol filler housing sub-assembly may be complete.

- xxi) The petrol filler housing cover may be complete with hinges attached.
- xxii) The horn or hooter may be imported with brackets attached.
- xxiii) Speedometers and revolution counters (including their cables) may be clustered with other gauges.
- xxiv) Exhaust pipes and mufflers may be assembled, but not fitted together unless permanently attached thereto.
- xxv) All controls, pedals and linkages may be assembled.
- xxvi) Anti-squeak and anti-drum material for chassis components may be cut to size.
- xxvii) Rubber weatherstrips need not be in the piece.
- xxviii) The following and other fittings and accessories may be imported in the condition supplied :-

Bonnet catch sub-assemblies; bonnet ornaments; bolts; nails; nuts; screws; tacks; and washers; forgings; castings; anchor plates or nuts; metal brackets; braces; supports and reinforcements; rubber engine mountings; and rubber strips; step plates (running board); window-reen wipers; cowl ventilator sub-assembly; electrical sockets and fittings.

### C. BODIES

- i) Metal panels, pressings and stampings, not elsewhere provided for, shall be shaped, fashioned or otherwise manufactured from one piece of metal only and may be imported with holes made therein, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance. Such panels, pressings or stampings may also have reinforcements attached, provided such reinforcements serve the purpose of preventing distortion during handling while in transit.
- ii) Roof panels, pressings or stampings, provided otherwise conforming to the conditions set forth in paragraph (i) of this sub-paragraph, may have drip mouldings attached thereto.
- iii) Rolled and extruded metal sections may be cut to size.
- iv) Door pillars may be assembled and have the metal fittings therefor in position.

- v) Metal doors may be assembled with all internal fittings in position and may include sound-deadeners or anti-drum material, but shall be devoid of glass or upholstery material and shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- vi) Trunk lids may be assembled with fittings and sound-deadeners or anti-drum material attached, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- vii) Wood or plastic parts shall be manufactured from one piece of wood or plastic material.
- viii) Upholstery springs may be loose or in vage.
- ix) Seat frames may be assembled, but not upholstered.
- x) Carpeting, hood and headlining material may be cut and stitched.
- xi) Rubber weatherstrips need not be in the piece.
- xii) Anti-drum materials may be cut to size for body components.
- xiii) Laminated glass, except for single or double curvature glass, shall be in sheets.
- xiv) Materials not elsewhere provided for shall not be fashioned, cut to shape or otherwise processed.
- xv) The following and other fittings and accessories may be imported in the condition supplied :

Door and window handles; window winding mechanisms; window support frames; window fasteners; hinges and locks; bolts, nails, nuts, rivets, screws, tacks and washers; chains and hooks; ornamental mouldings and monograms, including window reveals or garnish mouldings to imitate wood; robe rails; assist cords; doors pulls; door arm rests; parcel nets; ventilator window frames and operating mechanism; window glass channels, guiding and lifting; adjustable seat lever, slides and locking devices, forgings, castings and anchor plates or nuts; metal brackets, braces, supports and reinforcements, nailing strips with nails inserted; wire stiffeners for upholstery; window sash weather strip, metal and felt; moulded rubber mats with felt; arm rest sub-assembly including hinges and supports or brackets therefor, but excluding upholstery; trunk lid hinge arm sub-assembly; door checkstraps, metal or other; tacking or trip strips not cut from cardboard or storeboard; direction indicat-

- v) Metal doors may be assembled with all internal fittings in position and may include sound-deadeners or anti-drum material, but shall be devoid of glass or upholstery material and shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- vi) Trunk lids may be assembled with fittings and sound-deadeners or anti-drum material attached, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.
- vii) Wood or plastic parts shall be manufactured from one piece of wood or plastic material.
- viii) Upholstery springs may be loose or in vage.
- ix) Seat frames may be assembled, but not upholstered.
- x) Carpeting, hood and headlining material may be cut and stitched.
- xi) Rubber weatherstrips need not be in the piece.
- xii) Anti-drum materials may be cut to size for body components.
- xiii) Laminated glass, except for single or double curvature glass, shall be in sheets.
- xiv) Materials not elsewhere provided for shall not be fashioned, cut to shape or otherwise processed.
- xv) The following and other fittings and accessories may be imported in the condition supplied :
- Door and window handles; window winding mechanism; window support frames; window fasteners; hinges and locks; bolts, nails, nuts, rivets, screws, tacks and washers; chains and hooks; ornamental mouldings and monograms, including window reveals or garnish mouldings to imitate wood; robe rails; assist cords; doors pulls; door arm rests; parcel nets; ventilator window frames and operating mechanism; window glass channels, guiding and lifting; adjustable seat lever, slides and locking devices, forgings, castings and anchor plates or nuts; metal brackets, braces, supports and reinforcements, nailing strips with nails inserted; wire stiffeners for upholstery; window sash weather strip, metal and felt; moulded rubber mats with felt; arm rest sub-assembly including hinges and supports or brackets therefor, but excluding upholstery; trunk lid hinge arm sub-assembly; door checkstraps, metal or other; tacking or trip strips not cut from cardboard or storeboard; direction indicat-

ors; electrical sockets and fittings; ash trays; cigar or cigarette lighters; stone guards and dust shields; clocks; and safety belts, including fittings and anchorages.

### Second Schedule

#### Definition of SKD (semi knocked down)

or

#### MKD (medium knocked down)

S.K.D. or M.K.D. means the condition of a vehicle imported into Malaysia which is as defined under C.K.D. excepting that the body of a car and the cab or scuttle (including front end sheet metal and floor pan) of a truck, the scuttle (including front end sheet metal and floor pan) of a bus, and the chassis frame of any vehicle are preassembled in the country of origin. Such a pre-assembled body, cab, or scuttle assembly shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance. The chassis frame may be painted with a standard chassis paint.

### Third Schedule

#### Definition of CBU (completely built up)

Any vehicle which is not classified by the above definitions as being in C.K.D. or M.K.D. condition, shall be deemed to be C.B.U.



NOTA

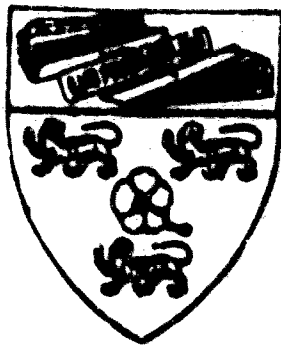
DOKUMEN ASAL

TIDAK TERANG.

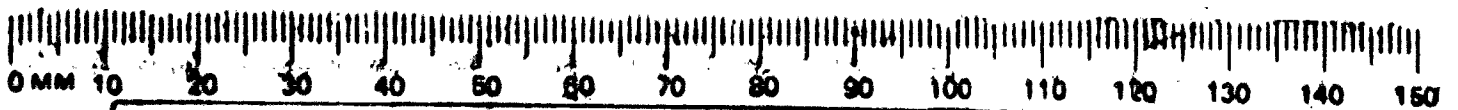
NOTE

ORIGINAL COPY

NOT CLEAR.



# TAMAT



UNIVERSITY OF MALAYA LIBRARY . MICROFILM .

