ADDITIONAL CUSTOMS DUTY AND NON-TARIFF BARRIERS IN THE INTERNATIONAL TRADE AND THEIR EFFECTS ON TURKISH FOREIGN TRADE

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I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

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ABSTRACT

Countries, being a part of international trade, try to increase their trade volumes through free trade agreements and customs unions, and they tend to reduce imports by using protectionist tools, especially in the last period. In world trade, along with the tariff measures mainly defined as the reduction of customs taxes, non-tariff measures such as anti-dumping practices, quotas, surveillance practices, technical standards are used to reduce imports. Turkey, whose foreign trade volume has increased since the 1980s, is among the countries that use these protectionist tools effectively. In addition to the non-tariff barriers, Turkey has started to apply Additional Customs Duty on the import of many different products as of 2011. This study tries to comprehend the effect of anti-dumping and Additional Customs Duty applied in Turkey by examining the process of global trade liberalisation and non-tariff measures in foreign trade. According to the analysis made using the data of the Turkish Statistical Institute and the Ministry of Trade, it has been found that anti-dumping measures have a more restrictive effect on imports than the Additional Customs Duty practices. In addition, the statistical data on the application of Additional Customs Duty show that the purpose of creating treasury income in the tax application stands out more than reducing imports.

Keywords: International trade, protectionism, non-tariff barriers, anti-dumping, additional customs duty

ÖZET

Uluslararası ticaretin parçası olan ülkeler bir taraftan serbest ticaret anlaşmaları, gümrük birlikleri gibi oluşumlar vasıtasıyla ticaret hacimlerini arttırmaya çalışırken, diğer taraftan da özellikle son dönemde artan şekilde korumacılık araçlarını kullanarak ithalatı azaltma eğilimindedirler. Dünya ticaretinde esas olarak gümrük vergilerinin azaltılması şeklinde tanımlanan tarife önlemleri yanında, ithalatı azaltmak amacıyla anti-damping uygulamaları, kotalar, gözetim uygulamaları, teknik standartlar gibi tarife dışı önlemler kullanılmaktadır. 1980'lerden itibaren dış ticaret hacmi artan Türkiye ise bu korumacılık araçlarını etkin kullanan ülkeler arasında sayılmaktadır. Türkiye ayrıca, tarife dışı engellere ek olarak, 2011 yılı itibariyle bir çok farklı ürünün ithalatinda İlave Gümrük Vergisi uygulamaya başlamıştır. Bu çalışmada; dünya ticaretinin sertbestleşmesi süreci ile dış ticarette tarife dışı önlem araçları incelenerek, Türkiye'de uygulanan anti-damping ve İlave Gümrük Vergilerinin dış ticarete olan etkisi anlaşılmaya çalısılmıstır. Türkiye İstatistik Kurumu ve Ticaret Bakanlığı verileri kullanılarak yapılan incelemeye göre, anti-damping önlemlerinin İlave Gümrük Vergisi uygulamalarına göre ithalat üzerinde daha fazla kısıtlayıcı bir etkiye sahip olduğu anlaşılmıştır. Ayrıca İlave Gümrük Vergisi uygulamasına ilişkin istatistiksel veriler, vergi uygulamasındaki hazine geliri yaratma amacının ithalatı azaltma hedefinden daha fazla öne çıktığını göstermektedir.

Anahtar kelimeler : Uluslararası ticaret, dış ticarette korumacılık, tarife dışı önlemler, anti-damping, ilave gümrük vergisi.

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INTRODUCTION

The establishment of the Bretton Woods system, which is considered to be one of the most important steps of economic globalization, and the initiation of GATT negotiations, have accelerated the liberalisation in world trade. While increasing free trade was enabling the development of countries, it was also seen as riskier for some countries. With the insufficiency of the tariffs, which are the most important protection tool used by countries in foreign trade, new protection tools called non-tariff barriers have become increasingly widespread.

As of 2011, Turkey, which uses the non-tariff barriers effectively in foreign trade, began to use the Additional Customs Duty as a new protection tool and expanded its scope in the following years. The Additional Customs Duty (ACD), which was initially applied to a certain textile and clothing product group, has gradually been applied at a rate of up to 50% for the importation of a wide range of products, primarily consumer products.

In this study, the protection tools used by Turkey in foreign trade shall be examined and it shall be discussed whether non-tariff measures and additional customs duty are an important tool in reducing imports.

In the first part of this three-part study, globalization shall be discussed in detail and international trade theories and the development of free trade in the world shall be examined. In this chapter, in which the technological, political and economic dimensions of globalization shall be examined, the protectionist understanding adopted in the pre-classic period and the trade theories that have changed and diversified until today shall be discussed, and finally, the importance of GATT and WTO on the liberalisation of trade shall be emphasized.

In the second part, the understanding of protectionism in international trade and the types of non-tariff measures shall be examined. The non-tariff measures defined on the basis of the UNCTAD classification and the purposes for which these measures are used shall be discussed.

In the third part of the study, the implementations in Turkey of non-tariff measures and additional customs duty shall be examined. In this section, after examining the structure of foreign trade in Turkey, the applied non-tariff measures, their types and effects, and the scope of additional customs duty, implementation examples and effects shall be discussed.

1. GLOBALIZATION AND INTERNATIOANAL TRADE

1.1. Globalization

Globalization is a complex process that expresses the integration with the world by crossing the local borders in economic, cultural, technological, social and political terms. Although there is no commonly accepted definition, it is possible to say that different approaches give rise to different definitions for globalization.

The concept of globalization was first included in Webster's Dictionary of 1961 and became frequently used in the following years. (Kilminster, 1997: 257)

According to Giddens, globalization, as a dialectical process, is the establishment of connections between different cultures and different regions around the world, and the intensification of social relations (Giddens, 1994: 64). Economist Mr. Aras defines it as a process of economic, social and cultural adaptation that is increasingly widespread among nations and communities. (Aras, 2008: 40). Steger emphasized that globalization, which he defines as a multidimensional group of social processes, reveals and expands changes and social dependencies throughout the world (Steger, 2003: 13). Gandolfo considers the increasing awareness of the importance of common global problems, the growth of political cultural and social institutions, the integration of world markets and the increase in international trade, as constituent parts of globalization. (Gandolfo; 2014: 337)

As a result of globalization, countries' opening up and increasing their trade significantly contributes to their economic growth. While the increase in foreign trade increases the trade volume of the country, it will also positively affect the entry of foreign capital, the increase of new investments and the increase in employment accordingly. (Yilmazturk, 2019: 149).

According to Word Trade Organization, the main forces that direct global integration are; economic policies, technological innovations and political changes. Table 1 attempts to constitute a chronology of the important events and factors contributing to globalization. (WTO, 2008)

1.1.1. Technological globalization

Technology, which is one of the main driving forces of globalization, can be expressed as the widespread knowledge of producing products and services. Even though technology has improved the production capacity of products and services, it has led to a change in business models. (Lamba, 2009). As in the case of China and Asia; the export of aircraft and container ships to the USA and Europe can be presented as a product example of technological globalization. (Essays UK, 2008). When technological innovations are taken into consideration, one can think of inventions which increase the speed of transportation and communication and reduce their costs. For example; the development of the jet engine contributed to the use of aviation, investments in road infrastructure increased trade with trucks, and the use of computers and internet contributed to socio-political and economic transformation. (WTO, 2008).

In the second half of the 19th century, inventions in transportation technology such as the use of steam and internal combustion engines and developments in telecommunications were important factors that increased globalization and trade. (Pesqueux, 2010: 12).

With the development of technology, the costs of establishing and managing complex production systems have decreased, productivity has increased, communication and transportation costs have decreased and as a result, trade has begun to increase throughout the world. As it can be seen in Table 1, developments such as the increase in plastic and fibre products, the presence of large oil fields in the Middle East and the use of oil and gas from coal in industrialized countries, and the application of the 'just in time' method that increases efficiency in production can be considered as important steps of technological globalization.

1.1.2. Political globalization

Increasing political integration among different countries and societies is the biggest factor that enables the development of political globalization. However, the decrease in cooperation between countries and the increase in conflicts have a negative effect in this direction. The establishment of the United Nations in 1945 is seen as an important step in the initiation of political globalization between countries.

First of all, the disintegration of the empires and the emergence of the Cold War, following the erection of the Berlin Wall and the Cuba crisis caused the crisis between the east and the west to reach its peak. However, with the Chinese economic reform, the fall of the Berlin Wall, and the enthusiasm of the Soviet Union, global economic integration began to rise. (WTO, 2008).

In the pre-globalization periods, the international system was mostly organized according to the relations between the states; however, after the globalization, there was a change through the inclusion of other systems other than states. With globalization, different power centres emerged, international organisations and multi-national companies began to have an important role in the new system. (Kan, 2011:6).

Following the United Nations (UN), the establishment of organisations such as the Organisation for European Economic Cooperation (OECC) and the North Atlantic Treaty Organisation (NATO) in the following years, was an important step in political globalization.

1.1.3. Economic globalization

The economic globalization, which commenced with the establishment of the Bretton Woods system, facilitated the increase in the trade of products and services between countries, and the surge of capital and financial markets.

GATT negotiations between 1947 and 1993 made significant contributions to the freedom of trade; furthermore, bilateral and regional trade agreements became an important element in the liberalisation of trade. (WTO, 2008). With the establishment of the World Trade Organization in 1995, the deficiencies of GATT were completed and intellectual property rights were added to foreign trade along with the agricultural products. (Sinclair, 2003: 347)

The economic globalization pioneered by Bretton Woods and GATT became stronger with the establishment of organisations such as the European Community (EC), Organization of the Petroleum Exporting Countries (OPEC), North American Free Trade Agreement (NAFTA), and Asia Pacific Economic Cooperation (APEC).

One of the factors preventing the increase of international trade is the importance attributed to national borders. Globalization will accelerate the development of economies while eliminating borders. (Hirst and Thompson, 2003: 28).

Since the 1990s, global expansion of multi-national companies, whose trade volume has increased significantly, has begun to reshape macroeconomic systems (Shangquan, 2000). The acceleration of globalization has been effective in the shift of production, service and R&D activities in many areas to developing countries due to low cost. Recently, many international companies, ranging from accounting activities to technological productions, and from design to customer services, are carried out in different countries with low costs. (Fatehi and Choi; 2019).

Globalization will provide companies with many opportunities such as expanding their markets, transferring new information and techniques, and decreasing procurement costs, and at the same time, it will enable these companies to eliminate their physical and legal borders in a similar way to removing the commercial borders of countries. (Milliot, 2010: 40).

Table 1

Globalization chronology

Time	Economic	Political	Technological
1940s	• Establishment of the Bretton Woods System, a new international monetary system (1944-71)	• Foundation of the United Nations (1945)	• Expansion of plastics and fibre products, e.g. first nylon stockings for women (1940)
	• Establishment of GATT (1947) entering into force in January 1948	• Launch of the Marshall Plan (1948–57), a European recovery programme	
		• Founding of the Organization for European Economic Cooperation (1948)	
	• Soviet Union establishes the Council for Mutual Economic Assistance (CMEA) for economic cooperation among communist countries (1949-91)	• Decolonization starts (1948-1962). Independence of India, Indonesia, Egypt, for example	• Discovery of large oil fields in the Middle East. especially in Saudi Arabia (1948)
		• China becomes a socialist republic in 1949	
1950s	• Treaty of Rome establishes the European Community (1957). EC and the European Free Trade Association (1959) favour west European integration	• Korean war (1950-53) • Suez crisis (1956)	• Increased use of oil from the Middle East in Europe and Japan • "Just-in-time" production implemented by Toyota
	• Major currencies become convertible (1958-64)	• Decolonization in Africa (15 countries become independent between 1958 and 1962)	• Increasing usage of jet engines in air transport (1957-72)
1960s	• Foundation of the Organization of the Petroleum Exporting Countries (OPEC) (1960)		• First person in space (Yuri Gagarin, 1961) and first man on the moon (Neil Armstrong, 1969)

	• Development of the Eurodollar Market in London which contributed to the expansion of international liquidity		• Integrated circuits become commercially available (1961) • Offshore oil and gas production developed
	• Kennedy Round, 6th session of the GATT (1964-69) • Rapid spread of automobiles and highways in the North accelerates demand and shift in fuels consumption(from coal to oil)	• Erection of Berlin Wall (1961) and Cuban missile crisis (1962) highlight sharp confrontation between East and West	• Green Revolution - transforming agricultural production in developingcountries (1960s onwards) • First line of Japan’s high-speed train system (shinkansen) opened in 1964• Mont Blanc Road Tunnel (1965)
	• Trade policies of East Asian countries put more emphasis on export-led development than on import substitution • Elimination of last customs duties within EC (1968)		• Increasing usage of containerization in ocean transport (1968 onwards)
1970s	• Departure from US dollar exchange rate gold standard (1971)	• Yom Kippur war (1973) helps to trigger oil price hike	• First single chip microprocessor (Intel 4004) is introduced (1971)
	• Tokyo Round of the GATT (1973-79)	• EU enlargement to nine members (1973)	
	• Oil price “shocks” (1973-74 and 1979) reverse decades of real oil price declines		
	• Rise of Asian newly industrialized countries • China’s economic reform (1978)		
1980s	• Volcker Fed successfully extinguishes US inflation		• IBM introduces the first personal computer (1981)
	• Developing country debt crisis • Mexico starts market reforms and joins the GATT in 1986	• Enlargement of the EU to 12 members	• Microsoft Windows introduced (1985)

	• Louvre Accord promotes stabilisation of major exchange rates (1987)	• Fall of the Berlin Wall (1989)	
1990s	• Indian economic reforms launched in 1991 • Establishment of the North American Free Trade Agreement (1994) • Asian financial crisis (1997)	• Dissolution of the Soviet Union (1991) leads to the formation of 13 independent states	• Eurotunnel opens in 1994 linking the United Kingdom to continent • The number of mobile phones increases due to the introduction of second generation (2G) networks using digital technology • Launch of the first 2G-GSM network by Radiolinja in Finland (1991)
	• Establishment of the WTO (1995) following Uruguay Round (1986-94)		• Invention of the World Wide Web by Tim Berners-Lee (1989) - first web site put online in 1991. Number of internet users rises to 300 million by 2000
	• Adoption of the euro by 11 European countries (1999)	• Maastricht Treaty (formally, the Treaty on European Union) signed (1992)	
2000s	• Dotcom crisis (2001)		• Container ships transport more than 70 per cent of the seaborne trade in value terms
	• China joins WTO (2001)		• Number of internet users rises to 800 million in 2005
	• End of the Multifibre Arrangement (quantitative restrictions of textiles lifted) • Great Recession (2008)	• Enlargement of the EU to 29 members	

Source : WTO, 2008

1.2. International Trade Theories

From the beginning of trade, countries / societies have laid the foundations of international trade by selling the surplus products they produced / obtained to other countries and purchasing the products that are scarce or not produced within their capacities. The economic power of countries, underground resources, labour potential, demographic and geographical structures, climates and technological developments are determinative on the products they produce, buy and sell. The fact that these features are limited in each country has caused international trade to increase and become continuous.

In the historical process of trade, the needs and conditions of societies and the policies of state administrations have led to the emergence of different trade theories. These theories can be classified as shown in the table below (Yay, 2019; Krugman, Obstfeld and Melitz, 2012; Salvatore, 2013; Melitz and Trefler, 2012).

Table 2

Taxonomy of the International Trade Theories

• **PreClassic Model - Mercantilism (1500-1750)**	
• **Traditional / Classical Trade Theories (1776 - 1950)**	
• Adam Smith's **Absolute Advantage Model**,	**inter-industry trade among different countries**
• David Ricardo’s **Comparative Advantage Model,**	
• G. Haberler’s using of the «opportunity cost instead of «labour theory of value»	
• Heckscher-Ohlin’s **Factor Endowment Model**	

• **New Trade Theories (1970s – 1980s)** • P. Krugman's **Monopolistic Competition Model**	**intra-industry trade** **among similar countries**
• **«New-New» Trade Theories (1990's – 2000s)** • **(Productivity Differences in Heterogeneous Firms)** • Location Decision of Firms: **New Economic Geography** • Organizational Decision of Firms: **Outsourcing – Offshoring**	**intra-firm trade** **among similar countries**

1.2.1. PreClassic model – mercantilism (1500 – 1750)

According to mercantilism, the wealth of states depends on the number of precious metals entering the country. According to the assumptions of this idea, which was prevalent in Western Europe between the 15th and 18th centuries when nation states have taken place of the feudalism, the strengthening of a country depends on the abundance of gold and silver stocks in that country. According to this opinion, development is possible with high exports and less imports. As the country exports more than it imports, the number of precious metals can be increased.

The mercantilists who argued that for an advantageous trade balance where exports are more than imports, the state should regulate trade; they also defended that different safeguard measures should be used to minimise imports in order for a country to maintain its strong commercial position. By means of the advantageous trade balance created in this manner, gold and silver gained from other countries will increase domestic production and, consequently, employment. (Carbaugh, 2008: 31)

According to the mercantilist understanding; nations cannot simultaneously gain in trade among themselves; the gain of one side is the loss of the other. The reason for this is the thought that the precious metal stock in the world is fixed. Since not all nations could have an export surplus simultaneously and the amount of gold and silver was fixed, a nation could only win at the cost of the loss of other nations.

Factors such as the establishment of nation-states instead of feudalism, and the Renaissance led to the change in society and economy at the end of the 18th century, and the weakening of protectionist understanding in trade and mercantilism. Again in this period, the start of the industrial revolution made the idea of free trade attractive by increasing production and international trade. (Seyidoğlu, 2017: 28).

1.2.2. Traditional/classical trade theories (1776 – 1950)

In the period that began with Adam Smith's Absolute Advantage Model, David Ricardo's Comparative Advantage Model and Heckscher-Ohlin's Factor Endowment Model represent traditional trade theories. In the mentioned period, trade is carried out between industries and between different countries.

1.2.2.1. Adam Smith’s absolute advantage model

Adam Smith advocated the free movement of products within and between countries as a principle, and adopted this as the basic principle of international foreign trade. According to Smith, countries tend to make foreign trade because they are more profitable than in a closed economy situation.

The work "An Inquiry into the Nature and Causes of the Wealth of Nations”, published by Smith in 1776, was an important step for liberalisation in international trade. According to Smith, the reason for the wealth of nations is not the stock of precious metals they own, but the monetary value of the products and services produced by the factors of production, mainly as labour.

While, according to mercantilism, the source of the wealth of nations is their precious metal stock, according to the theory of absolute superiority, the source of the wealth of nations is the specialisation and division of labour, market size, capital accumulation, cooperation between private and public sectors and access to foreign markets. Adam Smith opposes the protectionist approach as it will hamper expertise and technological progress, and argues that trade should be liberalised.

According to the theory of absolute advantages, if a country produces any product at a cheaper price than other countries, it should specialise in the production of that product. On the other hand, it should leave the production and export of products, that it does not have absolute advantage, to the countries that have superiority in this regard. The concept of superiority emphasized by Smith is the production of a product in a country more efficiently than in other countries. As a result of such international specialisation, factors of production will be used more effectively among countries and an increase in world production will be achieved. This situation will positively affect all countries that trade mutually.

Figure 1 aims to explain the Absolute Advantage Model with an example. As seen in the table, the production unit cost of product A is lower in country X, and the production unit cost of product B is lower in country Y. Therefore, country X should specialise in the production of product A and export this product to country Y. The country Y should specialise in the production of product B and export this product to country X. (Gandolfo; 2014: 12)

Figure 1

Example of Absolute Advantage Model

	Unit costs of production in terms of labour	
	Country X	Country Y
Product A	6	8
Product B	12	4

Source: (Gandolfo; 2014: 12)

The fact that nations trade in the fields they specialize among themselves will create an expansion in the markets as it increases the division of labour and labour productivity. In addition, technological progress will occur as a result of a nation's division of labour and increasing its productivity. (Arıç, 2013: 84)

Advocating that free trade will increase the competition in the country's domestic market, Smith argued that domestic companies will stop demanding high prices for providing insufficient products and services, and that their power in the market will decrease. (Carbaugh, 2008: 31)

Adam Smith considered two special cases of trade liberalization as applicable for import taxes. The first one is that certain industries are vital to country security. Since national security is more important than the wealth of the nation, free trade may be limited in cases where Britain's military power decreases or other countries' military power increases. The other is when taxes on domestic products are not applied to imported products. In this case, equivalent import tax should be applied to bring the same financial burden to domestic and foreign products. (Gençosmanoğlu, 2014: 21)

1.2.2.2. David Ricardo's comparative advantage model

Nearly forty years after Adam Smith, David Ricardo developed his ideas on the Absolute Advantages Theory and put forward the Comparative Advantages Theory. It has been argued that even a country has a cost advantage in the production of all products compared to other countries, or has a disadvantage in costs compared to other countries in all products, it can increase its earnings and welfare by entering foreign trade. Ricardo argued that free foreign trade benefits all parties involved in trade.

Ricardo demonstrated that although one country has an absolute disadvantage in two different products and another country has absolute superiority in the production of these products, it is still possible to establish trade between these countries and that both countries can profit from this trade. According to Ricardo, the country that has an absolute disadvantage in the production of both products will have a comparative advantage in the production and export of that product if it produces and exports the less disadvantaged product. On the other hand, this country will import the product, for which it has absolute disadvantage, from the other country, as it will stop the production of that product.

Figure 2 tries to explain the Comparative Advantage Model. According to the data in the table, country X has absolute superiority in both product A and product B. However, according to the Comparative Advantage Theory, country X is 3 times more advantageous than country Y in production of product A. The same situation shows two-fold advantage for product B. In this case, country X should specialise in the production of product A and country Y should specialize in the production of product B, and they should mutually export these products to each other.

Figure 2

Example of Comparative Advantage Model

	Unit costs of production in terms of labour	
	Country X	Country Y
Product A	2	6
Product B	4	8

There are some constraints in Ricardo's Comparative Advantage Model, which he created by developing Adam Smith's Absolute Advantage Model. As the model is based on the labour-value theory, some of these constraints are the acceptance of labour as a single cost element, ignoring that economies of scale can be an important source of international trade, trade is in a constant equilibrium and full specialisation in production is required. (Topuz and Coskun, 2018: 682-683)

1.2.2.3. Heckscher-Ohlin's factor endowment model

In the comparative advantage theory developed by Ricardo, it was stated that the differences in the domestic production costs of countries originated from labour productivity, but the reasons for this difference were not explained adequately. Factor Endowment Theory is the model which was put forward to make up for this deficiency of Ricardo's model. (Yuksel and Saridogan, 2011: 200)

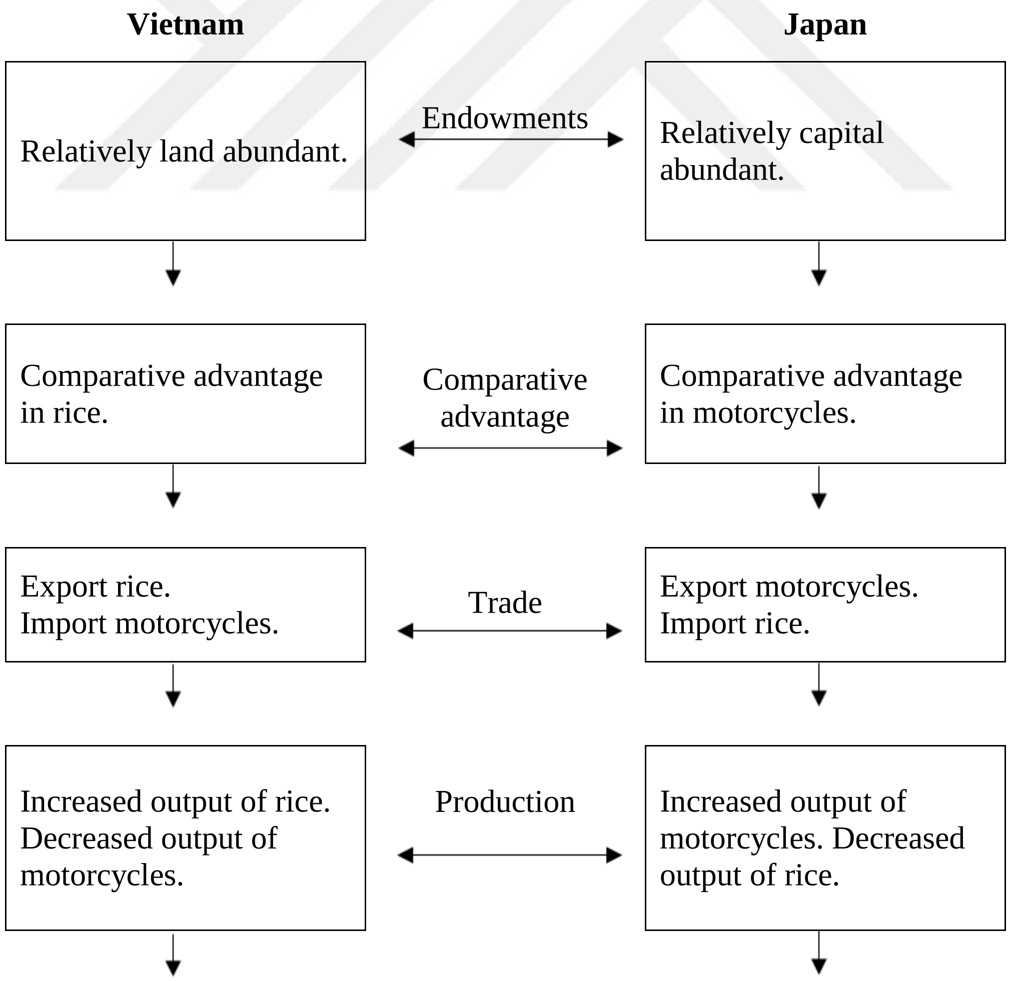
Swedish economist Eli Heckscher put forward a new view in his article, written in 1919, to develop Ricardo's Comparative Advantages Theory. This article written by Heckscher was reconsidered approximately ten years later by another Swedish economist, Bertil Ohlin, a student of Heckscher, clarifying and making contributions to the article. This theory, which brings a different interpretation to the Comparative

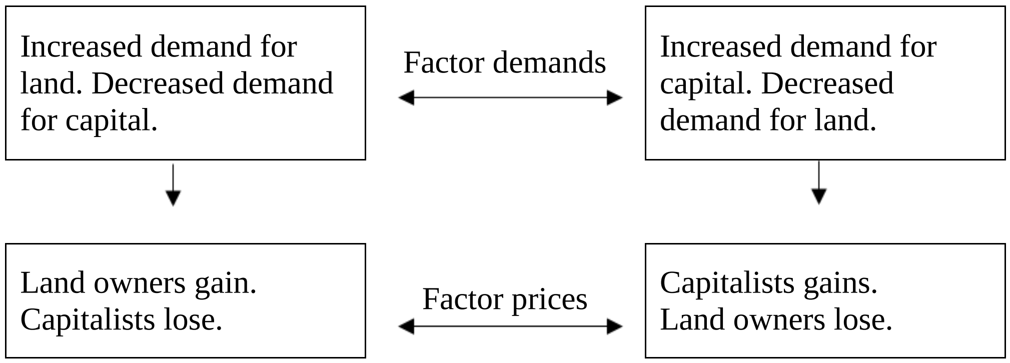
Advantages Theory and is considered a part of it, is named as the Heckscher-Ohlin Theory.

According to the Heckscher-Ohlin Theory, a country achieves comparative superiority according to its strong production factor. If it is a labour-intensive country, it produces and exports labour-intensive, and if it is strong in terms of capital, it will produce and export capital-intensive. Figure 3 tries to explain the Heckscher-Ohlin Model. (Reinert, 2011: 61-64)

Figure 3

Example of Heckscher-Ohlin Model





The first box on the top is about Factor Endowments, where Vietnam is richer in land and Japan is richer in capital. The second level two boxes are related to the Comparative Advantage, while Vietnam has a comparative advantage in rice production and Japan in motorcycle production. Third-level boxes show the direction of trade where Vietnam exports rice and imports motorcycles, while Japan exports motorcycles and imports rice. As a result, every country is using the type of export in which they are stronger.

1.2.3. New Trade Theories (1970s - 1980s) / Intra-industry trade among similar countries

Intra-industry trade, defined as the export and import of products from the same sector simultaneously, which the Heckscher-Ohlin model fails to explain, is one of the foundations of new foreign trade theories. Trade between the industrialised countries is often in the form of buying and selling differentiated goods belonging to the same industry. It is difficult to explain world trade with the distinction of labour - capital or skilled - unskilled labour, as world trade is predominantly conducted between developed countries with similar capacities and reflects the intra-industry form of trade. (Bayraktutan, 2003: 181)

Competition in international trade forces firms in industrialised countries to produce the same types of products with different designs instead of producing too many products. Since this issue is important in order to keep production costs down to a minimum, faster production tools can be developed to make continuous production with several types of products and designs. However, this country may import other types of products and designs that it does not produce from different countries. Intra-industry trade provides benefits to consumers with wide range of products and low prices, as it enables scale economies to product. (Salvatore, 2013: 164)

Figure 4

Types of Trade

Type of trade	**Phrase**	**Meaning**	**Source**
Inter-industry	Either/or	Either/or Either imports or exports in a given sector of the economy	Comparative advantage
Horizontal intra-industry	Both/and/same	Both imports and exports in a given sector of the economy and at the same stage of processing	Product differentiation
Vertical intra-industry	Both/and/different	Both imports and exports in a given sector of the economy and at different stages of processing	Fragmentation (comparative advantage in some instances)

Certain trade examples are shown in Figure 4. The basis of inter-industry trade is that countries have a comparative advantage in terms of technology and factor endowment differences. It is possible to talk about two types of intra-industry trade, one of which is the horizontal intra-industry trade, where the final product is both imported and exported, and the other is vertical intra-industry trade, where raw materials are imported and the final product is exported. (Reinert, 2011: 46-47)

1.2.3.1 P. Krugman's monopolistic competition model

Classical trade theories, which try to explain intercountry commodity trade according to comparative superiorities, have been questioned since the end of the 20th century due to their simplifying assumptions. As a result, firm behaviour in foreign trade and intra-industry trade has begun to be examined. Krugman expressed the main shortcomings of classical trade theories as ignoring trade volume, not disclosing intra-industry trade, dividing the productions gradually between countries, and using some products of companies as inputs in the final products by other companies. (Argin, 2015: 663)

Monopolistic competition theory explains two-way trade on industrial products with scale economies. Accordingly, firms in the industrial sector mostly work under conditions of efficiency which increases according to scale. The natural consequence of this situation is the emergence of monopolistic competition markets. Nevertheless, the fact that there are numerous companies producing more or less differentiated products in the industrial sector is an indicator of such situation. (Seyidoglu, 2017: 115)

According to the Monopolistic Competition Model, most of the trade between industrialised countries is related to differentiated products and it is carried out by monopoly producers who produce these products. While monopoly-oligopoly critics in the context of microeconomics compare these types of markets with perfect competition and emphasize their disadvantages, this theory perceives monopolistic competition as a compelling reason to increase trade. In the absence of trade, the monopoly position has the potential to neglect quality and increase the price arbitrarily, while in the case of trade, even if limited by government interventions, competition intensifies and the rate of product development or technological development accelerates. (Bayraktutan, 2003: 182)

1.2.4. New-New Trade Theories (1990's - 2000s) / Intra-firm trade among similar countries

Intra-firm trade, which is the result of the activities of multi-national enterprises (MNEs) that move the products and services produced internationally and provide final products to customers through their foreign partners, refers to the international goods service flow between the main companies or their subsidiaries. (Lanz and Miroudot, 2011: 5)

Until recently, trade literature has not given much attention on the role of firms in international trade. Mainly for simplification purposes, trade theorists typically used the concept of a representative firm, assuming that all firms in a given industry are identical. In the 1980s, however, firm-level data sets with detailed information on production and trade at the firm level became available. This information showed considerable differences (heterogeneity) between firms and suggested that these differences affected overall outcomes. Trade economists consequently developed a series of new trade models that focus on the role of firms and that explain the empirical findings. These models have identified new sources of gains from trade and new ways in which international trade may lead to resource reallocation.

This recent firm-level empirical evidence shows that:

1. Most firms, even in traded-goods sectors, do not export at all;

2. Of those firms that export, only a few export a large fraction of their production;

3. At the same time, at least some firms export in every industry, with the share of exporting firms being a function of the industry's comparative advantage;

4. Firms that export are different from non-exporters in a number of ways (they are bigger, more productive, pay higher wages and are more capital and skilled-labour intensive than non-exporters);

5. Trade liberalisation raises industry productivity. (Yay, 2019)

1.3. Liberalisation of International Trade

Although there was not much economic cooperation between countries before World War II, serious steps were taken in this direction in the post-World War II period. In 1944, the countries, which came together in the town of Bretton Woods in the USA, decided to establish a new international monetary system in order to liberate international trade and create a new international monetary system in order to overcome the damages of the pre-war period. (Seyidoglu, 1997: 8)

In the Bretton Woods conference, 35 US dollars were fixed to an ounce of gold, as the international currency parity. (Sisman, 2015: 67-68) According to the new system, the US dollar was accepted as the currency that can be converted into gold, and other participating countries fixed their own currencies to the US dollar.

As a result of the Bretton Woods conference, which was also seen as the beginning of economic globalization, the foundations of the International Monetary Fund (IMF) were laid in order to support international monetary cooperation, and the International Bank for Reconstruction and Development (IBRD) (World Bank) were laid for the countries to reform certain sectors or implement certain projects.

With the conference, besides the aim of international monetary cooperation, there were efforts for the liberalisation of international trade, and as a result, it was planned to establish the International Trade Organization (ITO). While the establishment negotiations of the ITO were continuing, a General Agreement on Tariffs and Trade (GATT) was signed by 23 countries on October 1947 in order to provide tariff reductions on certain products and to implement these discounted tariffs until the establishment of the ITO. After the establishment of ITO was abandoned, although it was initially described as temporary, 8 GATT meetings were held between 1947 and 1994.

1.3.1. GATT (general agreement on tariffs and trade)

The main purpose of GATT (General Agreement on Tariffs and Trade), the first meeting of which was held in Geneva with the participation of 23 countries in 1947, is to ensure liberalisation in world trade. Main policies and practices of GATT include the application of tariffs as a mean of protection, anti-dumping and compensatory taxes against dumping and subsidies, and voluntary export restrictions. (Seyidoglu, 2017: 240)

In the first negotiations of the General Agreement on Tariffs and Trade, some basic principles were conceived in order to be followed by the participating countries.

The Most Favoured Nation (Non-Discrimination) (MFN) clause requires that member countries do not discriminate between other countries in which they trade. This means that if a member country sets a lower tariff for a product to any other country, it is obligatory to apply this lower tariff to all other member countries. There are several exceptions to this rule. Customs unions, free trade agreements and unions such as GSP (Generalized System of Preferences), discriminatory practices such as low or no customs duties in favour of developing countries, and some other practices such as antidumping and compensatory duties stipulated by the Agreement, can be counted among the exceptions.

The National Treatment principle stipulates that no distinction is made between imported and domestic goods in terms of regulations and practices regarding the domestic market.

Based on the principle of consolidating by deducting the customs taxes, the rates (bound rates) included in the concession list of the member country will be binding and they will not be able to increase the tariff only on their own initiative. The mentioned rates can be gradually reduced at certain intervals and these rates shall be binding for all member countries.

According to the principle of protection through tariffs, protection should only be done through tariffs. GATT foresees that non-tariff barriers should be banned completely with some exceptions and tariffs should be gradually reduced.

A total of eight GATT meetings were held, the first in 1947 and the last in 1994; (WTO, 2020)

Table 3

GATT Trade Rounds

Year	Place / Name	Subjects	Countries
1947	Geneva	Tariffs	23
1949	Annecy	Tariffs	13
1951	Torquay	Tariffs	38
1956	Geneva	Tariffs	26
1960 - 1961	Geneva Dillon Round	Tariffs	26
1964 - 1967	Geneva Kennedy Round	Tariffs and anti-dumping measures	62
1973 - 1979	Geneva Tokyo Round	Tariffs, non-tariff measures, "framework" agreements	102
1986 - 1994	Geneva Uruguay Round	Tariffs, non-tariff measures, rules, services, intellectual property, dispute settlement, textiles, agriculture, creation of WTO, etc.	123

Source: WTO

https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm (May 3, 2020)

1.3.2. World trade organization

After the Uruguay Round, the World Trade Organization (WTO) was established on January 1, 1995 as a continuation of the GATT. This step transformed GATT from the form of a trade agreement into an organisation responsible for regulating commercial relations between members. GATT obligations are the basis of the WTO. In addition, the WTO agreement requires its members to comply not only with the GATT rules, but also with the many types of trade agreements negotiated under the auspices of GATT over the last 10 years. (Carbaugh, 2008: 195)

Turkey, signed the agreement establishing the WTO at the end of the Uruguay Round in Marrakesh. In this context, it became a founding member of the WTO since 26 March 1995 with the Decision of the Council of Ministers.

The WTO agreement consists of four annexes and subtitles of these annexes.

Table 4

Agreement Establishment the World Trade Organization

ANNEX 1
ANNEX 1A: Multilateral Agreements on Trade in Goods • General Agreement on Tariffs and Trade 1994 • Agreement on Agriculture • Agreement on the Application of Sanitary and Phytosanitary Measures • Agreement on Textiles and Clothing • Agreement on Technical Barriers to Trade • Agreement on Trade-Related Investment Measures • Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 • Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 • Agreement on Preshipment Inspection • Agreement on Rules of Origin • Agreement on Import Licensing Procedures • Agreement on Subsidies and Countervailing Measures • Agreement on Safeguards
ANNEX 1B: General Agreement on Trade in Services and Annexes
ANNEX 1C: Agreement on Trade-Related Aspects of Intellectual Property Rights
ANNEX 2
• Understanding on Rules and Procedures Governing the Settlement of Disputes
ANNEX 3
• Trade Policy Review Mechanism

ANNEX 4

Plurilateral Trade Agreements

• Agreement on Trade in Civil Aircraft

• Agreement on Government Procurement

• International Dairy Agreement

• International Bovine Meat Agreement

Source: WTO, Agreement Establishing the World Trade Organization, https://www.wto.org/english/docs_e/legal_e/04-wto.pdf, (May 3, 2020)

WTO aims to spread international trade by providing exporters with liberal, secure and predictable access to foreign markets.

In the Marrakesh Agreement dated April 15, 1994, which established the World Trade Organization, the aims of the organization are listed as follows: (GIB, 2009: 9)

1. To raise the standard of living, to ensure full employment and steadily increasing income distribution and demand volume, to ensure the use of world resources in accordance with the sustainable development goal while developing production and trade, to protect the environment and responding to the needs of countries at different economic levels;

2. To ensure that developing countries and especially the least developed ones get a share from the increasing world trade in proportion to their needs;

3. To make bilateral agreements that eliminate discrimination and trade barriers in international trade relations to help achieve these goals;

4. To develop an integrated, applicable and permanent multilateral trading system in line with the results of the General Agreement on Tariffs and Trade and the Multilateral Trade Negotiations of Uruguay Round;

5. To protect the basic principles of the Multilateral Trade System.

Functions of the WTO in Article III of WTO Agreement;

1. The WTO shall facilitate the implementation, administration and functioning of this agreement and Multilateral Trade Agreements and lay out the framework for the aforementioned;

2. The WTO shall organise a forum on multilateral trade relations among its members on matters included in the annexes of this agreement. The WTO shall also establish a forum for further multilateral trade relations between its members and the implementation framework for the results of such bargaining discussions;

3. It shall undertake the administration of the Memorandum of Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 of the Agreement.

4. It shall undertake the administration of the Trade Policy Review Mechanism (TPRM) in Annex 3 of the agreement.

5. As appropriate, the International Monetary Fund shall cooperate with the International Bank for Reconstruction and Development (IBRD) and its affiliates, in order to achieve greater alignment in global economic policy making.

2. PROTECTIONISM ON INTERNATIONAL TRADE AND NON-TARIFF BARRIERS

2.1. Protectionism on International Trade

Customs tariffs were reduced in time to liberalise trade with the efforts of GATT and WTO. One consequence of this issue has been the loss of transparency in trade. Despite the reduction of customs tariffs, different protection tools have emerged between countries for the purpose of trade control. These tools, the number of which is increasing gradually, are generally in the form of technical, human health and environmental protection regulations. (Seyidoglu, 2017: 201)

2.2. Non-Tariff Barriers

The increase in international trade has led to the development of protectionism in countries and the emergence of tariff and non-tariff barriers. Two main reasons can be cited for the reason of this situation: protecting the domestic producer by reducing imports and increasing the treasury income. The simplest definition of the tariff measure is that the customs duties applied to imports. Besides customs duties, non-tariff barriers are different tools that are applied to reduce imports. Dumping measures, quotas, additional financial obligations, surveillance practices, specialized customs, technical standards are among the main used non-tariff measures.

A minority of non-tariff barriers are measures that do not have serious effects, such as labelling or packaging standards. However, many non-tariff barriers significantly affect the trade volume. Among these measures, which aim to reduce direct imports and protecting domestic producers; quotas, surveillance practices, and subsidies can be counted. (Carbaugh, 2008: 155)

According to the United Nations Conference on Trade and Development (UNCTAD) classification, non-tariff barriers are listed as follows.

Table 5

Non-tariff measure classification by chapter

Imports	**Technical measures**	**A**	Sanitary and phytosanitary measures
		B	Technical barriers to trade
		C	Pre-shipment inspection and other formalities
	Non-technical measures	**D**	Contingent trade-protective measures
		E	Non-automatic import licensing, quotas, prohibitions, quantity-control measures and other restrictions not including sanitary and phytosanitary measures or measures relating to technical barriers to trade
		F	Price-control measures, including additional taxes and charges
		G	Finance measures
		H	Measures affecting competition
		I	Trade-related investment measures
		J	Distribution restrictions
		K	Restrictions on post-sales services
		L	Subsidies and other forms of support
		M	Government procurement restrictions
		N	Intellectual property
		O	Rules of origin
	Exports	**P**	Export-related measures

Source: UNCTAD, International Classification of Non-Tariff Measures, 2019 Version, United Nations Publications, New York, 2019: vii

2.2.1. Imports

In this section, *non-tariff barriers applied in imports defined* by UNCTAD will be examined, and the application and details of these measures in Turkey will be analysed in the next section. According to UNCTAD, non-tariff barriers of import are examined under two main headings: *technical measures* and *non-technical measures*.

2.2.1.1. Technical measures

According to the classification made by UNCTAD, *technical measures*, one of the two main headings under the import category, aim to ensure that the products and services subject to import transactions have certain standards and technical features. Measures, such as sanitary and phytosanitary measures, technical barriers to trade, pre-shipment inspection and other formalities are examined under technical measures.

2.2.1.1.1. Sanitary and phytosanitary measures

Sanitary and Phytosanitary Agreement (SPS), one of the agreements made within the framework of the Uruguay Round, determines the content and limits of the measures that countries can take in order to ensure food safety, protect the animal health and protect plants from diseases. The SPS Agreement lays down provisions to guide member states in the implementation of sanitary and phytosanitary measures that directly or indirectly affect international trade. (Ordukaya, 2008: 9)

Sanitary and Phytosanitary Measures include the control of toxins, additives, contaminants, and disease-causing organisms in food that affect the human and animal life. Tests on imported fruits to limit the use of hormones and antibiotics in meat production and to determine the residual amount of pesticides can be counted as some of the SPS measures. (UNCTAD; 2019: 1)

Although it is considered as one of the non-tariff barriers, SPS limitations are applied by many countries for the protection of human, animal and plant health. The controls of the products within this scope during the import phase are carried out by different institutions in Turkey. The legislation on which the controls are based has been harmonised with the EU. For this reason, contaminant limit values in food products imported in Turkey are at the same level as in EU countries. For example, while the upper limit of the nitrate amount in foods is 3500 mg / KG for fresh spinach, this limit is determined as 200 mg / KG in supplementary foods for infants and children.

(https://www.mevzuat.net/abn/ana.aspx?neresi=/gidakodeksi/2012/gidabulasanlar20111229.aspx)

(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02006R1881-20150731)

2.2.1.1.2. Technical barriers to trade

Technical Barriers to Trade Agreement, one of the agreements concluded in the Uruguay Round, aims to achieve goals such as protecting human health and safety as well as protecting the environment.

Technical Barriers to Trade include procedures for evaluating compliance with technical regulations and standards applied during import. These regulations include restrictions on toxins in toys, and label requirements for consumption levels of the electronic devices. (UNCTAD; 2019: 10)

Import certificates and licenses related to technical barriers to trade, tolerance limits for residues, marking and packaging requirements, product identity requirements, product quality and safety requirements, product conformity requirements are some of the types technical barriers to trade.

Today, technical barriers to trade have become an important non-tariff barrier to trade. Regulations that specify technical standards, testing and certification procedures, or labelling requirements significantly affect the ability of exporters to access a market. (Kerr and Gaisford, 2007: 394)

2.2.1.1.3. Pre-shipment inspection and other formalities

Pre-shipment inspections are in the form of a set of quality, quantity or price checks carried out before the products leave the exporting country, by an independent inspection agency, which is authorised by the authorities in the importing country. For example, the colour or fabric examination of textile items is made before export shipment. (UNCTAD; 2019: 17).

Formalities such as direct consignment requirements, requirement to pass through specified port of customs, import monitoring, surveillance and automatic licensing measures are considered within this scope.

2.2.1.2. Non-technical measures

Non-technical measures, according to UNCTAD definitions, the second main measure type used in imports, include a large number of intervention tools. These tools are; contingent trade-protective measures, non-automatic import licensing, quotas, prohibitions, quantity-control measures, price-control measures, including additional taxes and charges, finance measures, measures affecting competition, trade-related investment measures, distribution restrictions, restrictions on post-sales services, subsidies and other forms of support, government procurement restrictions, intellectual property, rules of origin.

2.2.1.2.1. Contingent trade-protective measures

Contingent measures are defence tools aimed at meeting certain procedures and requirements in the importing country against adverse effects from imports due to a number of unfair foreign trade practices. Measure for contingent trade-protective measures is divided into three categories: (UNCTAD; 2019: 18)

- Antidumping measure
- Countervailing measure
- Safeguard measure

2.2.1.2.1.1 Antidumping measure

Dumping can be defined as the export of a product to another country at a price below its market value (normal value). The issue of anti-dumping was first put on the agenda by GATT at the Kennedy Round organised between 1964 and 1967. In addition, anti-dumping issue was regulated in the section VI of GATT 1994 (Anti-dumping and Countervailing Duties), and in the presence of this situation, anti-dumping protection measure was enabled to be applied in order to protect the domestic manufacturer.

Three conditions are sought for the application an anti-dumping measure. The first condition is the presence of a dumping margin. The margin of dumping is the ratio of the difference between the export price of the product and its ex-factory price compared to the current export price. In Turkey, the acceptable limit of the dumping margin is 2%. The second condition is that there should be sufficient economic evidence which shows that the domestic production branch in the importing country is damaged due to the importation of the dumped product. The third condition is that there should be a causal link between the material damage in domestic production and the import of the dumped products. The procedures to be followed for the implementation of anti-dumping in Turkey will be examined in detail under the title of Non-Tariff Measures in Turkey.

2.2.1.2.1.2. Countervailing measure

According to the WTO Agreement on Subsidies and Countervailing Measures, the existence of direct or indirect state aid to the exporter, and any income or price support under article XVI of GATT 1994, are considered as subsidies.

Countervailing measures are applied in the importation of such products in order to offset the existing subsidy in cases where exporters, by taking advantage of subsidies, damage the manufacturers of similar products in the importing country.

2.2.1.2.1.3. Safeguard measure

Safeguard measures are temporary measures to prevent damage to domestic manufacturers caused by the increased import of a product. These considerations can be applied limitedly and temporarily with the threat of damage or serious damage.

Safeguard measures may be in the form of an increase in customs duty, imposing additional financial obligations, amount / value restrictions, application of tariff quotas, or a combination of the aforementioned. Although quantitative measures are prohibited under WTO agreements, such safeguard measures are permitted under the Protection Agreement, provided that they meet the necessary conditions.

2.2.1.2.2. Non-automatic import licensing, quotas, prohibitions, quantity-control measures and other restrictions not including sanitary and phytosanitary measures or measures relating to technical barriers to trade

Under this heading are highly stringent hedging measures that include quantity constraints such as licensing, quotas, and tariff quotas, which are used in trade policy.

Control measures are generally intended to restrict or prohibit imports, regardless of whether they come from different sources or from a supplier. Measures in this scope can be in the form of non-automatic licensing, predetermined quotas or prohibitions. (UNCTAD; 2019: 23)

In Turkey, the importation of some products has been restricted or prohibited for the purposes of public morality, public order or public safety, protection of human, animal and plant health or protection of industrial and commercial property. For example: the importation of gambling games and tools, harmful chemical wastes, narcotic substances are prohibited, and a permit or license is required for the import of a number of used products, maps, wild animal and plant species that are in danger of extinction.

In international trade, it is observed that there are various types of quotas with different applications within the scope of quota measures. An example of which is the *global quota*, where there are no restrictions on the users of the quota applications; however, there are restrictions on the products in terms of quantity or value. *In the global quota system*, importers who apply early after the quotas are announced for the products to be imported, have a large share in the quota system, whereas the share of those who make their quota request late is lower. The second type of quota is called *reserved* *import quota system*. In the *reserved import quota* system, companies that want to benefit from the quota, apply with information and documents that prove the criteria of production, employment and capacity of their companies. As a result of the evaluation based on the applications, the distribution of quotas is made according to these criteria. A third type of quota is called *customs tariff quota*. In this system, it is allowed to import a certain amount of products with low or zero customs duty during some of the import of products, which are subject to quota. However, unlike other quota types, in this system, imports are not completely restricted after the customs tariff quota is filled. Imports made with zero or low customs taxes within the scope of the customs tariff quota continue with normal taxation again after the quota is filled. (Seyidoğlu, 2013: 195)

2.2.1.2.3. Price-control measures, including additional taxes and charges

Measures that are implemented in order to control the prices of imported goods, to support the prices of domestic products in cases where the imported products are at low prices, to determine the domestic price of some products due to price fluctuations in foreign markets or to obtain tax revenues, to control or affect the prices of imported goods, are evaluated within the scope of price-control measures. (UNCTAD; 2019: 32)

Administrative measures affecting customs value, voluntary export-price restraints, variable charges, customs surcharges, seasonal duties, additional taxes and charges levied in connection with services provided by the Government, internal taxes and charges levied on imports, decreed customs valuations are some of the types of price control measures.

Setting a minimum import price for some textile products or the implementation of customs duties seasonally in some months, while some oil seeds are imported exempt from customs duties in certain months of the year, are examples of price control measures.

2.2.1.2.4. Finance measures

Finance measures are regulations that determine payment conditions and regulate the cost of access to foreign exchange resources regarding imports. (UNCTAD; 2019: 36)

Prepayment terms, multiple exchange rates, regulations of official foreign exchange allocation, and import payment terms are among the financial measures.

2.2.1.2.5. Measures affecting competition

Special or preferential measures given to one or more limited groups are classified as measures affecting competition. Commercial government agencies that are granted privileged rights and concessions to import, and mandatory practices such as national insurance or transportation are among the measures affecting competition. (UNCTAD; 2019: 39)

2.2.1.2.6. Trade-related investment measures

Trade-related investment measures are the obligation to purchase domestic products or domestic based resources in order to balance imports, or to limit the amount of imports to be used by foreign investors in production according to their export performance, within the scope of trade balancing measures. (UNCTAD; 2019: 41)

2.2.1.2.7. Distribution restrictions

Sales channels and distribution of some imported products can be restricted according to this definition. These restrictions can be in the form of the obligation to establish their own distribution channels, and license or certification requirements. (UNCTAD; 2019: 42)

2.2.1.2.8. Restrictions on post-sales services

Post-sales service limitations are restrictions imposed by exporters on after-sales services for products in the importing country. The obligation to provide accessory services for imported goods is an example of this practice. (UNCTAD; 2019: 45)

2.2.1.2.9. Subsidies and other forms of support

The financial supports provided by state institutions directly or indirectly to the domestic market are included in this scope. Transfers of funds by the Government to an enterprise, price regulation, transfer of risk from an enterprise to the Government, Government revenue due that is foregone or not collected, in-kind transfer, transfer of funds by the Government for the purchase of specific goods, Government revenue due that is foregone or not collected, purchase or provision of goods by the Government are such of the subsidies and other forms of supports. (UNCTAD; 2019: 46)

2.2.1.2.10. Government procurement restrictions

In this type of measure, which regulates government expenditures, it is aimed to protect the domestic producers. In the case of a purchase to be made by the government, preference of domestic producers to foreign sellers, even if the prices are high, can be considered as an example of this practice. (UNCTAD; 2019: 52)

2.2.1.2.11. Intellectual property

In international trade, patents, trademarks, industrial designs, copyrights, geographical indications and trade secrets are covered by intellectual property rights. (UNCTAD; 2019: 65)

Due to the increase in border trade and the spread of information transfer with globalization, the spread of technology and information has become important for economic growth and this has made intellectual property an international problem. (Kerr and Gaisford, 2007: 165)

2.2.1.2.12. Rules of origin

Rules of origin cover the legal regulations applied by the importing country to determine the origin of the products. Determining the correct origin is crucial for the implementation of many trade policy measures or preferential tariffs.

Preferential rules of origin are applied to determine the origin of the products in case of importation of products with reduced or zero duty under a preferential trade agreement. Preferential rules of origin, on the other hand, contain the general rules used to determine the origin country of the products, and are important for the implementation of trade policy measures.

2.2.2. Exports

Applications for the control of exported products by the exporting country are examined under this category.

2.2.2.1. Export-Related measures

Measures such as sanitary and phytosanitary measures and technical barriers to trade, export formalities, export quotas and licenses, quantity restrictions, prohibitions, taxes and charges on exports, and price controls are considered as measures related to exports.

Although countries generally apply restrictive measures in imports as a general policy, some measures are taken in exports for certain situations. These measures include seeking technical controls and license fees for some agricultural products during export in Turkey, prohibiting the export of some plant and animal species, as well as recording and tracking the export of some product groups.

3. NON-TARIFF BARRIERS AND ADDITIONAL CUSTOMS DUTIES IN TURKEY

3.1. Foreign Trade Structure and Customs Legislation of Turkey

In the near term, as a result of the January 24 Decisions (1980), considered as the beginning in terms of the liberalisation and opening of Turkey in trade, the aim was the industrialization of the country and its global integration (Ozturk, Nas and Icoz; 2008). While a more introverted economy and *import substitution* policy was adopted in the period before the 24 January Decisions, after these Decisions, in order to increase exports, an overvaluation of the Turkish Lira was prevented by devaluation. In addition, many different regulations were made to encourage exports, and an *export-oriented industrialization* policy was adopted (Subasi Ertekin and Kutlu, 2000). In the post-1980 period, tariffs and restrictions on imports have been reduced due to reasons such as the policy of liberalisation of foreign trade and preparation for the Customs Union.

With the Decree No. 32 on the Protection of the Value of Turkish Currency, which entered into force on 11.08.1989, the foreign exchange regime in Turkey was liberalised and capital movements were facilitated.

It is possible to mention two distinct aspects, which took place towards the mid-1990s and which are very important in terms of Turkish foreign trade. The first of these is the Agreement Establishing the WTO, of which Turkey became a founding member in 1995, and its requirements. Regulations have been made in Turkey's foreign trade policy within the scope of compliance with the Establishment Agreement, the contents of which were included in the previous sections of the study. During this period the other relating to the important process is the *Customs Union*, which was formed between the EU and Turkey. Turkey became a part of this Union as of January 1, 1996, with the Association Council Decision No. 1/95. With this participation, Turkey has entered into a process of harmonisation with the EU's common customs tariff and has also arranged its foreign trade policy in line with the requirements of the Union. The Customs Union will be discussed in more detail in the following chapters.

Turkey, which joined GATT in 1951, is included in organisations and systems such as the World Trade Organization (WTO), the Organization for Economic Co-operation and Development (OECD), the Organization for the Prohibition of Chemical Weapons (OPCW), and the Pan-European Cumulation System.

3.1.1. General view of foreign trade

As the import figures are higher than the export figures in Turkey, there is a constant deficit in the foreign trade balance. Table 6 shows Turkey's import and export figures for 5-year periods between 1980 and 2020. According to the table, the ratio of exports to imports varies between 37% and 77% during these years. While the ratio of exports to imports was 36.8% in 1980, it raised up to 70.2% in 1985 with the effect of *the export-oriented industrialisation* policy implemented in this period.

Table 6

Turkey's foreign trade by years, 1980-2020

Value: Thousand US $

Years	Imports	Exports	Proportion of imports covered by exports (%)
2020	209.530.915	160.689.022	76.7
2015	207.234.358	143.838.871	69.4
2010	185.544.331	113.883.219	61.4
2005	116,774,151	73,476,408	62.9
2000	54,502,821	27,774,906	51.0
1995	35,709,011	21,637,041	60.6
1990	22,302,126	12,959,288	58.1
1985	11,343,376	7,958,010	70.2
1980	7,909,364	2,910,122	36.8

Source: Turkish Statistical Institute (TURKSTAT)

Turkey's exports mainly include vehicles, machinery and spare parts thereof, iron and steel, electrical machinery and devices and some textile product groups. The top 20 product groups exported by Turkey are listed in Table 7. According to the table, while fruits were the most exported product group in 1980, the automotive group rose to the first place in 2019. From 1980 to 2019, it has been observed that exports of agricultural products decreased, and exports of industrial and intermediate goods, textiles and precious stones increased.

Table 7

Turkey's most exports by chapters, 1980-2019

Value: Billion US $

Code	Chapters	1980	1985	1990	1995	2000	2005	2010	2015	2019
87	Vehicles, parts thereof	50	138	140	643	1,593	9,566	13,813	17,463	26,174
84	Boilers, machineries and mechanical appliances, parts thereof	22	378	212	691	1,418	5,246	9,413	12,333	16,450
72	Iron and steel	0	0	1,329	1,739	1.624	4,973	8,740	6,556	9,926
61	Knitted and crocheted goods and articles thereof	67	488	1.444	3,446	3,729	6,590	7,731	8,926	9,079
85	Electrical machinery and equipment, parts thereof	11	119	476	994	1,978	5,423	7,530	8,278	8,725
71	Precious stones, precious metals, pearls and articles thereof	0	2	7	71	400	1,326	3,747	11,264	7,327
27	Mineral fuels, minerals oils and product of their distillation	59	377	296	290	329	2,641	4,469	4,518	7,325
73	Articles of iron and steel	34	969	28	507	697	2,731	4.850	5,465	6,484
62	Knitted and crocheted goods and articles thereof	24	134	1,187	2,203	2,506	4,862	4,636	5,916	6,447
39	Plastic and articles thereof	5	55	174	319	499	1,722	3,717	5,358	6,285
8	Edible fruits and nuts, peel of melons or citrus fruits	718	528	995	1,235	1,030	2,501	3,491	4,355	4,177
94	Furniture	2	28	37	119	232	958	1,786	2,753	3,488
76	Aluminium and articles thereof	16	63	0	167	289	876	1,916	2,370	3,107
40	Rubber and articles thereof	11	53	76	297	383	1,009	1,896	2,165	2,826
25	Salt, sulphur, earths and stones, plastering materials, lime and cement	193	233	319	390	485	1,124	2,510	2,253	2,735
57	Carpets, mats matting and tapestries	0	1	202	252	295	670	1,267	2,009	2,531
63	Old clothing and other textile articles, rags	0	2	268	540	1,021	1,970	1,839	1,899	2,017
20	Preparations of vegetables, fruits or other parts of plants	78	134	304	528	486	1,281	1,491	2,187	2,006
19	Preparations of cereals, flour or starch or milk	5	16	28	231	113	348	804	1.506	1,878
28	Inorganic chemicals, organic or inorganic compounds	35	61	130	161	203	373	931	1,249	1,835

Source: TURKSTAT

Mineral fuels, machinery and parts, electrical machinery and devices, iron and steel, precious metals and stones can be considered as the product groups that Turkey imports the most. The top 20 product groups imported by Turkey are listed in Table 8. When we examine the data in the table, it is seen that mineral fuels, as well as machinery and spare parts, are at the top of the list as Turkey's most imported products since 1980. While products such as precious stones, pharmaceutical products, aluminium, cotton and synthetic filament were not the priority of import of Turkey in the 1980s, a significant increase was observed in the import amounts of these product groups after the 2000s.

Table 8

Turkey's most imports by chapters, 1980-2019

Value: Billion US $

Code	Chapters	1980	1985	1990	1995	2000	2005	2010	2015	2019
27	Mineral fuels, minerals oils and product of their distillation	3,907	3,780	4,622	4,621	9,541	21,256	38,497	37,843	41,182
84	Boilers, machineries and mechanical appliances, parts thereof	871	1,551	3,778	5,748	7,817	16,400	21,267	25,587	21,525
85	Electrical machinery and equipment, parts thereof	280	663	1,664	2,240	6,113	9,664	14,642	17,638	14,989
72	Iron and steel	471	1,060	1,613	3,024	2,778	9,458	16,121	14,775	14,681
71	Precious stones, precious metals, pearls and articles thereof	1	5	24	23	108	4,227	3,037	4,183	13,312
39	Plastic and articles thereof	117	246	563	1,375	2,179	5,796	9,730	12,268	11,646
87	Vehicles other than railway or tramway rolling-stock, parts thereof	221	490	1,118	1,576	5,467	10,553	13,419	17,544	9,639
29	Organic chemicals	344	484	869	1,715	2,037	3,532	4,400	4,716	5,438
30	Pharmaceutical products	3	13	105	332	1,035	2,849	4,410	4,296	4,764
90	Optical, photographic, cinematographic, measuring checking, precision	64	150	504	754	1,242	2,473	3,438	4,621	4,372
76	Aluminium and articles thereof	1	0	233	382	548	1,232	2,488	3,334	3,432

88	Aircraft and parts thereof	0	196	272	1,378	937	314	3,156	3,830	3,405
10	Cereals	4	183	561	455	390	190	1,057	1,664	3,219
74	Copper and articles thereof	3	6	211	320	474	1,458	3,299	2,985	2,944
52	Cotton, cotton yarn and cotton textiles	0	1	304	886	1,080	2,079	3,386	2,265	2,611
40	Rubber and articles thereof	66	97	242	413	538	1,205	2,322	2,525	2,525
48	Paper and paperboard, articles of paper pulp of paper or of paperboard	56	56	213	702	939	1,767	2,820	2,684	2,514
73	Articles of iron and steel	35	81	307	447	705	1,185	1,967	2,742	2,385
54	Man-made filament	0	1	218	498	695	1,120	1,686	2,097	2,218
38	Miscellaneous chemical products	105	134	269	398	512	1,131	1,795	2,050	2,094

Source: TURKSTAT

When we examine Table 9, which lists the countries to which Turkey exports the most (based on 2019 data), we see that the highest number of exports were made to Germany between 1980 and 2019. It is understood that, alongside Germany, EU member countries such as England, France and Italy have an important place in Turkey's exports. Apart from EU member countries, Iraq, USA, Israel and Russia are the countries to which Turkey exports the most. It is understood that approximately 70% of the countries with the highest number of exports made in the table are the countries included in the Customs Union or those that have signed free trade agreements with Turkey. Based on this information, it is possible to state that the Customs Union and free trade agreements have a positive effect on Turkish exports.

Table 9

Turkey's most exports country, 1980-2019

Value: Million US $

	1980	1985	1990	1995	2000	2005	2010	2015	2019
Germany	604	1,391	3,064	5,036	5,180	9,455	11,479	13,417	15,427
UK	105	539	745	1,136	2,037	5,917	7,236	10,556	10,867
Italy	218	502	1,106	1,457	1,789	5,617	6,505	6,887	9,300
Iraq	135	961	215	124	-	2,750	6,036	8,550	8,998
USA	127	506	968	1,514	3,135	4,911	3,763	6,396	8,057
Spain	28	56	199	354	714	3,011	3,536	4,742	7,662
France	164	215	737	1,033	1,657	3,806	6,054	5,845	7,638
Netherlands	84	213	435	737	874	2,470	2,461	3,155	5,444
Israel	8	12	47	240	650	1,467	2,080	2,698	4,356
Romania	71	47	83	302	326	1,785	2,599	2,816	3,857
Russian Fed.	169	190	531	1,238	644	2,377	4,628	3,588	3,853
UAE	2	119	75	189	316	1,675	3,333	4,681	3,518
Egypt	20	141	160	246	376	687	2,251	3,125	3,317
Poland	94	34	103	272	175	830	1,504	2,329	3,308
Belgium	56	162	312	452	647	1,292	1,960	2,558	3,247
Saudi Arabia	44	430	338	470	387	962	2,218	3,473	3,185
China	2	34	37	67	96	550	2.269	2,415	2,587
Bulgaria	12	8	10	183	253	1,179	1.497	1 676	2,542
Iran	85	1,079	495	268	236	913	3,044	3 664	2,315
Morocco	1	3	25	67	70	371	624	1,338	2,308
Greece	9	76	139	210	438	1.127	1,456	1,401	2,115
Libya	60	59	221	238	96	384	1,932	1,420	1.962
Ukraine	-	-	-	199	258	821	1,260	1,121	1,955
Algeria	8	109	201	269	383	807	1,505	1,826	1,866
Slovenia	-	-	-	33	48	332	357	810	1.775
Azerbaijan	-	-	-	161	230	528	1,550	1,899	1,637
Georgia	-	-	-	68	132	272	769	1.109	1,421
Sweden	19	65	80	106	200	662	947	1.189	1 362
TRNC	-	65	155	198	271	754	975	1.006	1,272
Syria	103	56	194	272	184	552	1,845	1,522	1.226
Hungary	41	4	31	160	110	379	441	712	1,188

Qatar	-	8	6	17	10	82	163	423	1,163
Austria	54	123	178	275	293	659	835	1,025	1,140
Uzbekistan	-	-	-	139	83	151	283	489	1,136
Portugal	20	14	44	60	185	396	465	558	1.101

Source: TURKSTAT

The ranking of the countries from which Turkey imports the most is different than the ranking of exports. As it can be seen in Table 10, it is seen that the countries where most of the imports are made today are countries such as Russia, China, Germany and the USA. While Iraq, Germany and Iran were the top 3 countries from which the most imports were made in 1980, when we come to 2019, it is seen that Iraq and Iran dropped in the list, and Germany ranked third after Russia and China. Again, as can be seen in the table, India and Korea, from which Turkey made very little imports between 1980 and 1990, were among the countries with the highest number of imports, especially in the post-2015 period.

Table 10

Turkey's most imports country, 1980-2019

Value: Million US $

	1980	1985	1990	1995	2000	2005	2010	2015	2019
Russian Fed.	181	221	1,247	2,082	3.887	12.906	21,601	20,402	22,453
China		64	246	539	1.345	6,885	17,181	24,873	18,496
Germany	837	1.369	3,497	5,548	7,198	13,634	17,549	21,352	17,976
Secret Country	-	-	-	-	-	4,731	6,674	9,746	15,157
USA	442	1,150	2.282	3,724	3,911	5,376	12,319	11,141	11,187
Italy	300	658	1,727	3,193	4,333	7,566	10,140	10,639	8,612
India	5	6	78	223	449	1=280	3,410	5,614	6,593
France	377	514	1,340	1,996	3,532	5,888	8,177	7,598	6,354
South Korea	19	29	302	566	1,181	3,485	4,764	7,057	5,649
UK	317	468	1.014	1,830	2,748	4,696	4,681	5,541	5,427
UAE	67	4	193	42	40	205	698	2,009	4,337
Spain	86	322	345	591	1,678	3,555	4,840	5,589	4,227

Japan	113	507	1,120	1,400	1,621	3,109	3,298	3,140	3,520
Iran	803	1,265	492	689	816	3,470	7,645	6,096	3.271
Switzerland	348	187	537	816	891	4,054	3,154	2,446	3,257
Belgium	158	235	523	912	1,661	2,241	3,214	3,147	3,165
Netherlands	205	218	573	1,084	1.584	2,152	3,156	2,914	3,071
Ukraine	-	-	-	856	982	2,651	3.833	3,448	2.604
Brazil	39	87	174	268	303	799	1.348	1.792	2,595
Iraq	1.237	1,137	1,047	-	-	66	153	297	2,518
Romania	261	64	202	368	674	2,286	3,449	2,599	2,483
Poland	32	49	210	65	165	1,244	2,621	2,978	2,479
Bulgaria	136	99	32	402	465	1.190	1.703	2,254	2,338
Czech Republic	67	39	143	105	159	699	1,328	2,218	2,226
Saudi Arabia	106	226	724	1,385	962	587	1.381	2.117	1,922
Malaysia	19	79	111	272	269	786	1.124	1,339	1,860
Egypt	24	7	37	211	141	267	926	1,216	1.812
Israel	32	33	63	167	505	805	1.360	1,673	1,743
Sweden	56	133	215	518	1,440	1,427	1,923	1,585	1,570
Canada	60	167	183	293	256	447	915	929	1,563
Vietnam	-	-	-	3	25	110	751	1,756	1,529
Colombia	10	-	12	8	4	175	297	801	1,463
Kazakhstan	-	-	-	87	346	559	1,393	1,110	1,400
Greece	65	47	129	201	431	728	1,542	1,861	1,396
Austria	127	153	251	294	517	940	1,439	1,568	1,291

Source: TURKSTAT

3.1.2. Turkey – EU Customs Union

In the Ankara Agreement, signed on September 12, 1963 and aiming for Turkey to become a full member of the European Union (EU), the full membership process was planned in 3 stages: the preparation period, the transition period and the last period. Accordingly, it was aimed to establish a customs union of Turkey with the EU in the last phase of the transition period. Within this framework, within the scope of the Additional Protocol, which was signed in 1970 and entered into force in 1973, the EU unilaterally abolished the duties on industrial goods imported from Turkey. On the other hand, Turkey has been granted a 22-year gradual transition process to abolish these duties. Although the process was prolonged due to various economic and political obstacles, the targeted Customs Union was completed as of January 1, 1996 in accordance with the Association Council Decision No. 1/95 adopted at the meeting of the Turkey-EU Association Council on March 6, 1995. (MFA, 2020)

The Customs Union established between Turkey and the EU mainly covers industrial products and processed agricultural products. As of January 1, 1996, when Turkey joined the Union, it abolished the duties on the products within this scope. In addition, as required by the Customs Union, Turkey must apply the same Common External Tariff (CET) to the third countries same as the EU.

According to the principle of free movement of goods defined in Article 3 of the Decision, the goods produced in the Community or in Turkey and goods originating from third countries and whose import transactions have been completed in Turkey or in the Community and the necessary customs duties are paid, are counted in free circulation in the Community or in Turkey.

As of January 1, 1996, in accordance with Article 12 of the Association Council Decision No. 1/95, Turkey has begun to comply with certain rules. These are common rules adopted for imports, common rules to be applied to imports from certain third countries, administration of quantity restrictions, measures against unfair trade practices, common rules to be applied in exports, determination of quotas and tariff quotas for exports, the quantitative restrictions applied against third countries in the textile and clothing industry, and the rules for inward and outward processing regimes. In accordance with Article 16 of Decision 1/95, Turkey has begun to conclude agreements similar to the Free Trade Agreements (FTA) made by the EU with various countries within the scope of alignment. (EU, Customs Union: 2020)

As it can be seen in the tables below, trade with the EU takes an important place in Turkey's foreign trade volume. When the import and export data between 2013 and 2019 are examined; it is observed that the share of imports from the EU in Turkey's total imports is in the range of 35% - 40%, and exports from Turkey to the EU are approximately half of Turkey's total exports.

Table 11

Turkey's imports from EU

Value: Billion US $

	2019	2018	2017	2016	2015	2014	2013
European Union (EU 28)	73.5 35%	84.7 37%	88.8 37%	80.8 40%	82.6 39%	93.3 37%	96.8 37%
Other countries	136.8 65%	146.5 63%	149.9 63%	121.4 60%	131 41%	157.8 63%	164 63%
Total	210.3	231.2	238.7	202.2	213.6	251.1	260.8

Source: TURKSTAT

Table 12

Turkey's exports to EU

Value: Billion US $

	2019	2018	2017	2016	2015	2014	2013
European Union (EU 28)	88.0 49%	88.9 50%	77.9 47%	71.9 48%	67.3 45%	72.4 44%	67.3 42%

Other countries	92.8 51%	88.3 50%	86.6 52%	77.3 52%	83.7 55%	94.1 57%	94.1 58%
Total	180.8	177.2	164.5	149.2	151.0	166.5	161.4

Source: TURKSTAT

3.1.3. Free Trade Agreements (FTA)

Free Trade Agreements and Trade Unions, which are referred to as Regional Trade Agreements in WTO regulations, constitute an exception to the Most Favoured Nation (MFN) rule. Regulations on FTAs are under Article XXIV of GATT 1947. Accordingly, it has been accepted that the member countries attempt to increase and liberalise trade by establishing Customs Union and Free Trade Areas. Countries that are a party to the regional trade agreements need to abolish tariffs and other measures, if any, in trade between them. (MFA, 2020)

There are 22 free trade agreements to which Turkey is a party.

Table 13

Turkey's Free Trade Agreements

Countries	Effective date
Albania	01.05.2008
United Kingdom	29.12.2020
Bosnia and Herzegovina	01.07.2003
EFTA	01.04.1992
Faroe Islands	01.10.2017
Morocco	01.01.2006
Palestine	01.06.2005
South Korea	01.05. 2013
Georgia	01.11.2008
Israel	01.05.1997

Montenegro	01.03.2010
Kosovo	01.09.2009
Macedonia	01.09.2000
Malaysia	01.08.2015
Egypt	01.03.2007
Moldova	01.11.2016
Mauritius	01.06.2013
Chile	01.03.2011
Singapore	01.10.2017
Serbia	01.09.2010
Venezuela	21.08.2020
Tunisia	01.07.2005

Source: Ministry of Trade, https://ticaret.gov.tr/dis-iliskiler/serbest-ticaret-anlasmalari/yururlukte-bulunan-stalar 10.01.2021

Apart from these countries, FTA negotiations have been completed with Qatar, Ghana, Lebanon and Sudan, and negotiations with Ukraine, Peru, Colombia, Ecuador, Mexico, Pakistan, Japan, Thailand, Indonesia, Djibouti and the Democratic Republic of the Congo are in progress. The Free Trade Agreement between Turkey and Syria was suspended on December 6, 2011 by Turkey and the Jordan Free Trade Agreement was terminated by Jordan as of November 22, 2018, on the grounds that some of its domestic market sectors suffered losses from the agreement.

3.1.4. Customs legislation in Turkey

According to Article 54 of Association Council Decision No. 1/95 establishing the Customs Union, Turkish legislation in areas directly related to the functioning of the Customs Union should be harmonised as much as possible with the Community legislation. The areas directly related to the functioning of the Customs Union are listed in the second paragraph of the same article under 5 headings;

(https://www.ab.gov.tr/files/ardb/evt/1_avrupa_birligi/1_3_antlasmalar/1_3_8_gumruk_birligi/turkiye_gumruk_birligi_karari_1995.pdf)

- Trade policy;
- Agreements signed with third countries and having a commercial dimension in terms of industrial products,
- Legislation on removing technical barriers in industrial products trade,
- Competition, industrial and intellectual property law,
- Customs legislation

Within the scope of the aforementioned regulation, the customs legislation was regulated in Turkey, and the Customs Law numbered 1615, which was in force from 1972 to 2000, was abolished and on February 5, 2000, consequently, the Customs Law numbered 4458, which was in compliance with the EU legislation, was brought into force. Moreover, within the same framework, in Turkey, national regulations within this scope have been aligned with the EU legislation in time.

The legal basis of customs duty regulations in Turkey is the Law No. 474 on "Customs Tariff Schedule", adopted on May 14, 1964. According to the law, the customs tax rates and rates can be increased up to 50, reduced to zero, and the rates and limits of these duties can be increased up to 50%. Customs duties are determined based on Law No. 474 and can be changed if deemed necessary.

Customs taxes are determined every year and then they are published in the Official Gazette generally on the last day of the year and come into force as of the new year.

Import operations are carried out within the framework of the customs tariff statistical positions (GTIP) specified in the Law No. 474 on "Customs Tariff Schedule", and the item names specified in front of them. In this context, within the framework of the classifications made by the Ministry of Trade on the basis of GTIP, taking the international obligations into account, customs duties and other additional financial obligations of all products subject to import have been determined within the scope of the 6 lists included in the annex of the Import Regime Decision.

In the list numbered (I), the tariff rates foreseen for agricultural products are included, except for fish and other aquaculture, and processed agricultural products.

The list numbered (II) includes the tariff rates applicable to industrial products and the favourable tariffs granted under the generalised system of preferences (GTS).

In the list numbered (III), the tariff rates foreseen to be collected from processed agricultural products and the Mass Housing Fund amounts corresponding to the agricultural share are included.

The list numbered (IV) includes tariff and mass housing fund amounts for fisheries and aquaculture products.

The list with number (V) contains the tariff applied to some products whose tariffs have been temporarily reduced or suspended and which are mainly used as raw materials or intermediate inputs in the chemical and electronics sectors.

It has been stipulated that the customs tariffs will be accrued as 0% for the imports to be made provided that the products listed in the list (VI) are used in civil aircraft and in this case, the provisions of the customs legislation regarding the end use will be accrued.

3.2. Non Tariff Barriers In Turkey

According to Article 12 of the Association Council Decision No. 1/95, Turkey harmonised with the Community's common rules on imports, common rules on imports to be made from certain third countries, administration of quantity restrictions, measures against unfair trade practices, common rules on exports, determination and management of quotas and tariff quotas in exports, textile and the quantity restrictions imposed on third countries in the garment sector, and the trade policy rules on inward and outward processing regimes. In this context, compliance with the EU technical legislation has been achieved; for example, CE marking has been checked in the import of some goods within the scope of product safety control. (EU, Union of Association: 2020) https://www.ab.gov.tr/p.php?e=46234

Trade policy defence instruments in Turkey include anti-dumping measures, measures against subsidies, which are used in the relevant agreements of the WTO and in Article 4 of the Import Regime Decision, to prevent (serious) damage to domestic producers, who produce similar or directly competing products, from imports, and protection and surveillance measures. (https://ticaret.gov.tr/ithalat/ticaret-politikasi-savvantaj-araclari)

In this section, primarily, these trade policy measures will be discussed; then safeguard measures such as technical regulations used in Turkey will be examined.

3.2.1. Anti-dumping

In Turkey, the "Law on the Prevention of Unfair Competition in Imports" dated 1989 and numbered 3577, which was enacted in cases of unfair competition in order to protect a branch of production against the damage caused by dumped and subsidised imports; the "Decree on the Prevention of Unfair Competition in Imports" with the number 99/13482 of 1999, which regulates the procedures to be carried out and the measures to be taken in order to protect a branch of production against the damage caused by dumped and subsidised imports; and the "Regulation on the Prevention of Unfair Competition in Imports" dated 1999, which was published for the same purpose, regulates the protection measures against dumping. The General Directorate of Imports of the Ministry of Trade is authorised to make these arrangements. (Law No. 3577, Decision No. 99/13482 and related Regulation)

In Annex 1, there is a list of Anti-Dumping and Subsidy Measures implemented by Turkey.

(https://ticaret.gov.tr/data/5b880b6a13b8761160fa1f15/Y%C3%BCr%C3%BCrl%C3%BCkteki%20%C3%96nlemler.xlsx) (08.03.2021)

3.2.1.1. Application and evaluation process

The General Directorate of Imports can conduct dumping or subsidy inspection upon complaint or ex officio when necessary. Manufacturers who claim that they suffer material damage from imports subject to dumping or subsidy, or that they are under the threat of material damage, or that such imports physically delay the establishment of a production branch, or real or legal persons or organisations acting on behalf of a production branch can apply in written form to the General Directorate of Imports of the Ministry of Economy. As a result of the inspection made ex officio or upon complaint, an investigation is initiated if there is sufficient evidence regarding the existence of the imports subject to dumping or subsidy and the damage caused by this import. Claims that are not supported by sufficient evidence are not considered as complaints. (Law No. 3577, Decision No. 99/13482 and related Regulation)

The decision to open a dumping or subsidy investigation, and the interim measure, final measure, commitment, suspension and closure decisions taken during the investigation will be announced in a notification to be published in the Official Gazette. The investigation, except in special cases, is concluded within 1 year. This period can be extended up to 6 months, if necessary. (Law No. 3577, Decision No. 99/13482 and related Regulation)

3.2.1.2. Decision and implementation

As the result of the investigation, if it is determined that the imports under investigation are not subject to dumping or subsidy or that there is no damage arising from this import, or if the dumping margin, subsidy amount or import amount is below negligible levels, the investigation gets closed.

During the investigation, if the country of origin, the exporting country or the exporter undertakes to take measures to eliminate the damage caused by the dumped or subsidized import subject to the investigation and this undertaking is accepted, the investigation may be stopped without taking temporary or definitive measures.

In cases where the import, subject to dumping or subsidy causes pecuniary damage or threat of pecuniary damage in a production branch in Turkey, or physically delays the establishment of a production branch are considered as situations that require measures to be taken.

In cases where pre-determinations are made about the existence of the dumped or subsidised imports and the damage caused by such imports, during the investigation regarding the imports subject to the complaint; in order to prevent damage during the investigation, interim measures may be applied in the form of assurance at a rate or amount equal to the dumping margin or the amount of the subsidy, or a lower amount sufficient to eliminate the loss. As a result of investigation, when it is determined that there is dumped or subsidised imports and that such imports caused a loss, in order to prevent this loss, an anti-dumping duty or a compensatory duty, at the amount of the dumping margin or subsidy amount or a lower rate or amount, is applied as a definitive measure to eliminate the loss. (Law No. 3577, Decision No. 99/13482 and related Regulation)

3.2.1.3. Final review investigation

Definitive measures cease to have effect 5 years from the date of their entry into force, or the conclusion of the most recent review investigation, which includes dumping or subsidy investigation and loss investigation.

Local producers of the product subject to prevention, can request that a final review investigation, at the latest 3 months before the expiry of the effective period of the relevant protection measure, with sufficient evidence that the dumping or subsidy and damage will continue or will reoccur after the expiration of the final measure, by applying in written form to the General Directorate of Imports.

An investigation is opened, with the expiration of the effective period of the final measure, if there is sufficient evidence that the dumping or subsidy and the damage will continue or will reoccur. In this context, for example, evidence may be presented that the dumping or subsidy and the damage continue or that the damage has been completely or partially eliminated due to the effect of the measure in force, or that the harmful dumping or subsidy is likely to continue because of the developments of the exporters or the market.

In this investigation, exporters, producers, exporter country representation and domestic producers (in subsidy investigations, additionally, country of origin) are given the opportunity to express their opinions and their counter arguments on the issues included in the review application. The final decision is taken by duly documenting and taking into account all the evidence presented as to whether the dumping or subsidy and the damage are likely to continue or reoccur in the event of the termination of the measure.

3.2.1.4. The effect of anti-dumping duties on imports

Turkey has 183 anti-dumping measures in force as of February 2021. According to the Table 14, it is seen that the measure against dumping is mostly applied in the import of goods of Chinese origin.

Table 14

Turkey's Anti-Dumping Measures in Force

Country	Definitive Measures	Country	Definitive Measures
China	60	Pakistan	2
Vietnam	13	Sri Lanka	2
Indonesia	12	Poland	2
Malaysia	12	Philippines	2
Thailand	12	Brazil	2
Chinese Taipei	12	Italy	2
India	11	Iran	2
South Korea	9	Israel	2
Bulgaria	4	Serbia	1

Russian Federation	4	Bangladesh	1
Greece	4	Finland	1
Germany	3	Sweden	1
USA	3	Hong Kong	1
Spain	2	Malaysia	1

Source: www.ticaret.gov.tr

https://ticaret.gov.tr/data/5b880b6a13b8761160fa1f15/Y%C3%BCr%C3%BCrl%C3%BCkteki%20%C3%96nlemler.xlsx (09.03.2021)

When the anti-dumping list in ANNEX 1 is examined, it is observed that anti-dumping is applied for a wide range of products belonging to different sectors such as various yarns, inner and outer rubber tires, hinges and hangers, chains, fabrics, iron or steel pipe fittings, polyester fibre, stainless pipes, air conditioners, paper, ropes and cables, various glass products, V-belt, granite, lighter, clocks, porcelain and ceramic kitchenware, pens, and door locks.

Table 15 lists the countries that applied the most anti-dumping between 2010 and 2019. Accordingly, as of 2019, following the USA and India, Turkey is the country that implements the most anti-dumping measures in the world. Furthermore, according the data in the table, especially as of 2013, it is possible to say that Turkey started to use the anti-dumping force more frequently.

Table 15

Anti-Dumping Measures in the World

Country	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
USA	257	243	241	245	260	266	293	324	361	388
India	209	221	227	212	213	232	260	273	275	252
Turkey	**125**	**118**	**118**	**128**	**134**	**143**	**156**	**166**	**182**	**183**

Brazil	71	81	89	108	128	157	162	169	167	161
EU	128	121	106	115	111	117	113	117	119	120
China	119	110	109	116	104	92	93	87	106	107
Argentina	86	85	84	85	79	85	84	87	97	102
Canada	35	36	45	48	53	65	66	76	83	91
Mexico	38	38	41	41	48	55	64	66	70	76
Australia	21	23	33	40	51	56	55	66	65	72
Pakistan	27	33	37	38	32	30	22	28	45	49
Thailand	22	25	26	33	35	34	39	45	45	42
Korea	29	29	26	31	36	32	27	31	37	39
Indonesia	14	16	20	24	27	31	31	34	35	35
S. Africa	35	31	32	31	31	35	31	31	30	30

Source: https://data.wto.org/ (09.03.2021)

https://data.wto.org/?idSavedQuery=69c67e3a-6cf8-4ddd-aa1d-45033ee4d01b

Table 16 compares the shares of the 15 countries applying the most anti-dumping in total world imports for the year 2019 based on the WTO data. According to this; it is understood that countries such as the EU countries, China and Korea apply lower anti-dumping rates compared to their shares in total imports, while countries such as Argentina, Pakistan, Turkey, Brazil and India apply a much higher rate of anti-dumping compared to their shares in total world imports. Although the USA has 20.3% of the total anti-dumping practices, it has the highest share in total world import volume with 16.2%; therefore, the difference is not significant between total import and total anti-dumping rate. In terms of Turkey, which has 1.3% share in total world imports, it is seen that Turkey has 9.58% of the total anti-dumping practices and has a share of approximately 7 times more anti-dumping applications than its share in total world imports. This situation supports the view that Turkey uses anti-dumping practices more than other countries as a result of its protectionist understanding in foreign trade.

Table 16

Countries' Share in Anti-Dumping Measures / Share in the World Import Volume

Reporting Economy	**Share% in the World Import**	**Share% in the World Anti-Dumping**	**Rate**
USA	16.2	20.30	1.25
EU	13.6	6.28	0.46
China	13.1	5.60	0.43
Korea	3.2	2.04	0.64
India	3	13.19	4.40
Canada	2.9	4.76	1.64
Mexico	2.9	3.98	1.37
Thailand	1.5	2.20	1.47
Australia	1.4	3.77	2.69
Turkey	**1.3**	**9.58**	**7.37**
Brazil	1.2	8.42	7.02
Indonesia	1.1	1.83	1.67
S. Africa	0.7	1.57	2.24
Argentina	0.3	5.34	17.79
Pakistan	0.3	2.56	8.55

Source: https://data.wto.org/

https://www.wto.org/english/res_e/statis_e/wts2020_e/wts2020chapter06_e.pdf (09.03.2021)

In Table 17, the effect of anti-dumping practices applied in Turkey between 2001 and 2019 on imports is tried to be examined. The import data subject to the study was obtained from TURKSTAT and the table was calculated by the author.

Out of the 183 anti-dumping measures currently in use, 131 of them are added to the table as 73 separate groups based on the product groups and the date the measure was implemented. In order to understand the effect of the anti-dumping measure, the import data for the year the measure started, and 4 years before and five years after the measure, was added to the table in USD, covering a total of 10 years. In the last column of the table is the percentage change between the average of the data for the year and four years before the anti-dumping measure was taken and the average of the five-year data after the measure. Since 2020 is the last available data year in the post-measure period, certain items have data for less than five years post-action. In these cases, the average of the years, for which the data was obtained, was taken.

When the data in the table was examined, it was seen that 86 out of 131 anti-dumping measures caused a decline in the imports of the goods subject to measures in the years after the measure was implemented (Figure 5). In the years following the measure, approximately 77% of these measures (66 of 86) led to a reduction of 50% or more in imports of products subject to the measure.

Table 17

The Effect of Anti-Dumping Taxes on Imports (USD)

Item	Country	Year	-4	-3	-2	-1	0	+1	+2	+3	+4	+5	Result
Woven Fabrics of Synthetic and Artificial Stable Fibers	China	2001	No Data	No Data	No Data	42.3	12.0	5.2	7.1	19.7	21.1	33.8	-36%
Woven Fabrics of Synthetic Filament Yarn	China, Chinese Taipei, Korea, Malaysia, Thailand	2002	No Data	No Data	162.3	129.0	126.8	160.6	210.5	207.8	186.7	197.9	38%
Pocket Lighters, Gas Fueled, Non-refillable & Pocket Lighters, Gas Fueled,Refilliable with Electrical Ignition System & Parts of Lighters	China	2002	No Data	No Data	0.03	0.55	0.17	0.00	0.00	0.00	0.00	0.00	-100%
Glass lid/cover	China	2003	No Data	0.47	0.62	1.55	3.03	0.68	0.86	0.48	0.66	0.50	-55%
Polyester synthetic staple	Chinese Taipei, India, Thailand	2003	No Data	34.72	29.44	38.05	15.26	10.48	6.59	7.31	20.17	4.96	-66%
Polivinyl Chloride	Germany, USA	2003	No Data	25.41	20.69	24.95	28.02	67.83	82.46	38.52	106.66	128.83	243%
Motorcycle Tyres & Motorcycle Tubes	China, Thailand	2003	No Data	1.17	0.49	0.70	0.39	0.22	0.60	0.72	1.03	0.89	1%
Bicycle Tyres & Bicycle Tubes	China, India, Thailand	2003	No Data	1.33	2.18	3.31	1.78	1.27	2.48	3.24	2.74	5.97	46%
Ropes and cables (including locked coil ropes)	China, Russian Federation	2004	1.06	1.17	0.84	1.63	1.43	0.07	0.17	0.55	0.58	1.60	-52%

Vulcanised rubber thread and cord	Malaysia	2004	2.67	1.55	3.28	3.11	1.72	0.88	0.24	0.13	0.11	0.04	-89%
Motorcycle Tyres & Motorcycle Tubes	Vietnam, Chinese Taipei	2004	0.14	0.20	0.48	1.09	0.64	0.56	0.90	1.11	1.22	1.98	126%
Metallized yarn, whether or not gimped, being textile yarn	China, Chinese Taipei, Korea, India	2004	1.02	2.22	1.02	1.11	1.58	1.65	4.80	7.10	3.48	2.17	176%
Pentaerythritol	China	2005	0	0	0.17	1.47	0.31	0.12	0.06	0.03	0.01	0.03	-87%
Certain Types of New Pneumatic Tires, of rubber	China	2005	4.44	14.30	42.05	43.68	9.99	0.26	1.14	5.68	1.75	2.27	-90%
Granites	China	2006	1.95	5.85	12.15	35.89	77.46	60.64	58.99	56.12	62.90	74.60	135%
Woven Fabrics of Synthetic Filament Yarn	Philippines	2006	4.89	3.73	3.36	5.52	2.70	0.00	0.00	0.00	0.00	0.00	-100%
Stranded Wire, Ropes and Cables	China, Russian Federation	2006	0.49	0.02	0.13	1.73	0.63	0.26	0.29	2.37	1.46	0.45	60%
Fittings	Bulgaria, Indonesia, India, Thailand	2006	1.74	2.99	5.00	11.09	7.23	6.83	8.07	4.89	5.53	9.41	24%
Polyester synthetic staple	China	2007	19.07	12.08	30.16	44.06	49.45	57.58	48.92	23.19	65.43	35.39	49%
Endless transmission belts of trapezoidal cross-section (V-belts), other than V-ribbed	China, India, Vietnam	2007	2.48	3.39	5.08	9.45	5.51	1.43	1.02	1.12	1.40	1.99	-73%
Pocket Lighters, Gas Fueled, Non-refillable & Refillable Pocket Flint Lighters & Pocket Lighters, Gas Fueled,Refilliable with Electrical Ignition System & Parts of Lighters	Vietnam	2008	0	0.25	1.28	0.09	0.00	0.21	0.41	0.63	0.49	0.78	55%

Tarpaulin made of polyethilene/polypropilen	China, Vietnam	2008	1.96	2.95	10.12	23.37	26.41	18.79	29.83	45.93	34.30	145.92	324%
Laminated flooring	China	2008	2.16	22.29	62.94	105.15	45.35	3.59	4.68	2.91	2.30	1.59	-94%
Polyester textured yarn	China, Malaysia, Indonesia	2008	19.80	65.72	108.99	198.79	276.63	136.34	167.56	235.17	270.89	236.57	56%
Motorcycle Tyres & Motorcycle Tubes	Malaysia, Indonesia	2009	0.39	0.52	1.23	1.61	0.77	0.85	1.35	0.59	0.86	0.54	-7%
Bicycle Tyres & Bicycle Tubes	Malaysia, Indonesia	2009	5.07	4.20	4.44	5.73	2.43	1.65	1.81	2.06	1.70	2.23	-57%
Yarn of Man Made or Synthetic or Artifical Staple Fibres	China, India, Indonesia	2009	212.58	274.28	469.04	343.44	215.39	261.11	300.50	231.19	281.52	402.96	-2%
Certain Finished Or Semi-Finished Artificial Leather	China	2009	3.81	6.51	9.19	10.98	6.95	9.79	13.56	11.65	18.71	24.21	108%
Glass lid/cover	Indonesia, Hong Kong	2010	0.48	0.73	1.72	1.51	2.01	1.20	0.19	0.46	0.72	0.43	-53%
Fan Coil	China	2010	0.75	3.19	4.94	5.96	5.46	6.10	4.87	5.08	6.38	5.54	38%
Articulated Link Chain and Parts thereof	China	2010	3.51	4.73	5.86	5.28	4.63	4.91	4.30	4.49	5.78	5.74	5%
Cored Wire of Base Metal	China	2011	7.60	8.51	3.67	4.00	1.77	0.34	0.14	0.13	0.13	0.11	-97%
Vulcanised rubber thread and cord	Thailand	2012	7.55	8.23	14.25	15.45	13.24	8.57	7.02	5.65	4.10	5.36	-48%
Welded Stainless Steel Tubes, Pipes & Profiles	China, Chinese Taipei	2013	16.60	22.19	46.41	42.31	37.74	25.79	20.97	15.04	12.57	10.92	-48%
Electric Storage Water Heaters	China, Italy, Serbia	2013	9.65	12.38	16.36	6.30	5.95	0.40	0.35	0.42	1.23	0.33	-95%
Articulated Link Chain and Parts thereof	Chinese Taipei, Korea, Malaysia	2013	0.46	1.10	5.50	4.83	2.56	0.34	0.46	0.38	0.43	0.34	-86%

Fittings	Chinese Taipei	2013	0.73	1.11	1.29	0.82	0.37	0.03	0.02	0.01	0.01	0.00	-99%
Aluminium foil of a thickness not exceeding 0,2 mm, not backed	China	2014	19.30	33.57	22.50	23.03	18.61	12.31	14.71	18.28	20.80	23.76	-23%
Fully Drawn Yarn	China, India, Malaysia	2014	96.01	143.51	165.54	171.25	166.16	115.84	92.84	100.25	66.64	65.22	-41%
Yarn of Man Made or Synthetic or Artifical Staple Fibres	Malaysia, Pakistan, Thailand, Vietnam	2014	214.02	284.21	267.75	217.41	67.23	19.15	18.12	16.26	11.04	6.75	-93%
Instantaneous Gas Water Heaters	China	2014	4.06	5.98	5.07	3.92	2.67	0.00	0.08	0.00	0.00	0.00	-100%
Safety Glass	China, Israel	2015	13.03	14.65	15.19	18.89	13.88	6.04	9.32	12.47	10.47	9.14	-37%
Welding Machines	China	2015	26.16	14.51	18.87	17.12	16.42	10.48	14.64	4.67	1.55	2.06	-64%
Woven Fabrics of Synthetic Filament Yarn	Bulgaria	2015	1.85	2.93	2.76	3.40	1.73	0.31	0.36	0.30	0.25	0.09	-90%
Uncoloured Float Glass	Israel	2015	3.98	9.82	17.52	8.47	2.50	0.08	0.16	0.17	0.02	0.00	-99%
Laminated flooring	Germany	2015	122.14	133.09	140.50	65.52	49.14	27.56	14.52	7.16	3.65	3.06	-89%
Unbleached Kraft Liner Paper	USA	2015	91.40	85.80	100.94	112.50	88.94	46.70	44.09	54.83	14.49	13.69	-64%
Woven Fabrics of Synthetic and Artificial Stable Fibers	Bulgaria, Poland	2015	3.8467	5.5827	14.99	14.69	4.51	0.97	0.32	0.56	0.91	0.47	-93%
Cotton	USA	2016	653.66	869.37	914.96	527.65	518.93	733.25	704.10	676.34	591.16	No Data	-3%
Sodium Formiat	China	2016	0.47	0.82	0.43	0.11	0.04	0.00	0.00	0.01	0.00	No Data	-99%
Welded Stainless Steel Tubes, Pipes & Profiles	Malaysia, Vietnam	2016	0.27	9.07	26.08	7.95	8.58	16.75	16.34	14.34	17.41	No Data	56%
Granites	Vietnam	2016	6.15	30.64	46.77	43.33	36.52	25.13	13.75	8.88	3.96	No Data	-60%

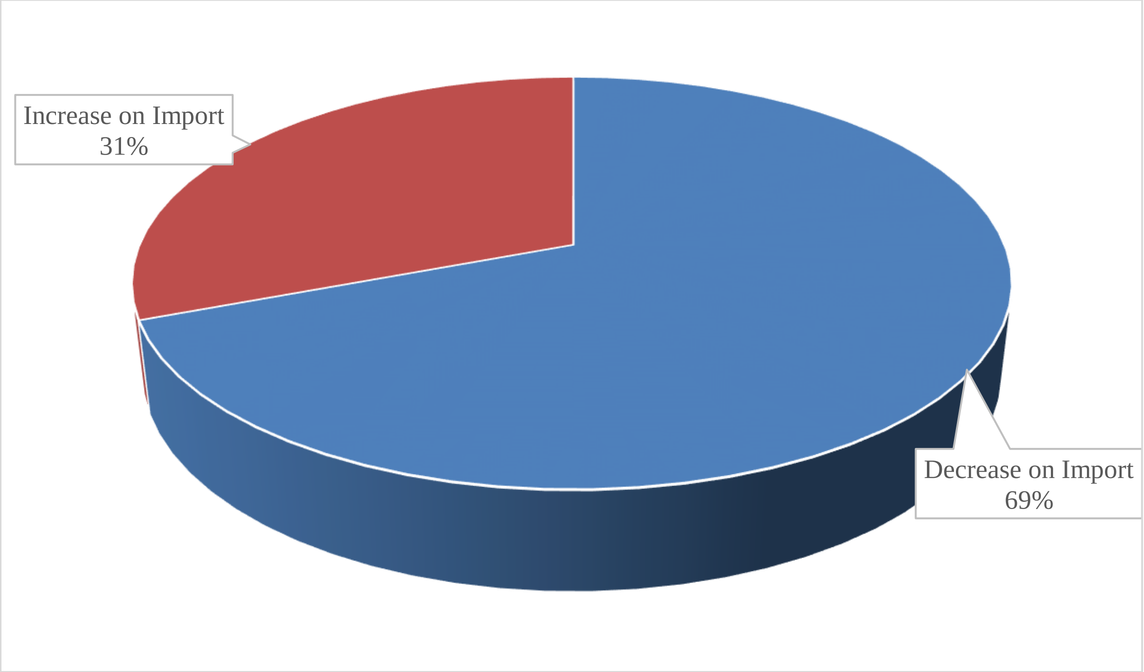
Plywoodconsisting solely of sheets of wood,each ply not exceeding 6 mm thickness	Bulgaria, Vietnam	2016	21.96	26.11	48.19	43.47	44.01	34.58	11.15	0.35	0.17	No Data	-69%
Polyester textured yarn	Thailand, Vietnam	2016	130.93	129.80	173.93	151.65	109.10	25.72	19.30	17.64	8.37	No Data	-87%
Yarn of Man Made or Synthetic or Artifical Staple Fibres	Chinese Taipei	2016	30.92	40.07	45.32	52.05	28.38	17.59	22.03	15.43	3.32	No Data	-63%
Seamless Tubes, Pipes and Hollow Profiles of Iron (Other Than Cast Iron) or Steel	China	2016	161.43	196.95	182.60	154.19	105.56	119.13	136.99	131.63	138.34	No Data	-18%
Uncoloured Float Glass	Russian Federation	2017	0	5.40	26.22	27.25	16.76	1.70	2.81	4.22	No Data	No Data	-81%
Dioctyl Phthalate	Korea	2017	1.42	11.48	10.78	5.01	0.59	0.05	0.07	0.00	No Data	No Data	-99%
Phthalic Anhydride	Korea	2017	6.18	14.86	9.64	8.56	5.13	0.51	3.28	1.59	No Data	No Data	-80%
Dioctyl Terephthalate	Korea	2017	16.70	13.79	26.40	8.46	2.59	1.37	0.50	1.03	No Data	No Data	-93%
Granites	Iran	2018	6.23	4.57	9.37	15.83	5.91	0.97	0.31	No Data	No Data	No Data	-92%
Lighters (gas oven and cooker componenet)	China	2018	3.37	2.41	2.34	3.39	2.84	3.07	3.26	No Data	No Data	No Data	10%
Sodium Percarbonates	Germany, Sweden	2018	22.53	8.55	9.21	8.67	6.26	1.10	0.06	No Data	No Data	No Data	-95%
Polystrene	Iran	2018	5.87	11.74	24.89	55.66	46.37	11.84	7.15	No Data	No Data	No Data	-67%
Unbleached Kraft Liner Paper	Brazil, Finland, Poland, Russian Federation, USA	2018	24.07	32.51	48.52	48.89	31.98	19.10	11.25	No Data	No Data	No Data	-59%

Polyester textured yarn	Chinese Taipei, India	2018	255.87	245.74	268.19	272.89	226.33	228.31	142.18	No Data	No Data	No Data	-27%
Polyester partially oriented yarn	China, India, Malaysia, Thailand, Indonesia, Chinese Taipei, Vietnam	2018	169.90	205.79	311.91	382.60	275.38	340.69	223.93	No Data	No Data	No Data	5%
Yarn of Man Made or Synthetic or Artifical Staple Fibres	Bangladesh	2018	4.92	4.35	8.60	13.91	8.62	4.85	4.76	No Data	No Data	No Data	-41%
Cored Wire of Base Metal	Vietnam	2018	4.74	4.05	4.34	4.69	5.04	1.78	1.41	No Data	No Data	No Data	-65%
Woven Fabrics of Synthetic Filament Yarn	Greece	2019	5.75	11.25	17.73	22.08	12.36	0.78	No Data	No Data	No Data	No Data	-94%
Articulated Link Chain and Parts thereof	Thailand, Sri Lanka, Spain	2019	2.15	2.95	4.41	4.81	1.79	1.16	No Data	No Data	No Data	No Data	-64%
Dioctyl Terephthalate	Korea	2019	0.15	0.00	0.00	1.40	0.63	0.19	No Data	No Data	No Data	No Data	-57%
Woven Fabrics of Synthetic and Artificial Stable Fibers	Greece	2019	1.40	8.57	10.29	8.78	4.35	0.03	No Data	No Data	No Data	No Data	-100%

Source: TURKSTAT

Figure 5

Import After Anti-Dumping



Furthermore, 45 of the 131 anti-dumping measures in the table did not have a mitigating effect on the import of the products subject to measures. Despite the anti-dumping measure, especially in the import of items such as polyvinyl chloride, metallised yarns, tarpaulins, artificial leather, inner and outer tires of motorcycle, granite, ropes - cables, polyester yarns and stainless steel pipes, an increase of 55% to 324% was observed in the following years. The reason of which can be considered as the increase in demand for the import of raw materials to be used as input in production and the fact that import prices are more competitive than the prices of domestic or alternative exporting countries, despite the anti-dumping measure.

The aforementioned explanations show that anti-dumping measures have been predominantly successful in their goal of reducing the import of products subject to measures.

3.2.2. Surveillance application

The surveillance measure, which is applied to many imported products in Turkey, has been regulated by the communiqués published in accordance with the Decision on Import Surveillance no. 2004/7304 dated 2004, and the Regulation on Import Surveillance.

The surveillance decision can be applied prospectively by issuing a Surveillance Document or retrospectively to evaluate the actual import. The General Directorate of Import makes the decision regarding the application of surveillance in the import of a good upon application or as a result of an evaluation to be made ex officio. The evaluation to be made takes into account the development of imports, import conditions and the impact of imports on domestic producers.

(https://ticaret.gov.tr/data/5b89b18613b87618846c2306/%C4%B0thalatta%20G%C3%B6zetim%20Applanmas%C4%B1%20Hakk%C4%B1nda%20Karar.pdf)

The procedures and principles regarding the surveillance practice are determined by the communiqués published by the Ministry of Trade. Accordingly, the products that will be subject to surveillance are determined, and the surveillance practice comes into play if it is desired to import under the unit prices specified in these communiqués. For example, in accordance with the Communiqué on Implementation of Supervision in Imports (No: 2018/1) for bicycles with GTIP 8712.00.70.00.19, surveillance is not applied for those with a unit customs value of 200 USD or more per unit, whereas if the import of the same goods is under this unit price, The Surveillance Certificate must be obtained.

In such value-based surveillance applications, if the value of the products is lower than the threshold value specified in the communiqué and upon the request of the importer, the value of that product can be increased during the CIF value declaration (adding additional foreign expense to the CIF calculation table of the customs declaration) to reach the value in the communiqué. In this case, the surveillance certificate will not be required during the importation of the product, but the importer will have to pay more duty(s) since the CIF value of the product is increased.

Applications for Surveillance Certificate requests can be found on the Ministry of Trade website (www.ticaret.gov.tr), through the "Import Transactions" section in the "Introduction to E-Signature Applications" section, under "E-Signature Applications". In addition, it is possible to apply via e-state (www.turkiye.gov.tr). The following documents must be attached to the application form;

- Importer Information Form
- Exporter - Producer Information Form
- Original or notarized copy of authorised signature and a copy of this document
- A copy of interim invoice or commercial invoice

Some products currently subject to surveillance measure in our country and the relevant communiqués for their regulations are shown in the table below.

Table 18

Surveillance Application Examples and Related Legislation in Turkey

Surveillance Communiqué	Related Product
Communiqué on Surveillance in Imports (No: 2018/4)	Plastic plates
Communiqué on Surveillance in Imports (No: 2018/1)	Bicycles, frames
Communiqué on Surveillance in Imports (No: 2018/3)	Electric accumulators
Communiqué on Surveillance in Imports (No: 2017/13)	Ballpoint pens
Communiqué on Surveillance in Imports (No: 2017/10)	Thermoses and other vacuum containers
Communiqué on Surveillance in Imports (No: 2017/12)	Plastic plaques
Communiqué on Surveillance in Imports (No: 2017/11)	Low density polyethylene
Communiqué on Surveillance in Imports (No: 2017/7)	Live cattle, meat, grain
Communiqué on Surveillance in Imports (No: 2017/9)	Glass tableware and kitchenware
Communiqué on Surveillance in Imports (No: 2017/8)	Polystyrene
Communiqué on Surveillance in Imports (No: 2017/6)	Chains
Communiqué on Surveillance in Imports (No: 2017/3)	Photovoltaic (solar) modules and panels
Communiqué on Surveillance in Imports (No: 2017/2)	Rubber tires
Communiqué on Surveillance in Imports (No: 2017/1)	Ball bearings
Communiqué on Surveillance in Imports (No: 2017/4)	Sunflower Seeds
Communiqué on Surveillance in Imports (No: 2017/5)	Certain seeds
Communiqué on Surveillance in Imports (No: 2016/6)	Ammonium chloride (salammoniac)
Communiqué on Surveillance in Imports (No: 2016/3)	Elevator components
Communiqué on Surveillance in Imports (No: 2016/5)	Glass plate

Communiqué on Surveillance in Imports (No: 2016/4)	Engine parts
Communiqué on Surveillance in Imports (No: 2016/1)	Natural wood panel
Communiqué on Surveillance in Imports (No: 2015/8)	Construction machine parts
Communiqué on Surveillance in Imports (No: 2015/7)	Steel rope
Communiqué on Surveillance in Imports (No: 2015/5)	Motorcycles
Communiqué on Surveillance in Imports (No: 2015/1)	Hoeing machines
Communiqué on Surveillance in Imports (No: 2014/3)	Golf carts
Communiqué on Surveillance in Imports (No: 2014/2)	Brasier
Communiqué on Surveillance in Imports (No: 2014/1)	Phosphoric acid
Communiqué on Surveillance in Imports (No: 2013/13)	Chickpea
Communiqué on Surveillance in Imports (No: 2013/10)	Lock, clock, pencil, cigarette lighter, etc.

Source: Ministry of Trade

3.2.3. Safeguard measures

In the event that a good is imported into Turkey in increasing quantities and conditions that create serious damage or threat of serious damage to domestic producers who produce similar or directly competing goods, provided that such damage or threat of damage is limited and temporary, in order to eliminate this threat of damage or loss, Decision No. 2004/7305 on Imports Protection Measures was published to take safeguard measures by taking international obligations and country benefits into consideration.

https://ticaret.gov.tr/data/5b89b18613b87618846c2306/%C4%B0thalatta%20Protection%20%C3%96nlemleri%20Hakk%C4%B1nda%20Karar-De%C4%9Fi%C5%9Fiklik%20Dercedilmi%C .pdf

With the aforementioned Decision, a "Board for the Evaluation of Safeguard Measures for Import" has been established to fulfil the following duties. Duties of the Board are;

1) To decide whether to initiate an investigation,
2) To decide whether to continue or conclude the investigation in case the application is withdrawn within the investigation period,
3) To decide whether or not to take temporary protection measures, to decide on the type, scope and duration of the measure in case that the measure is taken,
4) To decide whether or not to take temporary protection measures, to decide on the type, scope and duration of the measure in case that the measure is taken,
5) To make decisions regarding the current protection measures,
6) To make a proposal for a Council of Ministers decision.

A preliminary review can be conducted upon the written request of the relevant real and legal persons or the Professional Organizations or Chambers to which they are affiliated, or ex officio by the General Directorate of Imports, with the claim that a good is imported in increasing amounts in a way that creates serious damage or threat of serious damage to domestic producers who produce similar or directly competing goods.

In the event that the Board for the Evaluation of Safeguard Measures for Import, which evaluates the preliminary examination results, decides to open an investigation, this will be announced in the Official Gazette. The investigation is carried out by the General Directorate of Import and completed within nine months. If necessary, this period can be extended for six months.

In the examination to be made on the course of the import and the conditions of its realisation, and whether the domestic producers are seriously damaged or threatened as a result of this import, the following factors are taken into consideration in particular:

1) The volume of imports, whether there is an increase in imports in absolute numbers or relative to domestic production or consumption,

2) Import prices, whether there is a significant price reduction compared to the price of similar or directly competing goods produced by domestic producers,

3) Impact of developments in certain economic indicators such as production, efficiency, capacity utilisation, sales, market share, profit / loss and employment on domestic producers that produce similar or directly competing goods.

Following the completion of the investigation, the General Directorate of Imports submits the results and the recommendations of the investigation to the Board. If the Board concludes that there is no need for safeguard measures, the investigation is closed, and the closing decision is published in the Official Gazette with a summary of the justification.

In cases where a product is imported with increasing quantities and conditions that create serious damage or threat of serious damage to domestic producers producing similar or directly competing goods, taking into account the benefit of the country, protection measures can be taken as a result of the investigation. The safeguard measure can be in the form of an increase in customs tax, imposing additional financial obligations, amount / value restrictions, application of tariff quotas, or a combination of the aforementioned.

As a safeguard measure, while determining the amount and / or value in the import of the relevant good (determination of quota), the average import level of the last three years, for which import statistics are available, are taken into account, unless another approach is required to eliminate or prevent serious damage.

3.2.4. Specialized customs

Specialized customs practices can be defined as the import customs clearance of certain goods made only by certain customs administrations. The purposes of the specialized customs practice by the Ministry of Customs and Trade are;

1- To complete customs procedures in a shorter time,

2- Increasing efficiency in customs inspection,

3- To maintain the mandatory standards in imported products,

4- To protect the consumer and public health,

5- And to prevent low declaration of value

Goods subject to specialized customs practices are shown below:

Table 19

Goods subject to specialized customs practices

1	Tea
2	Plant and Vegetable Harvests
3	Livestock and Goods of Animal Origin
4	Alcoholic Beverage
5	Material of Generation and Propagation
6	Forest Products
7	Tableware and Kitchen Utensil Made of Porcelain And Ceramic
8	Textile
9	Motor Vehicles
10	Crude Oil and Fuel
11	Liquid Petroleum Gas (LPG)
12	Solvents and Oil Products (Petro-chemistry)
13	Goods Carried by Pipelines or Electric Cables
14	Game Devices and Machines
15	Fertilizer
16	Wastes and Metal Junk
17	Radio and Telecommunication Terminal Equipment
18	Battery and Accumulator
19	Carpet
20	Leather and Goods Made of Leather, Shoes Made of Leather
21	Furniture
22	Lighter
23	Sheet Glass
24	The Substances Harmful For Ozone Layer

Source: Ministry of Trade

https://ggm.ticaret.gov.tr/data/5dedfe4d13b876e93804ba65/a3a8a27b28de34174975b7696e56837c.pdf

3.2.5. Product safety and inspection

The Technical Regulations Regime Decision dated 2013 and numbered 2013/4284 and the Communiqué of Product Safety and Inspection published by the Ministry of Trade under this Decision are legislative arrangements made in order to ensure that some products subject to foreign trade in Turkey are safe and compliant with the technical regulations.

Communiqué of Product Safety and Inspection is prepared by the Ministry of Trade, taking into account the needs of the relevant sectors, considering the opinions of relevant institutions and organisations, within the framework of commercial and economic developments, practices during the year, relevant legislative changes and Turkey's liabilities arising from international agreements.

Product safety and inspection in Turkey is carried out by the Ministry of Trade during import. Products that require product safety and inspection within the scope of the notifications listed in Table 19 are subject to risk analysis and *Risk Based Control System in Foreign Trade (TAREKS)*. Products found to be unsuitable as a result of the inspections are not allowed to be imported into Turkey. The products found to be unsuitable are sent back to the country of origin, get destroyed, or, if there is a receiving country, transited to that country.

The Communiqué of Product Safety and Inspection for 2020, which is renewed every year and currently being implemented, is given in the table below.

Table 20

Communiqué of Product Safety and Inspection for 2020

— Communiqué On Inspection for Conformity to Standards on Import (Product Safety and Inspection: 2020/1)
— Communiqué on Import Inspection of Wastes that are under control relating to protection of environment (Product Safety and Inspection: 2019/3)
— Communiqué on Import Inspection of Products that are Subject to Special Permission from the Ministry of Health (Product Safety and Inspection: 2020/4)
— Communiqué on Import Control of Products that are Subject to the Inspection of the Ministry of Agriculture and Forestry(Product Safety and Inspection: No: 2020/5)
— Communiqué on Import Inspection of Chemicals that are under control relating to protection of environment (Product Safety and Inspection: 2020/6)
— Communiqué on Import Inspection of Solid Fuels that are under control relating to protection of environment (Product Safety and Inspection: 2020/7)
— Communiqué on Import Inspection of Radio and Telecommunication Terminal Equipment (Product Safety and Inspection: 2020/8)
— Communiqué on Import Inspection of Certain Products which are required to bear CE Marking (Product Safety and Inspection: 2020/9)
— Communiqué on Import Inspection of Toys (Product Safety and Inspection: 2020/10)
— Communiqué on Import Inspections of Personal Protective Equipment (Product Safety and Inspection: 2020/11)
— Communiqué on Import Controls for Consumer Products (Product Safety and Inspection: 2020/12)
— Communiqué on Import Inspections of Construction Products (Product Safety and Inspection: 2020/14)
— Communiqué on Import Inspection of Batteries and Accumulators (Product Safety and Inspection: 2020/15)
— Communiqué on Import Inspection of Medical Appliances (Product Safety and Inspection: 2020/16)
— Communiqué on Import Inspection of Tobacco, Tobacco Products, Alcohol and Alcoholic Beverages (Product Safety and Inspection: 2018/19)
— Communiqué on Import Inspection of Certain Products that are Subject to the Inspection of the Ministry of Health (Product Safety and Inspection: 2020/20)
— Communiqué on Commercial Quality Inspection on Export and Import for Certain Agricultural Products (Product Safety and Inspection: 2020/21)
— Communiqué on Import Inspection of Metal Scraps that are under control relating to protection of environment (Product Safety and Inspection: 2020/23)
— Communiqué on Import Inspection of Parts of Vehicle (Product Safety and Inspection: 2020/25)

Data on import inspections carried out between 2010 and 2019 within the scope of product safety and inspection in Turkey are shown in Table 20. According to the table, the number of inspected imported product batches, which was 21,978 in 2010, increased by approximately 4 times and reached 82,064 in 2019. In 2013, when the number of inspected imported product batches increased significantly, and the following years, it was observed that the number of inappropriate / insecure product batches increased gradually. Between 2016 and 2019, the rate of inappropriate / insecure product batches detected during inspections reduced from 33.5% to 6.4%. Considering the data in the table as a whole, it can be interpreted that the increase in the number of inspected products reduces the rate of inappropriate / insecure products in the following periods.

Table 21 *Imported products inspected (2010 - 2019)*

Year	Number of Imported Products Inspected	Appropriate	Inappropriate / Insecure	Rate
2019	82,064	76,806	5,258	6.4%
2018	47,080	36,928	10,152	21.6%
2017	64,019	44,298	19,721	30.8%
2016	91,313	60,720	30,593	33.5%
2015	70,297	51,471	18,826	26.8%
2014	52,948	39,196	13,752	26.0%
2013	44,091	37,813	6,278	14.2%
2012	17,545	16,074	1,471	8.4%
2011	15,485	14,294	1,191	7.7%
2010	21,978	20,432	1,546	7%

Source: https://ticaret.gov.tr/urun-guvenligi/piyasa-gozetimi-ve-denetimi/izleme-ve-raporlama/yillik-veriler (27.03.2021)

3.2.6. Decree no: 2018/11799 on collection of additional financial obligation liability for certain products

The Decision numbered 2018/11799 was designed to eliminate the difference in tariffs against Turkey as a result of the importation of goods, from certain countries, through EU countries. According to the decision, if some goods from Bangladesh, Bolivia, Cape Verde, Indonesia, India, Cambodia, Mongolia, Pakistan, Paraguay, Sri Lanka, Ukraine and Vietnam are imported through European Union countries with an A.TR circulation certificate, additional duty is applied as compensatory duty in order to collect the financial liability. Additional financial liability application covers the goods (industrial products) included in the list numbered II, annex of the Import Regime Decision. In addition, weapons and ammunition, European Coal and Steel Community products and agricultural products included in Chapter 93 of the customs tariff schedule are excluded from the scope of the aforementioned application.

The amount of additional financial liability to be collected varies according to the type and origin of the goods. For example; In the event that a T-shirt of Indian origin included in Chapter 61 is imported through the European Union countries with an A.TR circulation certificate, additional financial liability equal to the difference between the customs duty of "Other Countries" and the customs duty of "Developing Countries", which is included in the List II of the Import Regime Decision, is collected; however, if the same t-shirt is from Cambodia, an additional financial liability equal to the customs duty of "Other Countries" is collected. The main reason for this distinction in the additional financial liability calculation is the preferential tariffs applied by the European Union to the countries specified in the Decision.

3.3 Effect Of Additional Customs Duty For The Importation Of Turkey

3.3.1. Application and scope of additional customs duty

In Turkey, additional customs duty began to be applied with the Supplementary Decision to the Import Regime Decision No. 2011/2203, published first in the Official Gazette dated 15 September 2011. In the first additional customs duty application, covering textile and clothing products, rates of up to 30% were introduced.

Table 22

Additional Customs Duty Applied to Goods and Additional Customs Duty Rates

Official Gazette Publication Date and Decision Number	Content	Ratio (%)
15.09.2011 - 2011/2203	Some textile and clothing products	12 - 30
02.08.2014 - 2014/6692	Shoes, slippers and accessories thereof	10 - 50
18.10.2014 - 2014/6884	Wrought iron and steel bars	30
06.02.2015 - 2015/7241	Hand tools, fork, spoon	25
18.02.2015 - 2014/7252	Carpets, tapestries, floor coverings, etc.	45 - 50
23.05.2015 - 2015/7699	Furniture and accessories, mattresses, quilts	25 - 50
07.06.2015 - 2015/7712	Lighting devices	20
07.06.2015 - 2015/7713	Small electrical appliances (vacuum cleaners, food grinders, mixers, ovens, water heaters, etc.) and accessories thereof	10 - 30
20.06.2015 - 2015/7722	Chests, bags, suitcases, cases, boxes etc. enclosures	30
05.07.2015 - 2015/7749	Wires, rods, grid, mesh, lattices, nails	25
07.09.2016 - 2016/9127	Rubber tires	21.8
11.11.2016 - 2016/9422	Notebook, pencil, paint, glue, stapler, envelope, calendar, chalk, cartridge etc. stationery and office supplies	11 - 25
11.11.2016 - 2016/9391	Glassware, tableware, sculptures, hangers, mirrors, watches, paper, etc.	6 - 25
08.12.2016 - 2016/9548	Carpet, blanket, curtain, sacks, umbrellas, walking sticks, artificial flowers etc.	8 - 20

31.12.2016 - 2016/9640	Leather, welt, sheepskin clothing and accessories thereof, baby clothing and accessories thereof, socks, gloves, shawls, wrappers, neckerchiefs, scarves, hats, headgear, etc.	4 - 30
11.01.2017 - 2016/9647	Perfumes, cosmetics, shampoos, toothpaste, soaps, shaving preparations, etc.	17 - 25
18.01.2017 - 2017/9750	Pipes, profiles, engines, pumps, generators, tractors, gear boxes, etc.	5.8 - 30
01.06.2017 - 2017/10310	Glasses and glasses frames	29.8
28.07.2017 - 2017/10476	Rubber tubes used in bicycles and motorcycles, wheels and parts and accessories thereof, motorcycles, non-motorised bicycles and other non-motorised wheeled vehicles, rims	10 - 20
17.08.2017 - 2017/10561	Steam boilers, central heating boilers, elevators, escalators, LED bulbs	7.6 - 20
17.08.2017 - 2017/10580	Screw compressors, tower cranes, slitting benches, tunnel boring machines, sewing machines, soil and construction machines, etc.	2.5 - 20
28.03.2018 - 2018/11481	Wooden tools, brushes, thermoses, valves, syringes, hair clipper, tractor, forklift, coated electrodes, paracetamol	2.3 - 23.4
07.12.2018 – 416	Various machinery, pumps, agricultural machinery, various toys	7 - 30
10.12.2018 – 433	Pipes made of plastic, construction materials, imitation jewellery, granite, various stones and concrete goods, toys, paper and cardboard, cables, wires, television,	10 - 30
16.01.2019 – 651	Certain threads	5 - 8
22.08.2019 – 1475	Cotton threads	5 - 8
18.10.2019 – 1665	Gas fabric, curtains, ribbons, woven labels, cords, various fabrics	10
12.12.2019 – 1822	Forklifts, other trolleys with lifting and handling devices	6 - 6.5
18.04.2020 – 2424	Various glues, plastic sheets, ceramic tiles, screws, bolts, nuts, wristwatches, buttons, fasteners	5.8 - 50
31.12.2020 – 3351	Previous Additional Customs Duties were abolished and all were gathered under one Decision.	

As it can be seen in Table 16, additional customs duties, which began to be applied for a limited product group in 2011, have started to cover quite various and wide range of product groups over time. Finally, with the decision number 3351 published in the Official Gazette dated 31.12.2020, the previous additional customs duties were abolished and all existing additional customs duties were gathered under a one Decision. Accordingly, as of January 2021, additional customs duties are applied at varying rates between 1.9% and 50% on over 4800 types of imported goods.

https://www.resmigazete.gov.tr/eskiler/2020/12/20201231M3-2.pdf

Although the Additional Customs Duty, which has recently begun to be implemented in Turkey, may seem as a non-tariff measure at first glance, hesitations and debates have arisen regarding the positioning of this type of duty. At the basis of the discussions, there are reasons such as the status of Additional Customs Duty, in terms of the Customs Union, and the debates on proof of origin.

It is understood that the application of Additional Customs Duty is a tariff measure, in other words, a customs duty, for reasons such as regulating the Additional Customs Duty within the scope of the Supplemental Decision to the Import Regime Decision with the same method as the customs duties and stating in this regulation that the procedures and provisions will be applied to the additional customs duties, same as the customs duty.

Moreover, although the origin of the goods is not important in the implementation of the customs duties, Additional Customs Duty is accrued on the basis of origin. Therefore, Additional Customs Duty is involved in the import of goods from the third country. Additional Customs Duty is not collected from products imported within the framework of free trade agreements to which Turkey is a party, or from countries included in a diagonal cumulation system, provided that the preferential origin of the goods is proven in the import of the goods.

Another important issue is the rates at which Additional Customs Duty is determined. Customs duty and Additional Customs Duty rates for some items are listed in the table herein below. As shown in the table, Additional Customs Duty is applied at rates much higher than the applied customs duty rates.

Table 23

Customs Duty and Additional Customs Duty Ratios of Some Goods

Goods	**Customs Duty**	**Additional Customs Duty**
Shoe	8%	30-50%
LED bulb	3.7%	20%
Wooden table	0	30%
Spoon, fork	8.5%	15%
Bag	9.7%	30%
Blanket	12%	20%
Soap	0	25%
Sweater	12%	30%
Steel Bar	0	30%
Carpet	8%	50%
Pen	3.7%	25%
Game Console	0	50%

3.3.2. Evaluation of additional customs duty within the scope of the customs union

When the Additional Customs Duty application is evaluated from the point of view of the Customs Union, two important issues are noticed, which are briefly mentioned in the previous chapters: Common External Tariff (CET) and the principle of Free Movement of Goods.

As a rule of the Customs Union, Turkey must apply the same Common External Tariff as the EU in imports of industrial products and processed agricultural products from third countries. Accordingly, for example; Turkey applies the same (2.2%) customs duty as the EU for the import of a vacuum cleaner from China with GTIP code 8508.11.00.00.11. For this reason, Turkey does not have the opportunity to apply a different customs duty rate than the EU in imports of industrial products and processed agricultural products. Therefore, it is possible to say that additional customs duty has been put into use as a new duty type, due to the failure to increase the customs duty due to CET liability within the framework of the Customs Union.

The second issue is the principle of Free Movement of Goods, which is the basis of the Customs Union between Turkey and the EU, as stated in the previous chapters. According to this principle, the goods produced in the Union or in Turkey, the goods originating from third countries, and whose import transactions are completed in Turkey or in the Union and the required customs duties are paid, are counted in free circulation in the Union or in Turkey. Customs duty is accrued as "0" on the importation of goods considered in free movement by the EU and Turkey. In the application of additional customs duty, a different picture can be seen in this situation.

Customs duty is not collected from a third country originating goods imported to Turkey with an A.TR circulation certificate from European Union countries; however, according to the legislation regarding the additional customs duty, additional customs duty must be collected for the same goods. In order to explain this situation again with the example above; As required by the Customs Union, customs duty is not paid for an vacuum cleaner with the code 8508.11.00.00.11 from the People's Republic of China, which is intended to be imported with A.TR Movement Certificate from the EU, but 30% additional customs duty is collected because the goods are not of EU origin.

3.3.3. Additional customs duty and proof of origin

One of the most discussed issues in the application of Additional Customs Duty has been the issue of proof of origin. From 2011, when the Additional Customs Duty was first implemented, until 2017, proof of origin was not required for the goods, which are covered by Additional Customs Duty, imported from the EU. However, with the regulation made at the end of 2017, the condition of providing the Exporter’s Declaration, the example of which is included in the annex of the relevant legislation, showing that the goods, subject to the Additional Customs Duty, is of European Union or Turkish origin in the import made with the A.TR circulation certificate.

https://www.resmigazete.gov.tr/eskiler/2017/12/20171230M1-13.htm

Exporter’s Declaration, which was put into use after the regulation and used for proof of origin of the goods, after being applied controversially for approximately 1.5 years, was dismissed in mid-2019. Instead, a change was made in the Customs Regulations and it was made obligatory to submit a certificate of origin to prove that the goods are of EU origin to not apply Additional Customs Duty in the import of goods subject to Additional Customs Duty.

https://www.resmigazete.gov.tr/eskiler/2019/05/20190524-2.htm

3.3.4. Investigation of the effect of additional customs duty on various imports of consumer products

In this section, the import values of some consumer products before and after the implementation of Additional Customs Duty will be examined, aiming to comprehend the effect of Additional Customs Duty on imports. Since Additional Customs Duty is primarily and mainly applied to consumer products, this group was selected within the scope of the study. The import data subject to the study was obtained from TURKSTAT and the table was calculated by the author.

Table 24

Import Amounts of Some Consumer Products for the Years Before and After the Additional Customs Duty

Value: Million US$

Item	Year	-4	-3	-2	-1	0	+1	+2	+3	+4	+5	Result
Clothing products	2011	1283	1833	1754	1159	2311	2582	1905	2345	2396	2102	36%
Shoes	2014	660	871	864	993	954	795	734	676	623	493	-24%
Furniture	2015	814	700	826	827	733	514	532	523	485	430	-36%
Lighting devices	2015	403	361	496	573	507	359	315	238	175	169	-46%
Bag, suitcase, box, casing	2015	353	334	404	416	339	238	228	200	171	134	-47%
Small electrical appliances and cooking appliances	2015	681	652	812	805	701	531	590	491	430	532	-29%
Stationery products	2016	437	412	417	374	387	330	305	265	252	No Data	-29%
Ceramic, porcelain, glass, metal kitchenware	2016	351	409	440	449	350	283	253	197	236	No Data	-39%
Cosmetics products	2017	690	733	684	692	748	690	612	581	No Data	No Data	-12%

Source: TURKSTAT

In the scope of the research, the import data of various consumer products such as clothing, shoes, furniture, lighting products, bags and suitcases, electrical small household appliances, stationery products, ceramic and porcelain kitchenware, glass kitchenware, metal kitchenware and cosmetic products were analysed.

The Import Amounts of Some Consumer Products for the Years Before and After Additional Customs Duty are shown in Table 24. The import data in USD for the year when Additional Customs Duty started to be implemented, four years before Additional Customs Duty and five years after Additional Customs Duty are included the table, a total of 10 years. In the last column of the table, there is the percentage change between the average of the data for the year and four years prior to the implementation of Additional Customs Duty, and the average of the five-year import amounts after Additional Customs Duty. Since the last available data year in the post-ACD periods is 2020, the last three rows of the table contain data for less than five years. In these cases, the average of the years, for which the data was obtained, was taken.

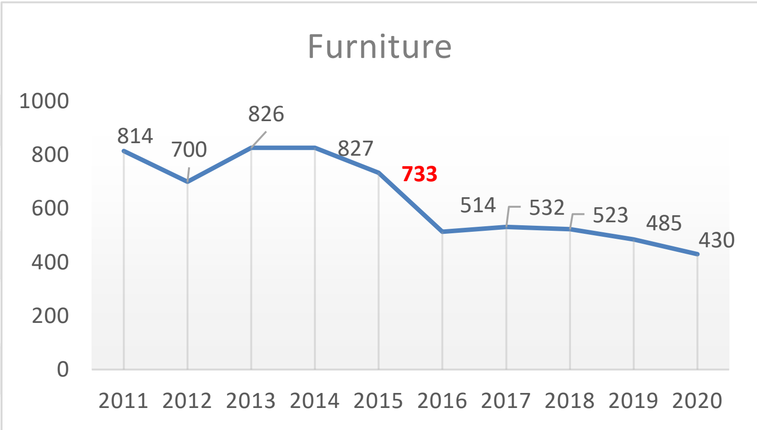
When we examine the table, it is observed that the implementation of Additional Customs Duty has a reducing effect, varying between 12% and 47% on the imports of consumer products, except for clothing items. Among the listed products, the bag and suitcase products, which stand out as the product group most affected by the ACD application, had an average import of 369 million USD before the implementation of ACD, while the import amount decreased by 47% in the post-implementation period and decreased to an average of 194 million USD. (ACD rate is 30%)

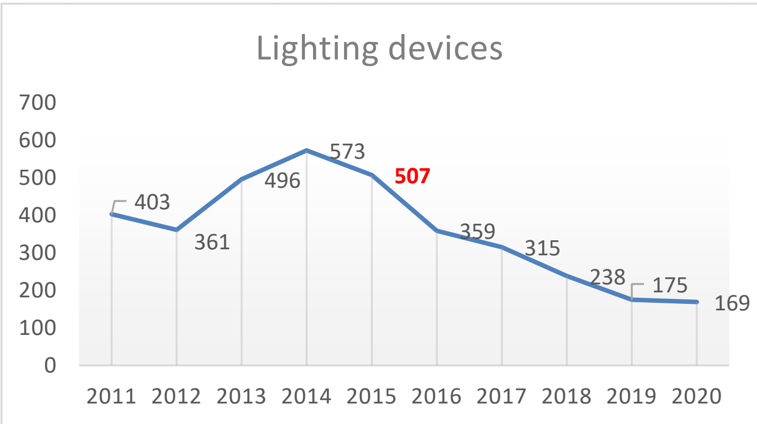
In the table, it is observed that cosmetic products, subject to 17% to 25% ACD, are the product group least affected. In the period before the implementation of ACD, cosmetic products were imported for an annual average of USD 709 million, following a decrease of 12% in the 2018-2020 period after the implementation, an annual average of 628 million USD.

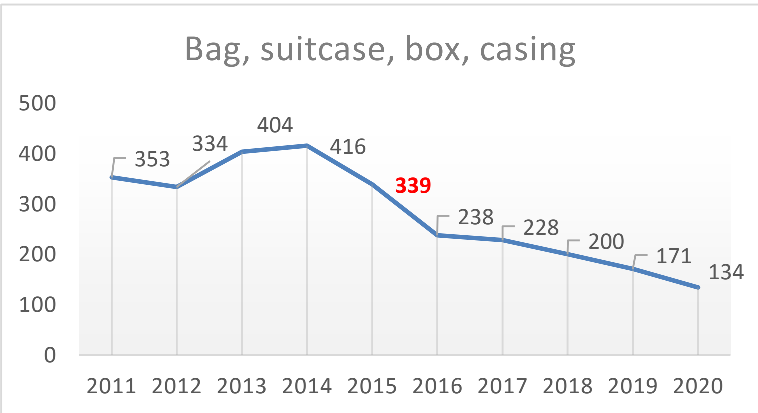
Another point that should be considered in the table is the import of clothing products, of which Turkey is a strong producer. In this product group, which introduced the Additional Customs Duty to Turkey in 2011, an additional customs duty of up to 30% is applied. However, despite the implementation and high rate of Additional Customs Duty in the imports of clothing products, and the fact that Turkey is a strong producer in the clothing sector, a significant increase was observed in the 5-year period after 2011. While the imports of clothing items, examined within the scope of the research, were at an annual average level of 1.668 million USD in the period before the Additional Customs Duty, it reached to at an average level of 2.266 million USD with an increase of 36% in the period after the implementation.

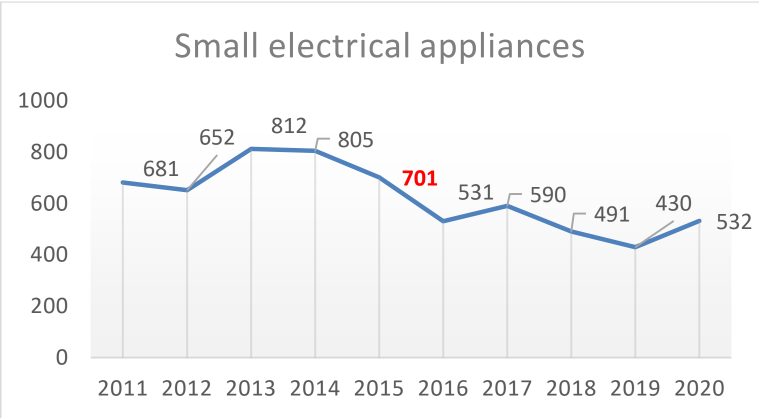
The import data of the products in Table 24 by years are shown in the graphics below. The year of ACD implementation is marked in red. Import values are in million USD.

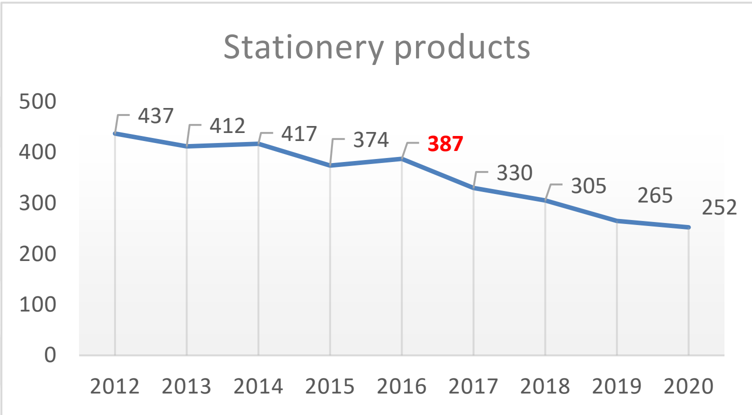

Shoes
1200
1000
800
600
400
200
0
660
871
864
993
954
795
734
676
623
493
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

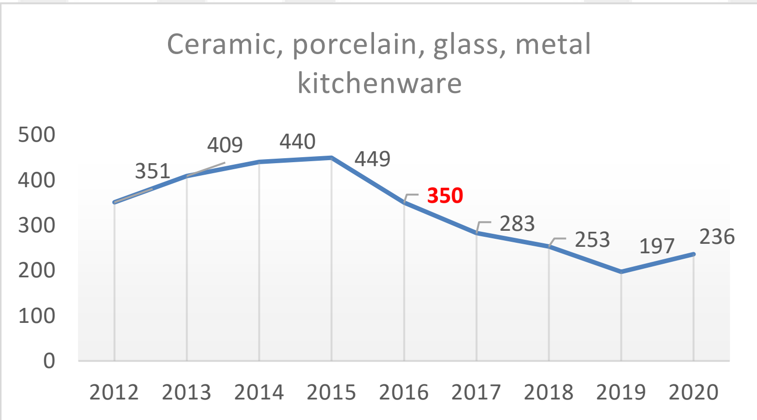

Furniture
1000
800
600
400
200
0
814
700
826
827
733
514
532
523
485
430
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Lighting devices
700
600
500
400
300
200
100
0
403
361
496
573
507
359
315
238
175
169
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Bag, suitcase, box, casing
500
400
300
200
100
0
353
334
404
416
339
238
228
200
171
134
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Small electrical appliances
1000
800
600
400
200
0
681
652
812
805
701
531
590
491
430
532
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Stationery products
500
400
300
200
100
0
437
412
417
374
387
330
305
265
252
2012 2013 2014 2015 2016 2017 2018 2019 2020


Ceramic, porcelain, glass, metal kitchenware
500
400
300
200
100
0
351
409
440
449
350
283
253
197
236
2012 2013 2014 2015 2016 2017 2018 2019 2020


Cosmetics products
800
700
600
500
400
300
200
100
0
690
733
684
692
748
690
612
581
2013 2014 2015 2016 2017 2018 2019 2020

3.3.5. Impact of additional customs duty on treasury incomes

Another issue that draws attention to the implementation of Additional Customs Duty is that, in addition to the customs duties, Additional Customs Duty has become an important source of income for the treasury in recent years. Table 25 shows the customs duty and Additional Customs Duty amounts collected between 2014 and 2020.

While the Additional Customs Duty collected in 2014 was around 407 million TL in total, it is seen that this amount increased by 26 times to 10,686 million TL in 2020. Similarly, it is observed that the total of the Additional Customs Duty collected in 2014 was equal to 8% of the customs duty collected in the same year, while in 2020 this rate increased significantly and reached to 96%. In other words, by the year 2020, it is understood that an Additional Customs Duty is collected almost as much as the customs duty.

Another issue that should be highlighted in the table is the serious increase in the amount of Additional Customs Duty collected in 2015 and 2020. In 2015 and 2020, the Additional Customs Duty was introduced for more items than the previous years, and in the relevant years, this was directly affected in the collection amounts.

When the data in Table 24 and Table 25 are examined together, it is possible to say that the purpose of creating treasury income (fiscal aim) with the Additional Customs Duty is higher compared to the purpose of reducing imports.

Table 25

Turkey's Customs Duty and Additional Customs Duty Collection

Value: TL

Years	Customs Duty	Additional Customs Duty	Total	ACD / CD
2020	11,150,587,076	10,686,961,374	21,837,548,450	96%
2019	8,896,194,412	5,732,933,092	14,629,127,504	64%
2018	8,711,700,964	5,216,217,809	13,927,918,773	60%
2017	7,647,888,581	4,024,294,065	11,672,182,646	53%
2016	6,039,329,584	2,432,470,796	8,471,800,380	40%
2015	5,648,894,209	2,317,950,625	7,966,844,834	41%
2014	4,866,912,888	407,581,192	5,274,494,080	8%

Source: Ministry of Trade

CONCLUSION

After the establishment of GATT and WTO, which were adopted for the liberalisation of international trade, there was a decrease in the customs tariffs and non-tariff measures, and an increase in the world trade volume with the increasing effect of globalism. Due to the nature of foreign trade, hundreds of countries that are in commercial relations with each other can be both target markets and suppliers in international trade. Countries, on the one hand, advocate the increase of free trade with their exporter positions, and on the other hand, adopt a protectionist approach to reduce imports for economic, social or political reasons.

Non-tariff measures that have been defined especially since the 1970s and used as a means of protection in international trade are mainly encountered in the form of applications such as anti-dumping, quotas, additional financial obligations, surveillance applications, and technical standards. Especially in recent years, Turkey shows a close stance on the protectionist approach in foreign trade by using a large number of non-tariff measures. Apart from the counted non-tariff measures, as of 2011, a new protection instrument under the name of Additional Customs Duty has been applied in Turkey. Initially covering a certain group of textile and clothing products, Additional Customs Duty has become a common practice applied in the import of thousands of products in 2021.

In this study, non-tariff measures applied in Turkey were examined and the effect of non-tariff implementations and Additional Customs Duty applications on imports was tried to be understood. The findings obtained as a result of the investigations made in this context are summarised below;

- It has been observed that the increase in the number of product safety inspections in imports carried out within the scope of technical measures has reduced the rate of inappropriate / unsafe product batches, especially in recent years.

- There are 183 measures against dumping in Turkey as of the beginning of 2021, and approximately 30% of these measures are applied to the import of Chinese origin products. According to the WTO data of 2019, following the USA and India, Turkey is the third country that applies the most anti-dumping in the world. Again, according to 2019 data, although Turkey constitutes 1.3% of the world import volume, it implements 9.58% of the total anti-dumping practices. In the light of these data, it is possible to say that Turkey effectively uses its anti-dumping weapon with a protectionist approach in international trade.

- 131 out of 183 measures were included in this study, which examines the impact of anti-dumping practices on imports. This study currently covers approximately 72% of the anti-dumping measures implemented in Turkey. According to the results of the examination, as a result of the measures against dumping, a decrease was observed in the import of 66% of the products in the post-application period, while no decrease was observed in the import of 34%. In about half of the anti-dumping measures, there was a decrease of more than 50% in imports in the post-intervention period.

- On the other hand, 34% of the anti-dumping measures included in the study showed an increase in imports in the post- implementation period. The reasons for this are considered to be dependence on imports as the products will be used as inputs in production, reasonable post-import prices despite measures, or incorrect calculation of the dumping margin, and not applying the correct anti-dumping measure.

- According to the results of the study, which examines the effect of the Additional Customs Duty on consumer products, there was a decrease of 12% to 47% in the imports of consumer products, excluding clothing, in the period after the application of Additional Customs Duty. In addition, there is an increase of 36% in the imports of clothing items, which are subject to Additional Customs Duty up to 30%, and have a high import volume. The consumer product group most affected by the Additional Customs Duty application was bag, suitcase items with a 47% drop, while the least affected group was cosmetic products with a 12% decrease.

- According to another research in our study, Additional Customs Duty revenues have become a serious source of income for the treasury in recent years. Recorded as a small proportion of the customs taxes collected in the first years of the implementation, Additional Customs Duty approached the breakeven point with the customs duty collected in 2020. Especially after the wide range of Additional Customs Duties put into practice in the last period, it is possible to estimate that the Additional Customs Duty collected in the upcoming years will exceed the customs duty.

- As the Additional Customs Duty is applied on many imports at high rates, does not cover a certain group of products or countries contrary to the usual protective methods, and although it is applied at a much higher rate than the customs duty, it does not decrease the amount of imports, and due to its serious contribution to the treasure, it is possible to state that the Additional Customs Duty application has a more obvious purpose (fiscal aim) to generate revenue for the treasury rather than reduce imports

ANNEXES

Annex 1

- List of Dumping and Subsidy Measures in Turkey

COMMODITY	COUNTRY	FINAL MEASURE DATE	MEASURE RATE (CIF%) / AMOUNT
Polyester Textured Yarn	Thailand	03/02/2021	%6,88-37,69
Polyester Textured Yarn	Vietnam	03/02/2021	%34,81-72,56
Polyester Textured Yarn	China, P.R	03/02/2021	268 - 351 $/TON
Polyester Textured Yarn	Indonesia	03/02/2021	48 - 240 $/TON
Polyester Textured Yarn	Malaysia	03/02/2021	276 $/TON
Woven Fabrics of Synthetic Filament Yarn	China, P.R	28/01/2021	%21,13-%42,44
Woven Fabrics of Synthetic Filament Yarn	Chinese Taipei	28/01/2021	%13,91-%30,84
Woven Fabrics of Synthetic Filament Yarn	Korea, Rep. of	28/01/2021	%14,64-%40
Woven Fabrics of Synthetic Filament Yarn	Malaysia	28/01/2021	%7,76-%42,44
Woven Fabrics of Synthetic Filament Yarn	Thailand	28/01/2021	%8,67-%30,93
Fully Drawn Yarn (FDY)	Malaysia	09/01/2021	0,15 $/KG - 0,17$/KG
Fully Drawn Yarn (FDY)	India	09/01/2021	0,15 $/KG - 0,17$/KG
Fully Drawn Yarn (FDY)	China, P.R	09/01/2021	0,25 $/KG - 0,30 $/KG
Woven Fabrics of Synthetic Filament Yarn	Malaysia	31/12/2020	%21,13 - %70,44
Plastic Baby Products	Thailand	18/08/2020	26%
Plastic Baby Products	China, P.R	18/08/2020	12%
Yarn of Man Made or Synthetic or Artificial Staple Fibres	Indonesia	22/05/2020	%3,62-%5,03
Yarn of Man Made or Synthetic or Artificial Staple Fibres	Malaysia	22/05/2020	%11,26 - %18,32

Yarn of Man Made or Synthetic or Artificial Staple Fibres	Pakistan	22/05/2020	%6,62 - %12,18
Yarn of Man Made or Synthetic or Artificial Staple Fibres	Thailand	22/05/2020	%7,79 - %20,24
Yarn of Man Made or Synthetic or Artificial Staple Fibres	Vietnam	22/05/2020	%19,48 - %26,25
Yarn of Man Made or Synthetic or Artifical Staple Fibres	China, P.R	22/05/2020	0,49 - 0,80 $/KG
Yarn of Man Made or Synthetic or Artifical Staple Fibres	Indonesia	22/05/2020	0,23 - 0,40 $/KG
Yarn of Man Made or Synthetic or Artifical Staple Fibres	India	22/05/2020	0,29 - 0,39 $/KG
Laminated flooring	Germany	04/01/2020	0 $/m2 - 1,05 $/m2
Laminated flooring	China, P.R	04/01/2020	1,60-2,40 $/m2
Refillable Pocket Flint Lighters	China, P.R	07/01/2020	0,05 $/ADET
Pocket Lighters, Gas Fueled, Non-refillable & Pocket Lighters, Gas Fueled,Refilliable with Electrical Ignition System & Parts of Lighters	China, P.R	07/01/2020	0,05 $/ADET 0,05 $/ADET 0,02 $/ADET
Aluminium foil of a thickness not exceeding 0,2 mm, not backed	China, P.R	04/01/2020	22%
Instantaneous Gas Water Heaters	China, P.R	04/01/2020	%20,12-%59,65
Dioctyl Terephthalate	Korea, Rep. of	09/11/2019	%7,99-%12,57
Polyester synthetic staple	Chinese Taipei	04/08/2019	%6,4-%12
Polyester synthetic staple	India	04/08/2019	%8,5-%12
Polyester synthetic staple	Thailand	04/08/2019	12%
Wall Clocks (battery accumulator or main powered)	China, P.R	23/05/2019	23%
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	India	04/05/2019	0,75-1,64 $/Kg
Woven Fabrics of Synthetic Filament Yarn	Greece	07/05/2019	%21,13 - %70,44
Woven Fabrics of Synthetic and Artificial Stable Fibers	Greece	07/05/2019	44%

Electric Storage Water Heaters	China, P.R	12/04/2019	%22, %49
Electric Storage Water Heaters	Italy	12/04/2019	%12, %16, %24
Electric Storage Water Heaters	Serbia	12/04/2019	29%
Articulated Link Chain and Parts thereof	India	09/03/2019	1200 $/Ton
Articulated Link Chain and Parts thereof	Thailand	09/03/2019	1200 $/Ton
Articulated Link Chain and Parts thereof	Sri Lanka	09/03/2019	1200 $/Ton
Articulated Link Chain and Parts thereof	Spain	09/03/2019	1200 $/Ton
Woven Fabrics of Synthetic and Artificial Stable Fibers	China, P.R	31/12/2018	44%
Welded Stainless Steel Tubes, Pipes & Profiles	Chinese Taipei	31/12/2018	% 7,98 - %11,50
Welded Stainless Steel Tubes, Pipes & Profiles	China, P.R	31/12/2018	%13,82 - %20,50
Polystrene	Islamic Republic of Iran	31/12/2018	11.3%
Cored Wire of Base Metal	Vietnam	27/10/2018	%21,15- %29,65
Polyester synthetic staple	China, P.R	20/10/2018	0,21 $/KG
Yarn of Man Made or Synthetic or Artifical Staple Fibres	Bangladesh	16/10/2018	0 $/KG-0,80 $/KG
Endless transmission belts of trapezoidal cross-section (V-belts), other than V-ribbed	China, P.R	16/10/2018	3,15 $/KG
Endless transmission belts of trapezoidal cross-section (V-belts), other than V-ribbed	India	16/10/2018	3,15 $/KG
Endless transmission belts of trapezoidal cross-section (V-belts), other than V-ribbed	Vietnam	16/10/2018	3,15 $/KG
Vulcanised rubber thread and cord	Thailand	08/09/2018	% 4,37 - %8,75
Polyester textured yarn	Chinese Taipei	08/09/2018	%9,9-%28,6
Polyester textured yarn	India	08/09/2018	%6,8-%28,6

Refractory bricks of chromite, magnesite or chrome magnesite; Other articles-Containing magnesite, dolomite or chromite	China, P.R	05/09/2018	145 $/Ton
Granites	Islamic Republic of Iran	19/06/2018	0-174 $/Ton
Polyester partially oriented yarn	People's Republic of China	21/06/2018	8%
Polyester partially oriented yarn	India	21/06/2018	8%
Polyester partially oriented yarn	Malaysia	21/06/2018	8%
Polyester partially oriented yarn	Thailand	21/06/2018	6,88%-8%
Polyester partially oriented yarn	Indonesia	21/06/2018	2,45%-8%
Polyester partially oriented yarn	Chinese Taipei	21/06/2018	8%
Polyester partially oriented yarn	Vietnam	21/06/2018	8%
Lighters (gas oven and cooker componenet)	China, P.R	19/06/2018	24.55%
Granites	China, P.R	24/05/2018	174 $/Ton
Plywoodconsisting solely of sheets of wood,each ply not exceeding 6 mm thickness	China, P.R	22/05/2018	140 $/M3
Fittings	Bulgaria	21/04/2018	400 $/Ton
Fittings	Indonesia	21/04/2018	253-400 $/Ton
Fittings	India	21/04/2018	305-400 $/Ton
Fittings	Thailand	21/04/2018	147-400 $/Ton
Fittings	Brazil	21/04/2018	400 $/Ton
Fittings	China, P.R	21/04/2018	800 $/Ton
Polyester synthetic staple	Indonesia	20/04/2018	6,2-%12
Polyester synthetic staple	Korea, Rep. of	20/04/2018	6.2%
Unbleached Kraft Liner Paper	Brazil	19/04/2018	11.34%
Unbleached Kraft Liner Paper	Finland	19/04/2018	%5,28-%11,19
Unbleached Kraft Liner Paper	Poland	19/04/2018	%5-%11
Unbleached Kraft Liner Paper	Russian Federation	19/04/2018	%5,27-%11,21

Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	China, P.R	08/03/2018	25%
Porcelain and Ceramic Tableware and Kitchenware	China, P.R.	03/03/2018	8%
Sodium Percarbonates	Germany	02/03/2018	%5-%12
Sodium Percarbonates	Kingdom of Sweden	02/03/2018	12%
Uncoloured Float Glass	Russian Federation	23/12/2017	%8-%10
Certain Types of New Pneumatic Tires, of rubber	China, P.R.	02/12/2017	60%
Heavy Plate	China, P.R.	29/11/2017	%16,89-%22,55
Dioctyl Terephthalate	Korea, Rep. of	20/10/2017	%7,99-%12,57
Dioctyl Phthalate	Korea, Rep. of	20/10/2017	%7,99-%12,57
Quilted Textiles	China, P.R.	20/10/2017	17.29%
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Spain	20/10/2017	0,75-1,64 $/Kg
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Italy	20/10/2017	0-1,64 $/Kg
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Thailand	20/10/2017	0,75-1,64 $/Kg

Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Greece	20/10/2017	0,75-1,64 $/Kg
Tubes and Pipes of Refined Copper	Greece	17/10/2017	%5-%9
Concrete Pump / Concrete Pump Truck	Korea, Rep. Of	12/07/2017	%5,10-%11,63
Concrete Pump / Concrete Pump Truck	China, P.R.	12/07/2017	%5,10-%12,27
Pentaerythritol	China, P.R	14/05/2017	270 $/TON
Solar Panels	China, P.R.	01/04/2017	20 - 25 $/m^2
Phthalic Anhydride	Korea, Rep. of	31/03/2017	8.44%
Cored Wire of Base Metal	China, P.R	23/02/2017	21,12%-28,87%
Unbleached Kraft Liner Paper	USA	07/03/2017	%12,24-%19,96
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	China, P.R	21/12/2016	1,64 $/KG - 0,75 $/KG
Interchangable tools for drilling metals with working parts of high speed steel	China, P.R	07/12/2016	6 $/KG / 10 $/KG
Glass Fiber Reinforcement Materials	China, P.R.	03/11/2016	%24,50-35,75
Textile fabrics impregnated with polyurethane-(Leather substitudes & Others) & Textile fabrics coated, covered or laminated with polyurethane-(Leather substitudes & Others)	China, P.R	02/11/2016	1-2,2 $/KG
Slide Fasteners	China, P.R	02/11/2016	3 $/KG
Plywoodconsisting solely of sheets of wood,each ply not exceeding 6 mm thickness	Bulgaria	28/10/2016	0-240 $/M3
Plywoodconsisting solely of sheets of wood,each ply not exceeding 6 mm thickness	Vietnam	28/10/2016	0-240 $/M3

Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	China, P.R	13/10/2016	2,2 $/KG
Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	Chinese Taipei	13/10/2016	2,2 $/KG
Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	Korea, Rep. of	13/10/2016	2,2 $/KG
Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	India	13/10/2016	2,2 $/KG
Bicycle Tyres & Bicycle Tubes	Chinese Taipei	11/08/2016	0,73-2,02 $/kg
Bicycle Tyres & Bicycle Tubes	Sri Lanka	11/08/2016	0,73-2,02 $/kg
Bicycle Tyres & Bicycle Tubes	Vietnam	11/08/2016	0,73-2,02 $/kg
Seamless Tubes, Pipes and Hollow Profiles of Iron (Other Than Cast Iron) or Steel	China, P.R.	04/08/2016	100-120 $/ton
Motorcycle Tyres & Motorcycle Tubes	Chinese Taipei	31/07/2016	6%-21%
Motorcycle Tyres & Motorcycle Tubes	Vietnam	31/07/2016	29%-49%
Baby carriages, Parts (chassis only)	China, P.R	19/07/2016	12 $/adet- 8 $/adet
Ropes and cables (including locked coil ropes)	China, P.R	14/07/2016	1 $/KG
Ropes and cables (including locked coil ropes)	Russian Federation	14/07/2016	0,5 $/KG
Unframed Glass Mirrors	China, P.R.	01/07/2016	27.0%
Yarn of Man Made or Synthetic or Artificial Staple Fibres	Chinese Taipei	01/07/2016	0 - 0,80 $/kg

Chiller	China, P.R.	01/07/2016	%36,63-%49,64
Dyed Sheet Metals	China, P.R.	24/06/2016	23.4%
Articulated Link Chain and Parts thereof	China, P.R.	19/06/2016	1.200 $/ton
Certain Made-Up Textile Articles and Fabrics Made of Artificial or Synthetics Fibers	China, P.R.	24/05/2016	70,44 (Azami 5 $/Kg)
Certain Tube Or Pipe Fittings Of Iron Or Steel	China, P.R.	20/04/2016	663 $/Ton
Cotton	USA	17/04/2016	3.0%
Glass lid/cover	Indonesia	17/04/2016	0,14-0,50 $/kg
Glass lid/cover	Hong Kong	17/04/2016	0,91$/kg
Glass lid/cover	China, P.R	17/04/2016	0,91$/kg
Sodium formiat	China, P.R.	12/04/2016	31.0%
Welded Stainless Steel Tubes, Pipes & Profiles	Malaysia	18/03/2016	%0-25,27
Welded Stainless Steel Tubes, Pipes & Profiles	Vietnam	18/03/2016	%0-25,27
Granites	Vietnam	17/02/2016	174 $/Ton
Fan Coil	China, P.R	12/02/2016	56.50%
Safety Glass	China, P.R.	18/11/2015	%10-%66,1
Safety Glass	Israel	18/11/2015	%10-%39,5
Welding Machines	China, P.R.	16/09/2015	29-154 $/adet
Woven Fabrics of Synthetic Filament Yarn	Bulgaria	22/08/2015	%21,13-%70,44
Woven Fabrics of Synthetic and Artificial Stable Fibers	Bulgaria	22/08/2015	87%
Woven Fabrics of Synthetic and Artificial Stable Fibers	Poland	22/08/2015	87%
Ball point pens	China, P.R	22/08/2015	0,066 $/adet
Motorcycle Tyres & Motorcycle Tubes	China, P.R	25/07/2015	%37-%100
Motorcycle Tyres & Motorcycle Tubes	Thailand	25/07/2015	%68-%100
Motorcycle Tyres & Motorcycle Tubes	Indonesia	25/07/2015	0%-19,6%-29%
Motorcycle Tyres & Motorcycle Tubes	Malaysia	25/07/2015	19,6%-29%
Bicycle Tyres & Bicycle Tubes	China, P.R	24/07/2015	0,73 - 2,02 $/kg
Bicycle Tyres & Bicycle Tubes	India	24/07/2015	0,73 - 2,02 $/kg

Bicycle Tyres & Bicycle Tubes	Thailand	24/07/2015	0,73 - 2,02 $/kg
Bicycle Tyres & Bicycle Tubes	Indonesia	24/07/2015	0,66 - 1,49 $/kg
Bicycle Tyres & Bicycle Tubes	Malaysia	24/07/2015	0,22 - 1,55 $/kg
Cylindrical Door Locks (Excluding Electromechanicals) & Other Door Locks (Excluding Electromechanicals) & Only cylindir and case for door locks	China, P.R	16/07/2015	4 $/kg
Polivinyl Chloride	USA	10/07/2015	18.81%
Polivinyl Chloride	Germany	10/07/2015	16.44%
Uncoloured Float Glass	Israel	27/06/2015	%20-%37,57
Vulcanised rubber thread and cord	Malaysia	13/06/2015	%11,6-%16,9
Knives for electromechanical domestic kitchen appliances	China, P.R.	23/05/2015	20,85 $/KG
Motor Hue (Tiller)	China, P.R.	17/04/2015	%49,49-%92,25
Certain Finished Or Semi-Finished Artificial Leather	China, P.R	12/04/2015	1,9 $/Kg
Tarpaulin made of polyethilene/polypropilen	China, P.R	11/11/2014	1,06 $/Kg
Tarpaulin made of polyethilene/polypropilen	Vietnam	11/11/2014	1,16 $/Kg
Articulated Link Chain and Parts thereof	Korea, Rep. of	12/12/2013	1200 $/Ton
Articulated Link Chain and Parts thereof	Malaysia	12/12/2013	1200 $/Ton
Articulated Link Chain and Parts thereof	Chinese Taipei	12/12/2013	1200 $/ton
Fittings	Chinese Taipei	26/09/2013	800 $/Ton
Slide Fasteners	Indonesia	27/03/2012	3 $/KG
Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	Vietnam	04/01/2011	25%

Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	Indonesia	04/01/2011	25%
Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	The Philippines	04/01/2011	25%
Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	Pakistan	04/01/2011	25%
Only wall-type split air-conditioners & Only outdoor unit of wall-type split air-conditioners (except for outdoor unit of VRF systems) & Only indoor unit of wall-type split air-conditioners	Malaysia	28/02/2009	%0-%25
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Chinese Taipei	27/08/2008	1,64 $/KG - 1,64 $/KG - 0,75 $/KG
Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Indonesia	27/08/2008	1,64 $/KG - 1,64 $/KG - 0,75 $/KG

Hinges of Base Metal & Hat-Racks, Hat-Pegs, Brackets and Similar Fixtures of Base Metal & Base Metal Mountings, Fittings and Similar Articles Suitable for Futniture	Malaysia	27/08/2008	1,64 $/KG - 1,64 $/KG - 0,75 $/KG
Pocket Lighters, Gas Fueled, Non-refillable & Refillable Pocket Flint Lighters & Pocket Lighters, Gas Fueled,Refilliable with Electrical Ignition System & Parts of Lighters	Vietnam	28/04/2008	0,05 $/ADET 0,05 $/ADET 0,05 $/ADET 0,01 $/ADET
Stranded Wire, Ropes and Cables	China, P.R	30/12/2006	1 $/KG
Stranded Wire, Ropes and Cables	Russian Federation	30/12/2006	0,5 $/KG
Woven Fabrics of Synthetic Filament Yarn	The Philippines	18/11/2006	70.44%

Source: Ministry of Trade

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