

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/4126

20 December 1974

Limited Distribution

Original: French

ASSOCIATION AGREEMENT EEC-TURKEY

The following communication has been received from the parties to the Agreement.

Implementation of the Association Agreement EEC-Turkey

Communication to GATT from the Parties to the Agreement

1. The contracting parties have already been informed¹ of the major developments in relations between EEC and Turkey since 1970, when the most recent general statement was made on the status of implementation of the association.² This concerns the three following instruments concluded between EEC and Turkey:

- Additional Protocol signed on 23 November 1970, which entered into force on 1 January 1973³;
- Supplementary Protocol signed on 30 June 1973, which is in course of ratification⁴;
- Interim Agreement signed on 30 June 1973, which entered into force on 1 January 1974.⁵

¹Cf. documents L/4068 of 13 August 1974 and L/3980 of 17 January 1974.

²Cf. document L/3321 of 21 January 1970.

³By this Protocol, the Community and Turkey established provisions relating to the conditions, modalities and rate of achievement of the transitional stage with a view to the formation of a customs union between the EEC and Turkey (Article 4 of the Ankara Agreement).

⁴By this Protocol, the association was extended to the enlarged Community.

⁵By this Agreement, the enlarged Community and Turkey implemented the trade provisions of the Supplementary Protocol, pending its ratification.

2. Subject to entry into force of the Supplementary Protocol extending the association to the new member States of the Community¹, the present status of the association between the EEC and Turkey can be summarized as follows:

Tariff situation

3. When imported into the nine-member Community, Turkish industrial products are exempt from customs duties and charges having equivalent effect.²

Exceptions are nevertheless provided in respect of certain petroleum products (headings Nos. 27.10 to 27.14), for which the duty-free treatment is limited to an annual quota of 340,000 tons, two types of cotton textiles, for which duty-free treatment is likewise under quota limitation, and machine-made carpets (heading No. 58.01), for which duty-free treatment is spread over a twelve-year period, 1973-1985.

The exception in respect of two cotton textile products and machine-made carpets will therefore be phased out over a twelve-year period; furthermore, its impact is limited by the additional tariff reductions granted by the Community to Turkey on an autonomous basis, by analogy to generalized preferences.³ The exception in respect of petroleum products will also be the subject of amendments between now and 1976 at the latest.

4. Almost all Turkish agricultural products currently exported to the six-member Community enjoy various tariff reductions, generally with no quota limitation and with no reference to the season of import; these reductions vary from product to product and, in some cases, consist of complete elimination of duties (in particular in respect of unmanufactured tobacco and dried grapes, which account for approximately 30 per cent of Turkish agricultural exports to the Community).

¹Entry into force is to be expected fairly soon.

²Notwithstanding the fact that the Additional Protocol did not enter into force until 1 January 1973, this benefit has been granted to Turkey since 1 September 1971, under the Interim Agreement published in J.O. No. L 130 of 16 June 1971.

³Accordingly, the quotas provided under the Additional Protocol for headings Nos. 55.05 and 55.09 (390 tons and 1,390 tons respectively) have been raised to 885 tons and 2,085 tons.

5. When imported into Turkey, industrial products of the six-member Community enjoy a tariff reduction of 5 or 10 per cent depending on whether or not the products concerned are included in the 22-year tariff dismantlement list set forth in Annex 3 to the Additional Protocol.¹ The amount of this reduction will be raised to 10 and 20 per cent respectively on 1 January 1976.

6. In respect of agricultural products imported on a commercial basis, the treatment granted by Turkey to the Community is designed to ensure a satisfactory increase in its agricultural imports from the Community.

Quota situation

7. The Community has eliminated all quantitative restrictions on imports of industrial products from Turkey. This liberalization has been bound.²

8. Turkey has liberalized and bound 35 per cent of its private imports from the Community in the year 1967. This percentage will be progressively increased in accordance with Article 22 of the Additional Protocol.

Adoption of the C.C.T. by Turkey

9. The first alignment of the Turkish customs tariff on the C.C.T. will take effect on 1 January 1977.

10. A table showing the development of Turkey's trade with the EEC and with third countries is annexed to the present statement.

¹The date of application of this régime is that of the entry into force of the Interim Agreement published in J.O. No. L 130 of 16 June 1971.

It should be noted, however, that the dismantlement time-table to be applied by Turkey to industrial products imported from the three new member States corresponds to the rate provided for in the Treaty of Accession. A uniform tariff régime will therefore be applied by Turkey to the nine-member Community only as from 1 July 1977.

²A few provisional limitations are still maintained in respect of imports of certain industrial products into Ireland and the United Kingdom.

EXTERNAL TRADE OF TURKEY¹
(1964-1973)

Value

(in US\$ million)

Period	EXPORTS			IMPORTS		
	EEC	Rest of the world	World	EEC	Rest of the world	World
1964	137.8	273.0	410.8	154.5	382.7	537.2
1965	156.8	306.9	463.7	162.9	409.0	571.9
1966	171.4	319.1	490.5	236.5	481.8	718.3
1967	176.7	345.0	522.3	240.0	444.6	648.6
1968	164.1	332.2	496.3	281.9	481.8	763.7
1969	214.8	322.0	536.8	284.4	516.8	801.2
1970	239.0	349.5	588.5	325.2	622.4	947.6
1971	266.6	410.0	676.6	455.7	715.1	1,170.8
1972	347.0	538.0	885.0	652.5	910.1	1,562.6
1973 The Six	493.5	824.5	1,318.0	923.7	1,175.2	2,098.9
The Nine	611.5	706.5		1,155.1	943.8	

¹

Source: Ninth annual report on activities of the Association Council.