

IMPORT LICENSING REGIME FOR RICE AND OTHER AGRICULTURAL PRODUCTS

Replies from TURKEY to the UNITED STATES¹

The following communication, dated 30 September 2005, is being circulated at the request of the delegation of Turkey.

Questions:

Three times last year - on 27 April 2004, 27 August 2004, and 8 September 2004 - Turkey published, in its Official Gazette, changes to its import licensing requirements for rice. None of these changes were notified to the Committee on Import Licensing, however, as required by Article 5 of the Agreement on Import Licensing Procedures. Faced with these requirements, US producers continue to have problems securing import permits for rice, which has created a significant barrier to US exports. These restrictions raise serious WTO concerns and the United States reserves all of its rights under the WTO agreements.

- *When will Turkey resume the year-round issuance of import licences for all rice imports without requiring the purchase of domestic rice?*

- *When will Turkey submit the required notifications of its import licensing regime for rice and other agricultural products to the Committee on Import Licensing?*

Replies:

Under the current import regime of Turkey, which is in full compliance with our WTO commitments, MFN rates are applied for rice, rice in the husk, and brown rice which are 45%, 34% and 36%, respectively. There is no import licensing procedure required for these products.

These products are only subject to SPS controls like all the other agricultural products by the Ministry of Agriculture and Rural Affairs.

On the other hand, with the Decision on Implementation of Tariff Quotas on Importation of some Forms of Rice, issued in the Official Gazette on 27 August 2004, a tariff quota regime was put into force. This Decision was replaced by a new one which was published in the Official Gazette dated 13 September 2005.

¹ See Understanding on Procedures for the Review of Notifications (G/LIC/4).

The aim of this Decision is to facilitate imports of Turkey, a country which is a net importer of rice. According to this system, a lower tariff than the MFN rate is applied for a certain amount of rice for the importers who would assume to buy equivalent amount of rice from domestic producers. The tariff quotas will be effective between 1 November 2005 and 31 July 2006.

The system may neither be claimed discriminatory nor restrictive since all importers are able to benefit from the system for their imports from all countries. The amount and origin of imports will be determined only on the basis of free market conditions.

Import licensing is defined as "administrative procedures used for the operation of import licensing regimes requiring the submission of an application or other documentation (other than that required for customs purposes) to the relevant administrative body as a prior condition for importation into the customs territory of the importing Member."

Turkey does not foresee any prior condition for the importation of rice at MFN rate. For only a certain amount of rice imports, an additional document is needed if the importer wants to benefit from the preferential tariff rate. Therefore, the whole importation procedure for rice cannot be considered to be within the scope of the Agreement on Import Licensing Procedures in our view.
