

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/5812
30 May 1985

Limited Distribution

Original: English

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⁽¹⁾, the status of the Association between the European Economic Community and Turkey can be summarised as follows :

Tariff Situation

3. In the industrial sector, the Agreement provides for the exemption of customs duties or charges having equivalent effects on Turkish industrial products when imported into the Community. Exceptions are nevertheless provided for in respect of certain petroleum products. Customs duties on three categories of textile products (cotton yarn, heading 55.05; woven fabrics of cotton, 55.09; and man-made carpets, heading 58.01), were finally eliminated on the 1 January 1985 as provided for in the Additional Protocol.
4. Turkey has applied since 12 December 1982 an additional tax of 15% on imports of a series of products, mainly iron and steel, originating in the Community. On the 1 January 1984 this tax was reduced from 15% to 5%.
5. In the agricultural sector, the Community took, on January 1st 1985, the third step in eliminating progressively customs duties on imports of agricultural products originating in Turkey. This means that Turkey's agricultural exports to the Community obtain an 80% reduction on customs duties as from 1.1.85. In addition any duty which reaches 2% or less in the course of the tariff reduction process is also eliminated.

For certain products, the tariff reduction is accompanied by quantitative conditions or seasonal calendars that take account of the interests of the two Parties.

⁽¹⁾ cf. document L 5389 of 22 October 1982

6. Turkey has had to postpone, in the past two years, the tariff reductions envisaged under the Agreement in favour of the Community and the alignment of its customs tariff with the Common Customs Tariff owing to economic difficulties it has encountered.
7. In respect of quotas, there have been no changes since the last communication to your institution. However, as regards certain textile products originating in Turkey, the Community has had to, for certain periods, either suspend the issue of import licenses, establish quotas or suspend imports for a number of Member States.
8. A table showing the development of Turkey's external trade is annexed to the present communication.

ANNEX

EXTERNAL TRADE OF TURKEY

(1980/1983)

Value

(in US \$ million)

	EXPORTS					IMPORTS					COVERAGE EXPORTS/IMPORTS (%)		
	EEC	Rest of World	World	EEC Share	EEC	Rest of World	World	EEC Share	EEC	Rest of World	World		
1980	1251.0	1659.1	2910.1	43.0	2267.8	5641.6	7909.4	28.7	55.2	29.4	36.8		
1981	1502.9	3200.0	4702.9	32.0	2519.5	6413.9	8933.4	28.2	59.7	49.9	52.6		
1982	1755.5	3990.4	5745.9	30.6	2466.3	6376.2	8842.5	27.9	71.2	62.6	65.0		
1983	2010.2	3717.6	5727.8	35.1	2595.9	6639.1	9235.0	28.1	77.4	56.0	62.0		
Variation 1982/83	X + 14.5	X - 6.8	X - 0.3	.	X + 5.3	X + 4.1	X + 4.4						

Source : State Institute of Statistics