

WORLD TRADE ORGANIZATION

RESTRICTED

G/STR/Q1/TUR/1

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(96-4613)

Working Party on State Trading Enterprises

Original: English

Replies to Questions Posed by the UNITED STATES¹ Concerning
the Article XVII Notification of TURKEY²

The following communication, dated 24 September 1996, has been received from the Permanent Mission of Turkey.

Question

We note that Turkey did not include ETIBANK, TURKIYE TASKOMURU KURUMU, and TURKIYE KOMUR ISLETMELERI in its Article XVII notification. We understand that these entities "enjoy special or exclusive rights or privileges" in the meaning of the Understanding on the Interpretation of Article XVII of the GATT 1994. Could Turkey explain why these entities were not included in the notification?

Answer

According to the working definition of state trading enterprises as set out in paragraph 1 of the Understanding on the Interpretation of Article XVII of the GATT 1994, enterprises to be notified are "Governmental or non-governmental enterprises including marketing boards which have been granted exclusive or special rights or privileges, including statutory or constitutional powers in the exercise of which they influence through their purchases or sales the level or direction of imports or exports".

In this regard, I would like to state that Etibank and Türkiye Taşkömürü Kurumu (Turkish Hard Coal Enterprise) do not "enjoy special or exclusive rights or privileges" in the exercise of which they influence through their purchases or sales the level or direction of imports or exports. Since there was no special right or privilege granted, these enterprises were not included in Turkey's notification.

The other enterprise in question, namely Türkiye Kömür İşletmeleri Kurumu (Turkish Coal Enterprise) which is responsible for lignite production and in charge of meeting the energy need in the country has the right to import some of the equipment exempt from customs duties within the scope of the Council of Minister's Decrees No. 7/14849 of 24 March 1978 and No. 7/15468 of 6 June 1978 in order to complete the investment projects on thermic powerhouses and coal plants in Soma (Yatagan), Seyitömer and Orhaneli (Çan) under the Third Five Year Development Plan. With regard to this institution, I would like to state that this right to import some equipment exempt from customs duties is limited with the investment project and the total value of imports of this enterprise realized under the project is a negligible amount. After the completion of the project, the imports of this enterprise

¹G/STR/W/2.

²G/STR/N/1/TUR.

exempted from customs duties will cease. It is expected that this investment project will be completed by the end of 1996.

The statistical information concerning the imports of Türkiye Kömür İşletmeleri Kurumu (Turkish Coal Enterprise), exempted from customs duties, and the total imports of other companies is provided in the Annex.

Finally, since it was considered under Article 1, paragraph 3 of the Understanding on the Interpretation of Article XVII of the GATT 1994, the import of this enterprise was not included in Turkey's notification.

ANNEX

1995 IMPORTS OF TURKISH COAL ENTERPRISES EXEMPT FROM CUSTOMS DUTIES			
HS Code	Description of Goods	Value (\$)	Quantity (kg.)
IMPORTS			
40119131	Other pneumatic tyres of rubber used on civil engineering vehicles	463,600	180,243
73129029	Other standard wire, ropes	80,000	41,338
73182200	Other washers	1,928	33
73202029	Other helical springs	3	1
84139199	Other parts of pumps	15,905	180
84213939	Other filtering machinery for gases	6,384	505
84314995	Parts for machinery of subheading No. 8429.51 A11 and B1 8429.52B vet 8429.59B	4,775	77
84719221	Matrix type printer	591	5
84719233	Keyboard	1,733	5
84719341	Disk units	180	6
84734099	Other parts of machinery of heading No. 8472	20,445	22.5
84749090	Other parts of machinery for shaping or moulding solid mineral fuels	1,219	4
84749094	Other parts of machinery for sorting, screening earth stone, ores	70,150	13,500
84814090	Other safety or relief valves	7,181	50
84819000	Other taps, cocks, valves and similar appliances for pipes	291	74
84821090	Other ball bearings	5,206	
84833039	Other bearing housings	1,813	60
84836032	Other couplings	5,347	210
84841029	Gaskets and similar joints	265	36
84859098	Oil felt	1,815	44
85011010	Synchronous motors of an output not exceeding 18W	675	5
85030099	Other parts suitable for use solely or principally with the machines of heading No. 8501 or 8502	8,604	96.5
85069000	Parts of primary cells and primary batteries	5,666	10

1995 IMPORTS OF TURKISH COAL ENTERPRISES EXEMPT FROM CUSTOMS DUTIES			
HS Code	Description of Goods	Value (\$)	Quantity (kg.)
85332900	Other electrical resistors	315	5
85334039	Variable resistors: other	411	10
85364919	Contactors from other relays	4,128	6
85365039	Switches: other	323	4
85365049	Other switches	1,456	7
85389099	Other parts suitable for use solely or principally with apparatus of heading No. 8535, 8536 or 8537	1,767	9
85428000	Microassemblies	51,446	12
90200091	Parts of breathing appliances	17,017	5
OTHERS (Private)			
40119131	Other pneumatic tyres of rubber used on civil engineering vehicles	3,295,467	9,751,161
73129029	Other standard wire, ropes	755,561	780,990
73182200	Other washers	842,994	6,381,172
73202029	Other helical springs	448,304	5,171,466
84139199	Other parts of pumps	779,988	22,159,034
84213939	Other filtering machinery for gases	334,181	6,389,560
84314995	Parts for machinery of subheading No. 8429.51 A11 and B1 8429.52B and 8429.59B	273,363	3,277,120
84719221	Matrix type printer	857,222	27,112,141
84719233	Keyboard	419,032	10,340,144
84719341	Disk units	35,416	3,552,712
84734099	Other parts of machinery of heading No. 8472	14,802	2,707,162
84749090	Other parts of machinery for shaping or moulding solid mineral fuels	41,459	739,099
84749094	Other parts of machinery for sorting, screening earth stone, ores	39,485	777,446
84814090	Other safety or relief valves	244,714	8,090,837
84819000	Other taps, cocks, valves and similar appliances for pipes	305,028	10,277,328
84821090	Other ball bearings	1,617,712	29,769,054

1995 IMPORTS OF TURKISH COAL ENTERPRISES EXEMPT FROM CUSTOMS DUTIES			
HS Code	Description of Goods	Value (\$)	Quantity (kg.)
84833039	Other bearing housings	381,780	10,322,648
84836032	Other couplings	49,661	1,384,910
84841029	Gaskets and similar joints	152,263	5,812,518
84859098	Oil felt	264,666	7,633,711
85011010	Synchronous motors of an output not exceeding 18W	126,208	2,792,472
85030099	Other parts suitable for use solely or principally with the machines of heading No. 8501 or 8502	263,883	7,511,896
85069000	Parts of primary cells and primary batteries	12,733	112,165
85332900	Other electrical resistors	29,629	884,731
85334039	Variable resistors: other	9,590	398,632
85364919	Contactors from other relays	143,382	8,760,293
85365039	Switches: other	98,404	2,734,680
85365049	Other switches	830,012	36,180,825
85389099	Other parts suitable for use solely or principally with apparatus of heading No. 8535, 8536 or 8537	519,136	11,324,056
85428000	Microassemblies	41,086	6,310,620
90200091	Parts of breathing appliances	23,210	252,366