



25 May 2020

(20-3779)

Page: 1/4

**Council for Trade in Goods
Committee on Safeguards**

Original: English

**IMMEDIATE NOTIFICATION UNDER ARTICLE 12.5 OF THE AGREEMENT
ON SAFEGUARDS TO THE COUNCIL FOR TRADE IN GOODS OF
PROPOSED SUSPENSION OF CONCESSIONS AND OTHER
OBLIGATIONS REFERRED TO IN PARAGRAPH 2
OF ARTICLE 8 OF THE AGREEMENT
ON SAFEGUARDS**

TURKEY

The following communication, dated 22 May 2020, is being circulated at the request of the delegation of Turkey.

Pursuant to Article 12.5 of the Agreement on Safeguards, and in accordance with the agreed format for notifications (G/SG/1, 1 July 1996; amended on 19 October 2009, G/SG/1/Rev.1-G/SG/N/6/Rev.1-G/SG/89) the Government of Turkey provides the immediate notification to the Council for Trade in Goods of proposed suspension of concessions and other obligations referred to in paragraph 2 of Article 8.

1. Which Member is proposing suspension of concessions and other obligations referred to in Article 8.2

Turkey.

2. Specify the measure, the product subject to the measure, the WTO document that notified the safeguard measure, and the Member imposing the measure in relation to which the Member is proposing suspension of concessions and other obligations referred to in Article 8.2 of the Agreement on Safeguards

The measures at issue are the definitive safeguard measures adopted by the European Union (**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%. Those measures are effective since 2 February 2019 until 30 June 2021.

The EU notified the imposition of those measures to the WTO in document G/SG/N/8/EU/1/Suppl.1, G/SG/N/10/EU/1/Suppl.1 and G/SG/N/11/EU/1/Suppl.2 dated 7 February 2019.

The EU initiated a review of the safeguard measures and notified the initiation of the review investigation to the WTO with the document G/SG/N/10/EU/1/Suppl.2, dated 21 May 2019. Based on the findings of this review, the EU amended the safeguard measures and notified those amendments to the WTO in documents G/SG/N/10/EU/1/Suppl.3, G/SG/N/11/EU/1/Suppl.3 dated 15 August 2019 and G/SG/N/10/EU/1/Suppl.4, G/SG/N/11/EU/1/Suppl.4 dated 2 October 2019.

Turkey and the EU notified to the WTO, with the document G/SG/203, dated 4 April 2019, the extension of the 90-day period foreseen in Article 8.2 of the Agreement on Safeguards and Article XIX: 3(a) of the General Agreement on Tariffs and Trade 1994, until 30 June 2021. To date, 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.

3. Describe the proposed suspension of concessions and other obligations referred to in Article 8.2, and the proposed date from which it will come into effect.

The proposed suspension of substantially equivalent concessions and other obligations under the GATT 1994 to the trade of the EU takes the form of an increase in duty on the selected products originating in the EU, as indicated in Annex I. The substantially equivalent concessions or other obligations under the GATT 1994 were calculated as indicated in Annex II.

Turkey notes that the measures concerned have not been taken pursuant to the conditions provided for in Article 8.3 of the Agreement on Safeguards. Without prejudice to the effective exercise of its right to suspend substantially equivalent concessions or other obligations referred to in Article 8.2, Turkey reserves its right to apply the proposed suspension of concessions after 30 days following the date of publication of this notification.

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.

ANNEX I

The products covered are determined, within the Annex, by HS codes.

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 litres 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%

ANNEX II**LEVEL OF SUBSTANTIALLY EQUIVALENT CONCESSIONS OR OTHER OBLIGATIONS**

The substantially equivalent concessions or other obligations under the GATT 1994 were calculated as follows.

According to 2018 figures, the effect of the safeguard measure on Turkey's exports of the products concerned to the EU is as shown below:

2018	
Turkey's Exports to the EU (Excess of Quotas) (Million US Dollars)	Duty Calculated (Million US Dollars)
1.437	359

It is calculated that 1.437 Million US Dollars of Turkish exports to the EU of the products concerned fall out of the scope of the tariff-rate quotas. Hence, duty collected from this portion of exports amounts to 359 Million US Dollars.

Turkey prefers to design the rebalancing measure to have proportionately less than the effect of the EU measures indicated in the table above, with a view to minimize the negative impacts on bilateral trade flows at this stage. Therefore, Turkey's proposed suspension of concessions would affect 1.640 Million US Dollars (based on 2018 import values) of imports into Turkey of products listed in Annex 1 originating in the EU, and this would result in 194.8 Million US Dollars of duty collected based on the additional duty rates hereunder.

No	HS Code	Imports Originating in the EU (Million US Dollars)	Additional Duty	Duty Collected (Million US Dollars)
1	0901.21	34	10%	3.4
2	2204.10	3	25%	0.7
3	2204.21	4	25%	1.0
4	2309.10	43	10%	4.3
5	72.08	688	9%	61.9
6	72.09	151	10%	15.1
7	72.10	371	14%	51.9
8	72.11	33	15%	5.0
9	72.12	29	15%	4.3
10	72.14	17	15%	2.5
11	72.15	29	14%	4.1
12	72.16	238	17%	40.5
Total		1.640		194.8