

Turkey notifies WTO on measures against EU-origin goods

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Executive summary

With the immediate notification published on the World Trade Organization (WTO) [website](#) on 25 May 2020, it has been stated that Turkey will take countermeasures in the form of additional duties on certain European Union (EU)-origin products, mainly iron-steel products, against the tariff-rate quota measures which have been in effect and applied by the EU since February 2019.

Detailed discussion

The Government of Turkey sent an immediate notification to the Council for Trade in Goods of the WTO regarding the proposed suspension of concessions and other obligations referred to in the Agreement on Safeguards. The notification was published on the WTO website on 25 May.

The measures in relation to which Turkey has notified these proposed suspension of concessions and other obligations are the definitive safeguard measures adopted by the EU on certain steel products on 31 January 2019 through Regulation (EU) 2019/159. The measures imposed by the EU consist of 26 tariff-rate quotas imposed on 26 steel product categories with an out-of-quota duty of 25%, which are effective as of 2 February 2019 through 30 June 2021. The EU notified the imposition of those measures to the WTO via various documents dated 7 February 2019.

Additionally, the EU initiated a review of the safeguard measures and notified the WTO of the initiation of the review investigation. Based on the findings of this review, the EU amended the safeguard measures and notified those amendments to the WTO on 15 August 2019 and 2 October 2019.

According to paragraph 2 of Article 8 of the Agreement on Safeguards, if no agreement is reached within 30 days in the consultations between a WTO member country that will apply or extend a safeguard measure and a member having a substantial interest as an exporter of the product concerned in that safeguard measure, then the affected exporting member is free to suspend the application of substantially equivalent concessions or other obligations under the General Agreement on Tariffs and Trade (GATT) 1994, to the trade of the member applying the safeguard measure, not later than 90 days after the measure is applied.

Therefore, Turkey and the EU notified the WTO, with the document dated 4 April 2019, the extension of the 90-day period until 30 June 2021, which is provided in Article 8.2 of the Agreement on Safeguards and Article XIX: 3(a) of the GATT. It has been stated in the notification document that no agreement has been reached so far with respect to adequate means of trade compensation for the adverse effects of the measures on Turkey's trade until now.

The proposed suspension of substantially equivalent concessions and other obligations by Turkey on the EU will be an increase in duty on the selected products originating in the EU, as indicated in Annex I.

Turkey reserves its right to apply the proposed suspension of concessions after 30 days following 25 May 2020. Furthermore, it has been stated in the notification that Turkey reserves its right to modify, supplement, or replace the suspension of concessions or other obligations should the EU make adjustments to the safeguard measures which would render the measures more restrictive towards products originating in Turkey.

The products which will be subject to the proposed suspension of substantially equivalent concessions and other obligations are as follows:

No.	HS code	Description of product	Additional duty
1	0901.21	Not decaffeinated	10%
2	2204.10	Sparkling wine	25%
3	2204.21	In containers holding 2 liters or less	25%
4	2309.10	Dog or cat food, put up for retail sale	10%
5	72.08	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated	9%
6	72.09	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated	10%
7	72.10	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated	14%
8	72.11	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, not clad, plated or coated:	15%
9	72.12	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated	15%
10	72.14	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling	15%
11	72.15	Other bars and rods of iron or non-alloy steel	14%
12	72.16	Angles, shapes and sections of iron or non-alloy steel	17%

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