



REPUBLIC OF TURKEY
MINISTRY OF TRADE

Turkey's FTAs/PTAs and Analysis on Preference Utilisation

7 April 2022



Plan of Presentation

- **Turkey's FTAs/PTAs**
- **Analysis of Preference Utilisation**



REPUBLIC OF TURKEY
MINISTRY OF TRADE

Turkey's FTAs and PTAs



Turkey's Free Trade Agreements

- | | | |
|------------------------------|-----------------------|---------------------------|
| 1. EFTA (1992) | 9. Albania (2008) | 18. Faroe Island (2017) |
| 2. Israel (1997) | 10. Georgia (2008) | 19. Singapore (2017) |
| 3. Macedonia (2000) | 11. Montenegro (2010) | 20. Kosovo (2019) |
| 4. Bosnia-Herzegovina (2003) | 12. Serbia (2010) | 21. Venezuela (2020) |
| 5. Palestine (2005) | 13. Chile (2011) | 22. United Kingdom (2021) |
| 6. Tunisia (2005) | 14. S. Korea (2013) | 23. Ukraine* |
| 7. Morocco (2006) | 15. Mauritius (2013) | 24. Qatar * |
| 8. Egypt (2007) | 16. Malaysia (2015) | 25. Lebanon* |
| | 17. Moldova (2016) | 26. Sudan* |

Turkey's Preferential Trade Agreements

1. Iran (2015)
2. Azerbaijan (2021)
3. Uzbekistan (2022)*



FTAs/PTAs under Negotiation

FTAs under Active Negotiation

1. Japan
2. Thailand
3. Indonesia

PTAs under Active Negotiation

1. Pakistan
2. Mozambique
3. Mauritania

Other FTA Negotiations

1. Mexico
2. Peru
3. Colombia
4. MERCOSUR
5. Ecuador
6. Somali
7. Cameroon
8. Gulf Cooperation Council
9. Seychelles
10. Djibouti



Turkey's Foreign Trade with FTA Partners (million \$)





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Analysis of Preference Utilisation



Data on Preference Utilisation

T.C. GÜMRÜK BEYANNAMESİ		Seri :		1 BEYAN		A SEVK/İHRACAT GÜMRÜK İDARESİ	
1	2 Gönderici / İhracatçı HYUNDAI MOBIS 728 -	No 19KR000192668		IM	4	DERİNCE GÜMRÜK MÜDÜRLÜĞÜ 22410300IM00019876 04/03/2022	
		3 Formlar	4 Yük. List.	1	1	3	
		5 Kalem say.	6 Kap adedi	1	1	7 Referans numarası 2022NO1532	
	8 Alıcı HYUNDAI-ASSAN OTOMOTIV SANAYİ VE TİCARET A.Ş. KOZYATAĞI Ş.MEHMET FATİH ÖNGÜL YOK 34/ 052 -	No 0910006485		9 Mali Müşavir Serbest Muhasebeci PWC YEMİNLİ MALİ MÜŞAVİRLİK ANONİM ŞİRKETİ SÜLEYMAN SEBA C. B.J.K.PLAZA B BLOK 12 48 34/BEŞİKTAŞ 052		No 6290044193	
		10 Gideceği	11 Tesc. yapılan	13 T.P.			
		728	ülke	728	ülke		
	14 Beyan Sahibi / Temsilcisi GÜLER GÜMRÜK MÜŞAVİRLİĞİ ANONİM ŞİRKETİ İÇERENKÖY MAH. ÜSKÜDAR-İÇERENKÖY YOLU CAD. 34 8 34/ATAŞEHİR 052	No 8940773111		15 Çıkış/İhracat ülkesi GÜNEY KORE CUMHURİYETİ	16 Menşe ülkesi	15 Çıkış ülk. kodu a 728 b	17 Gidecek ülke kodu a 052 b
		18 Çıkıştaki taşıt aracının kimliği ve kayıtlı olduğu ülke KAMYON 34BNU907	19 Kır. 0	20 Teslim şekli FOB GÜNEY KORE			
	21 Sınırı geçecek hareketli taşıt aracının kimliği ve kayıtlı olduğu ülke UÇAK PNI118193	052		22 Döviz ve toplam fatura bedeli USD 80.37	23 Döviz kuru 14.13740	24 İşlemin 1 1 niteliği	
	25 Sınırdaki taşıma 40 şekli	26 Dahili taşıma şekli	27 Yükleme yeri DERİNCE GÜMRÜK MÜDÜRLÜĞÜ	28 Finansal ve bankacılık verileri TÜRKİYE VAKIFLAR BANKASI İSTANBUL ANADOLU KURUMSAL			
1	29 Çıkış gümrük idaresi İSTANBUL HAVALİMANI GÜM	30 Eşyanın bulunduğu yer C41000096					
Kaplara marka ve numaraları - konteyner no(lar)ı - adet ve cinsleri 1 kap 1 adet(unit) Ticari tanımı: şarj cihazı-95560d3000 - kullanılmamış		Markası: ADDR-Numarası:		32 Kalem	33 Eşya kodu		
				1	No	85044030	90 00
				34 Menşe ülke kodu	35 Brüt ağırlık (kg)	36 Tercih Tarz.	
				a 728 b	0.50	KORE	
				37 REJİM	38 Net ağırlık (kg)	39 Kota	
				40 71	0.30		
				40 Özet Beyan /22410300AN00003038			
				41 Tamamlayıcı ölçü	42 Kalem fiyatı		
				1 ADET(UNIT)	80.37		
				E.B. Kodu			
				46 İstatistik kaymet			
				90.98			
4 Ek Fatura V A2A02433 #25-01-22-Navlun Faturası V FRW202200000540 #09-02-22-Sigorta Polisi V 0001-0410-05650178 #04-02-22-İlk rejime ilişkin Gümrük Beyannamesi V 22410300AN00003038 #15-02-22-Menşe Beyanı V A2A02433 #25-01-22-Transfer Bildirim Formu V 2200000015088700009973/1 #01-02-22-TPS-CE Gerektiren Ürünler Belgesi V 22243082610969028670393/1 #03-03-22-VEKALET:KARTAL 32. NOTERLİĞİ, 11179;29.12.2021 YYS:TR/AEOF173400001;16.01.2017 Y.DIŞI DİĞER NAKLİYE GİDERİ, YDIŞINA BEYAN EDİLMİŞTİR. EK BELGELER İÇİN DMGV				48 Odemenin ertelenmesi		49 Antrepo tipi ve kodu	
						ÖZEL C41000096	
Vergi hesaplaması		Tür	Vergi Matrahı	Oran	Tutar	OS	
		10			0.00	P	
		40	1,286.22		18.00	P	
		89			176.70	P	
			9,962.92				
				1,136.22 GVM		1,286.22	
				100.00 GV		0.00	
				35.00 YICI		8,500.00	
				1,271.22		KDVM	
				15.00		9,962.92	
				1,970.03			



Analysis of Preference Utilisation based on Turkey-EFTA FTA

Switzerland

- 2016-2019
- Utilisation rates of Switzerland: 16-42%

EFTA (*Switzerland, Norway, Iceland, Liechtenstein*)

- 2018-2020
- Utilisation rates of EFTA: 14-30%



Possible Explanations of Low Utilisation Rates in Turkey- EFTA FTA

Low MFN rates in industrial products

Small differences between MFN rates and preferential rates

Fluctuation of trade in commodities, especially gold

Role of origin requirements, customs procedures ???



Effects of Origin Requirements

- According to the studies on the possible effects of Rules of Origin on the utilisation of the preferences, these rules might be associated with administrative burden but this relation has not been proved for our FTAs with a comprehensive study yet.
- To facilitate customs procedures, **Automation System for Certificates of Origin and Movement Certificates (MEDOS)** was developed for the issuance and endorsement of the movement certificates by Turkish Customs Offices electronically, and
- These certificates bear a unique and unreproducible QR code so that the accuracy and authenticity of the documents can be easily verified by the importing customs authority.
- We expect that the implementation of this system would encourage the use of the preferences provided by the FTAs.



Provisions in Turkey's FTAs on Preference Utilisation

Turkey-UK FTA

Article 2.11-Data sharing on preference utilisation

- 1.For the purposes of monitoring the functioning of this Agreement and calculating preference utilisation rates, each Party shall, upon request of the other Party, annually exchange import statistics starting one year after the entry into force of this Agreement. The Joint Committee may review the process and content of this data exchange.
- 2.The exchange of import statistics shall cover data pertaining to the most recent year available, including value and, where applicable, volume, at the tariff line level for imports of goods of the other Party benefitting from preferential duty treatment under this Agreement and those that received non-preferential treatment.

Turkey-Ukraine FTA*

**in ratification process*

Article II.8-Data sharing on preference utilization

1. For the purposes of monitoring the functioning of this Agreement and calculating preference utilization rates and tariff rates quotas, Parties shall, upon the request of a Party, exchange import statistics starting one year after the entry into force of this Agreement. The Joint Committee may review the process and content of this data exchange.
2. The exchange of import statistics shall cover data pertaining to the most recent year available, including value and, where applicable, volume, at the tariff line level for imports of goods of the other Party benefitting from preferential duty treatment under this Agreement and those that received non-preferential treatment.



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THANK YOU