

TURKEY – RICE¹

(DS334)

PARTIES		AGREEMENTS	TIMELINE OF THE DISPUTE	
Complainant	United States	GATT Arts. III:4, XI:1, XI:2, XI:1	Establishment of Panel	17 March 2006
			Circulation of Panel Report	21 September 2007
Respondent	Turkey	AA Art. 4.2 Licensing Ag Arts. 1.4(a), 1.4(b), 1.6, 3.5(a), 3.5(e), 3.5(f), 3.5(h), 5.1, 5.2(a), 5.2(b), 5.2(c), 5.2(d), 5.2(e), 5.2(g), 5.2(h), 5.41 TRIMs Art. 2.1 and para1(a) of the Annex	Circulation of AB Report	NA
			Adoption	22 October 2007

1. MEASURE AND PRODUCT AT ISSUE

- Measures at issue: Turkey's restrictions on the importation of rice, in particular: (i) the decision, during specific periods of time commencing September 2003 to deny or fail to grant Certificates of Control to import rice at the MFN tariff rates; (ii) the domestic purchase requirement incorporated in Turkey's TRQ regime (until July 2006), in order to import rice at lower tariff rates; (iii) the discouragement of the full utilization of tariff rate quotas through their administration; (iv) the combined effect of measures (i) and (iii); and (v) Turkey's administration of its import regime for rice, more generally.
- Product at issue: Rice, including paddy, husked and white rice, imported by Turkey.

2. SUMMARY OF KEY PANEL FINDINGS

- AA Art. 4.2: The Panel found that Turkey had denied or failed to grant licences to import rice at the MFN tariff rates, i.e. outside the tariff rate quotas. This was found by the Panel to be a quantitative import restriction and discretionary import licensing, within the meaning of footnote 1 to AA Art. 4.2.²
- GATT Art. III:4: The Panel found that Turkey's requirement that importers purchase domestic rice in order to be allowed to import rice under the tariff rate quotas, was inconsistent with GATT Art. III:4, because it offered less favourable treatment to imported rice than to like domestic rice. [The Panel did not make a recommendation in regard to this measure, considering that it was no longer in force and that Turkey had declared its intention not to reintroduce the measure.]

¹ Turkey – Measures Affecting the Importation of Rice.

² In making this finding, the Panel did not consider it necessary to assess whether the relevant Turkish documents constituted import licences as argued by the United States.