

VIII. CONCLUSIONS AND RECOMMENDATION

8.1 The Panel concludes that Turkey's decision, from September 2003 and for different periods of time, to deny, or fail to grant, Certificates of Control to import rice outside of the tariff rate quota, constitutes a quantitative import restriction, as well as a practice of discretionary import licensing, within the meaning of footnote 1 to Article 4.2 of the Agreement on Agriculture. Accordingly, it is a measure of the kind which have been required to be converted into ordinary customs duties and is therefore inconsistent with Article 4.2 of the Agreement on Agriculture.

8.2 The Panel recommends that the Dispute Settlement Body request Turkey to bring the inconsistent measures as listed above into conformity with its obligations under the WTO agreements.

8.3 The Panel also concludes that Turkey's requirement that importers must purchase domestic rice, in order to be allowed to import rice at reduced-tariff levels under the tariff quotas, accorded less favourable treatment to imported rice than that accorded to like domestic rice, in a manner inconsistent with Article III:4 of the GATT 1994.

8.4 As we have noted that the requirement that importers must purchase domestic rice, in order to be allowed to import rice at reduced-tariff levels under the tariff quotas has expired and that Turkey has declared its intention not to reintroduce the measure, we abstain from making any specific recommendation to the DSB in this regard.

8.5 Under Article 3.8 of the DSU, in cases where there is an infringement of the obligations assumed under a covered agreement, the action is considered prima facie to constitute a case of nullification or impairment. The Panel concludes that, to the extent that the measures listed above are inconsistent with the WTO agreements, they have nullified or impaired benefits accruing to the United States under those agreements.
