

EC-TURKEY (GOODS)
Summary Fact Sheet
June 2007

Table 1: Background Information

Parties	European Communities, Turkey	
Date of signature	12 September 1963 Ankara Treaty, 13 November 1970 Additional Protocol, complemented by decision 1/95 of Association Council of March 1995	
Date of entry into force	1 January 1996	
Transition period for full implementation	For Turkey: Transition period for tariff elimination (22 years for sensitive industrial products; 12 years for non-sensitive industrial products) completed by 1995. Five years (to 2001) for alignment to the Common Trade Policy	
Date of full implementation	1 January 1996	
Website addresses or points of contact	EC: http://ec.europa.eu/trade/issues/bilateral/countries/turkey/index_en.htm Turkey: www.foreigntrade.gov.tr	
List of related GATT/WTO documents	WT/REG22/N/1 and Add.1 WT/REG22/1 and Add.1 WT/REG22/2 WT/REG22/3 WT/REG22/5 WT/REG22/4 WT/REG22/6 and Add.1, WT/REG/GEN/1 and Add.1-Add.2, and WT/REG22/6/Add.2 WT/REG22/M/1-4 WT/REG22/7-9 and WT/REG22/9/Rev.1 WT/REG22/10 WT/REG22/11	Notification Agreement Transitional Measures Basic Data Standard Format Terms of Reference Questions and Replies Summary Records Textiles and Clothing – statistics Textiles and Clothing – statistics Tariff Rates and Customs Duties General Incidence

Table 2: Internal trade liberalization provisions

Import duties and charges	Article 4 (Elimination of Import or export customs duties and charges)
Export duties and charges	Article 4 (Elimination of Import or export customs duties and charges)
Non-tariff measures	Chapter I-Section II (Elimination of quantitative restrictions or measures having equivalent effect) Article 50 (Indirect taxation)
Sector-specific rules	Chapter II (Special provisions relating to agriculture) Article 26 (Turkey and the Community shall progressively improve the preferential arrangements which they grant each other for their trade in agricultural products; complemented by Decisions No. 1/98 and 2/2006 of the Association Council).
Product exclusions	The Customs Union covers trade in all products with the exception of basic agricultural products regulated by Decisions No. 1/98 and 2/2006 of the Association Council and goods covered by the European Coal and Steel Community Treaty

Table 3: Common External Tariff

Provisions	Chapter I-Section IV (Common Customs Tariff and preferential tariff policies)
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Table 4: General trade-related provisions

Provision	Relevant Article(s)	Additional Information
Rules of Origin	Chapter III	For intra trade, the Customs Union operates on the principle of free circulation of goods covered by the Customs Union, obviating the need for rules of origin.
Standards-related measures	Article 8-9	Turkey shall incorporate into its legislation the Community instruments for the removal of technical barriers to trade within five years.
SPS measures	Article 7	No specific provisions on SPS measures. However, the

Provision	Relevant Article(s)	Additional Information
		Parties may apply prohibitions or restrictions on imports, exports or goods in transit to protect the health and life of humans, animals or plants. Such prohibitions or restrictions shall not constitute a means of arbitrary discrimination or a disguised restriction on trade.
Safeguard mechanisms (intra-trade)	Article 63-64 and Article 60 of the Additional Protocol	The application of safeguard measures is permitted under circumstances set out in Article 60 of the Additional Protocol.
Anti-dumping and countervailing measures	Article 44, Annex II and Article 47 of the Additional Protocol	The suspension of anti dumping and countervailing instruments between the Parties is conditional on Turkey's implementation and effective enforcement of the Community's legislation on competition, state aid and other relevant parts of the <i>acquis communautaire</i> which are related to the EC internal market.
Subsidies and state aid	Article 34	Any aid granted by the Parties through state resources in any form that would distort or threaten to distort competition by favouring certain undertakings or the production of certain goods is incompatible with the functioning of the Customs Union. Compatible forms of state aid are detailed.
Customs-related procedures	Chapter III, Annex 7 and Protocol No. 4	The Agreement establishes provision for collaboration between the administrations of the Parties on customs matters. Customs valuation is determined in accordance with the Agreement on implementation of Article VII of GATT 1994.
IPR	Article 31 and Annex 8	The Parties recognize that the Customs Union can only function properly if equivalent levels of effective protection of intellectual property rights are provided in both Parties. Thus Turkey undertakes to implement the TRIPS Agreement no later than three years after the entry into force of the Decisions, to adopt domestic legislation equivalent to the legislation existing in the EC or its Member States, and to accede to the relevant multilateral conventions on intellectual, industrial and commercial property rights.
Government procurement	Article 48	The Association Council will initiate negotiations aiming at the mutual opening of the Parties' respective government procurement markets and will annually review progress in this area.
Competition	Chapter IV-Section II	Prohibited under the Agreement are all agreements between undertakings, decisions by associations of undertakings and concerted practices which have as their object or effect the prevention, restriction or distortion of competition. Abuse of dominant position is also prohibited.
Investment	None	There are no provisions regulating investment.
General exceptions	Article 7	The Agreement does not preclude prohibitions or restrictions on imports, exports or goods in transit on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic, historic or archaeological value; or the protection of industrial and commercial property.
Accession	None	There is no provision in the Decision allowing other countries to accede to the Customs Union.
Dispute resolution	Article 61 and 62 and Article 25	If the Association Council fails to settle a dispute relating to the scope or duration of protection measures and safeguard measures taken, within six months of the date on which this

Provision	Relevant Article(s)	Additional Information
	of the Ankara Agreement	procedure was initiated, either party may refer the dispute to arbitration under the procedures laid down in of this Decision.
Relation with other trade agreements	Article 16	Turkey, in line with its obligation to align itself progressively to the preferential customs regime of the EC consisting of both the autonomous regimes and preferential agreements with third countries, will take the necessary measures and negotiate agreements on a mutually advantageous basis with third countries within five years from the date of entry into force of Decision 1/95.
Institutional provisions	Chapter V and Article 24 of the Ankara Agreement	The EC/Turkey Customs Union Joint Committee was established with Decision 1/95 in order to carry out exchange of views and information, formulate recommendations to the Association Council and deliver opinions with a view to ensuring the proper functioning of the Customs Union.

Table 5: Imports and tariffs applied by the European Union (15) and Turkey, 1992-94
Billion ECUs

	Average imports in 1992-94* (Billion ECUs)	National weighted average tariff rates**		Average customs duties collected in 1992-94*** (Billion ECUs)	
		Pre-CU	Post-CU	Pre-CU	Post-CU
Turkey	5.85	12.3	8.3	0.72	0.49
EC(15)	237.75	7.2	6.7	17.04	15.88

* Total imports (incl. petroleum), annual averages.

** Based on 1992-94 import weights.

*** Annual averages. Estimated on the basis of 1992-94 import values and average tariff rates