

**TURKEY-ISRAEL (Goods)**  
**Summary Fact Sheet**  
**June 2007**

**Table 1: Background Information**

Parties	Turkey, Israel	
Date of signature	14 March 1996	
Date of entry into force	1 May 1997	
Transition period for full implementation	2 years and 7 months	
Date of full implementation	1 January 2000	
Website addresses or points of contact	Israel: <a href="http://www.moital.gov.il/NR/exeres/6836FDA9-E9BC-4FD9-9ACE-38BD1A09F7AF.htm">http://www.moital.gov.il/NR/exeres/6836FDA9-E9BC-4FD9-9ACE-38BD1A09F7AF.htm</a> Turkey: <a href="http://www.dtm.gov.tr/dtmadmin/upload/AB/TarimSerbestTicaretDb/israil.doc">http://www.dtm.gov.tr/dtmadmin/upload/AB/TarimSerbestTicaretDb/israil.doc</a>	
List of related GATT/WTO documents	WT/REG60/N/1 WT/REG60/1 and Corr.1 WT/REG60/2 WT/REG60/3 WT/REG58/M/1, WT/REG59/M/1, WT/REG60/M/1, WT/REG61/M/1, WT/REG60/3/Add.1 WT/REG58/3/Add.2, WT/REG59/3/Add.3, WT/REG60/3/Add.2, WT/REG61/3/Add.2, WT/REG58/M/2, WT/REG59/M/2, WT/REG60/M/2, WT/REG61/M/2, WT/REG60/4 WT/REG58/M/3, WT/REG59/M/3, WT/REG60/M/3, WT/REG61/M/3	Notification Agreement Terms of Reference Standard format Examination  Communication-Addendum Communication-Addendum  Examination  Questions and Replies Examination

**Table 2: Internal Trade Liberalization**

Import duties and charges	Article 3 (Scope) Article 4 (Customs Duties on Imports and Charges Having Equivalent Effect) Article 5 (Customs Duties of a Fiscal Nature) HS Chapters 25-97 Annex II, III and VIII (Israel's Tariff Schedule) Annexes IV, V, VI(a), VI(b), VII and VIII (Turkey's Tariff Schedule)
Export duties and charges	Article 6 (Customs Duties on Exports and Charges Having Equivalent Effect)
Non-tariff measures	Article 7 (Quantitative Restrictions on Imports and Exports and Measures Having Equivalent Effect) Article 14 (Internal Taxation)
Sector-specific rules	Chapter I (Industrial Products) Chapter II (Agricultural, Processed Agricultural and Fishery Products) Annex I to Protocol A (Israel's agricultural concessions) Annex II to Protocol A (Turkey's agricultural concessions) Chapter 4 (Right of Establishment and supply of services)
Product exclusions	Agricultural Products of the HS Chapters 1-24 that are not covered Annex I and II to Protocol A. Products of Annex I that are not covered in the lists of agricultural concessions, namely 35011010, 35011050, 35011090, 35019090, 35021110, 35021190, 35021910, 35021990, 35022010, 35022091, 35022099, 35029020, 35029070, 35029090, 35051010, 35051090.

**Table 3: Common External Tariff**

Provisions	None
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**Table 4: Provisions of the Agreement**

Provision	Relevant Article(s)	Additional Information
Rules of Origin	Article 11, 12, and Protocol B	In general, origin is confirmed when: the good is wholly obtained or produced in the territory of a Party; or each of the non-originating materials used in the production of the good undergoes an applicable change in tariff classification, or the good satisfies other particular circumstances. Bilateral cumulation is allowed and there is up to 10 percent tolerance for non-originating materials and outward processing.
Standards-related measures	Article 19	This issue is governed by the WTO Agreement on Technical Barriers to Trade. The Parties are required to provide information on standards-related measures. They shall aim to reduce technical barriers to trade through agreements on mutual recognition in the field of conformity assessment.
SPS measures	Article 10	The Parties shall apply their sanitary and phytosanitary measures in accordance with the relevant GATT Agreement. Moreover, they shall not apply their regulations in veterinary or plant health matters as an arbitrary or unjustifiable discrimination or a disguised restriction on trade between them.
Safeguard mechanisms (intra-trade)	Articles 15-18 and 26	The Agreement specifies the administrative procedures for the application of safeguard measures between the Parties in the case of dumping, emergency action on imports of particular products and measures relating to re-export and serious shortage. There are also provisions for safeguards in the event of serious balance-of-payments difficulties.
Anti-dumping and countervailing measures	Article 15	If a Party finds that dumping is taking place in trade with the other Party, it may take appropriate measures against that practice in accordance with the Agreement on Implementation of Article VI of the GATT 1994 and with its relevant internal legislation.

Provision	Relevant Article(s)	Additional Information
Subsidies and state aid	Article 25	Any state aid which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods is incompatible with the proper functioning of the Agreement insofar as it may affect trade between the Parties.
Customs-related procedures	Article 11 and Protocol B	The Agreement establishes a framework for cooperation in customs administration, with particular regard to methods of co-operation in the administration of rules of origin.
IPR	Article 22 and Annex IX	The Parties accept to accede to certain multilateral conventions on intellectual, industrial and commercial property rights which are listed in Annex IX of the Agreement.
Government procurement	Article 24, 30	The Parties recognize the effective liberalization of their respective public procurement markets as an integral objective of the free-trade area Agreement. Progress in this field will be reviewed annually in the Joint Committee.
Competition	Articles 13 and 25	The Parties will adjust any state monopoly of a commercial character so that no discrimination regarding the conditions under which goods are procured and marketed exists between nationals of the Parties, by the end of the second year following the entry into force of the Agreement. All agreements and concerted practices between undertakings, which have as their object or effect the restriction or distortion of competition, as well as abuse by undertaking of dominant position, are incompatible with the proper functioning of the Agreement. The Implementations of this subject will be discussed in each Joint Committee Discussions.
Investment	None	
General exceptions	Articles 12 and 31	The Agreement allows restrictions on imports, exports or goods in transit on grounds of public morality, public policy or public security; essential security interests; the protection of health and life of humans, animals or plants and of the environment, the protection of national treasures possessing artistic, historic or archaeological value or the protection of intellectual, industrial and commercial property, or rules concerning gold or silver.
Accession	None	
Dispute resolution	Article 30	The Agreement provides for a binding dispute settlement process to deal with any dispute relating to the application or the interpretation of the Agreement, either through the Joint Committee or through a panel of three arbitrators who shall decide by majority vote.
Relation with other trade agreements	Articles 2, 10, 15, 19, 21, 26 and 31 35	Any tariff reduction resulting from the GATT Uruguay Round and Turkey-EC Customs Union shall replace the former basic duties. The Agreement stipulates that rights and obligations relating to matters such as sanitary and phytosanitary measures, standards and technical regulations, balance of payment issues, anti-dumping measures and competition related measures shall be governed by the relevant WTO or GATT agreement. This agreement does not prevent the establishment of trade agreements with third parties.

Provision	Relevant Article(s)	Additional Information
Institutional provisions	Articles 27-28	The Agreement establishes a Joint Committee which is responsible for the administration of the Agreement and shall meet whenever necessary but at least once a year to monitor its implementation. The Joint Committee is composed of the representatives of the Parties and acts by common agreement.
Other: Objectives	Article 1	The objectives of the Agreement are to promote the harmonious development of economic relations between the Parties, to provide fair conditions of competition for trade and to enhance cooperation between the Parties and to contribute to the expansion of world trade.

**Table 5a: Turkey's imports from Israel by level of duty covered in the Agreement, 1994-1996**

1994	Agricultural products		Industrial products		Total imports	
	(\$000)	%	(\$000)	%	(\$000)	%
<b>0</b>	0	0%	118.866	99.8%	118.866	94.5%
<b>Less than MFN</b>	2.410	36%	226	0.2%	2.636	2%
<b>MFN</b>	4.375	64%	0	0%	4.375	3.5%
<b>1995</b>						
<b>0</b>	73	1%	15.558	99.8%	154.631	92.8%
<b>Less than MFN</b>	5.864	50%	329	0.2%	6.193	3.7%
<b>MFN</b>	5.809	49%	0	0%	5.809	3.5%
<b>1996</b>						
<b>0</b>	12	0%	179.152	99.8%	179.164	93%
<b>Less than MFN</b>	6.483	50%	435	0.2%	6.918	3.6%
<b>MFN</b>	6.545	50%	0	0%	6.545	3.4%

Source: Standard format

**Table 5b: Israel's imports from Turkey by level of duty covered in the Agreement, 1995-1997**

1995	Agricultural products		Industrial products		Total imports	
	(\$)	%	(\$)	%	(\$)	%
<b>0</b>	37,919,251	79%	251,741,862	100%	289,661,113	96.6%
<b>Less than MFN</b>	1,946,637	4.1%	-	-	1,946,637	0.6%
<b>MFN</b>	8,111,419	16.9%	-	-	8,111,419	2.7%
<b>Total</b>	47,977,307	100%	251,741,862	100%	299,719,169	100%
<b>1996</b>						
<b>0</b>	43,188,546	77.7%	232,385,915	100%	275,584,461	95.7%
<b>Less than MFN</b>	1,934,509	3.5%	-	-	1,934,509	0.7%
<b>MFN</b>	10,474,444	18.8%	-	-	10,474,444	3.6%
<b>Total</b>	55,607,499	100%	232,385,915	100%	287,993,414	100%
<b>1997</b>						
<b>0</b>	38,475,316	73.8%	343,656,377	100%	380,131,693	96.7%
<b>Less than MFN</b>	1,382,617	2.8%	-	-	1,382,617	0.4%
<b>MFN</b>	11,547,395	23.4%	-	-	11,547,395	2.9%
<b>Total</b>	7,268	100%	35,065	100%	393,061,705	100%

Source: Standard format