

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## AGREEMENT OF ASSOCIATION BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND TURKEY

### Information Communicated by the Parties to the Agreement

1. Progress towards the customs union between Turkey and the European Economic Community, provided for in the Ankara Agreement and the Additional Protocol, thereto, has encountered certain difficulties which have led the parties to take action under Article 60 of the Additional Protocol.
2. Since the last communication<sup>1</sup>, the status of the Association between the European Economic Community and Turkey can be summarized as follows:

#### Tariff Situation

3. In the industrial area, there have been no noteworthy developments on the Community side. Turkish industrial products imported into the Community are exempted from customs duties or charges having equivalent effects. Exceptions are nevertheless provided for in respect of certain petroleum products and textiles.<sup>1</sup>
4. With respect to agriculture, the Community will take the necessary action to eliminate progressively, over a six-year period starting on 1 January 1981, the customs duties applicable to imports into its territory of agricultural products originating in Turkey.

The modalities for this reduction are the following:

- as from 1 January 1981, all duties at a rate not exceeding 2 per cent will be eliminated;
- for duties exceeding 2 per cent the elimination will be effected in four stages (1.1.1981 = 30 per cent reduction; 1.1.1983 = 60 per cent; 1.1.1985 = 80 per cent; 1.1.1987 = 100 per cent);
- in respect of products on which the applicable duties reach the level of 2 per cent or less at any given moment in the course of the tariff reduction process, those duties will be eliminated.

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<sup>1</sup>Cf. document L/4748.

Nevertheless, for certain products, the tariff reduction is accompanied by quantitative conditions or seasonal calendars established taking into account the interests of the two parties.

5. Owing to economic difficulties it has encountered, Turkey has had to postpone, in the past two years, the tariff reductions envisaged in favour of the Community and the alignment of its customs tariff with the common customs tariff.

6. In respect of quotas, there have been no changes since the last communication to your institution. Nevertheless, the Community had to establish in one of its member countries a quota for imports of cotton yarn originating in Turkey for a period of six weeks which ended on 31 December 1979.

7. A table showing the development of Turkey's external trade is annexed to the present communication.

ANNEX

EXTERNAL TRADE OF TURKEY

(1976/1979)

Value

	(in US\$ million)												
	EXPORTS					IMPORTS					COVERAGE IMPORTS/EXPORTS (%)		
	EEC	Rest of world	World	EEC share	EEC	Rest of world	World	EEC share	EEC	Rest of world	World		
1976	958.9	1,031.3	1,960.2	48.9	2,342.0	2,786.6	5,128.6	45.7	40.9	37.0	38.2		
1977	868.0	885.0	1,753.0	49.5	2,470.1	3,326.1	5,796.2	42.6	35.1	26.6	30.2		
1978	1,090.0	1,198.0	2,288.1	47.6	1,872.6	2,762.3	4,599.0	40.7	58.2	71.6	49.7		
1979	1,097.5	1,163.7	2,261.2	48.5	1,827.5	3,241.9	5,069.4	36.0	60.0	35.8	44.6		
Variation 1978/1979	% + 0.7	% - 2.9	% - 1.2		% - 2.4	% + 17.4	% + 10.2						

Source: Ministry of Trade, Ankara.