DOCUMENT G/4/ADD.2
1 May 1952.
General Distribution

NOTIFICATION OF SUBSIDIES UNDER ARTICLE XVI

ADDENDUM

Notifications by Burma, Germany and Turkey

Document G/4 recalls the Decision of the Contracting Parties at their Fourth Session to the effect that contracting parties maintaining subsidies falling within the scope of Article XVI of the General Agreement should submit notifications as required by that Article and that any new measures of subsidization or modifications should be similarly notified as soon as possible after their introduction. In order that a supplement to the original collection of replies (GATT/CP/114) may be published, governments were invited to submit up-to-date statements of the subsidies they maintain.

The Governments of Burma and of the Federal Republic of Germany have informed that they do not grant subsidies falling within the scope of Article XVI of the Agreement.

The Government of Turkey has notified as follows:-

TURKEY

Export subsidies

Under Article 16 of Law No. 4250 of 8 June 1942 on the alcohol and spirituous beverages monopoly, the Council of Ministers is empowered to grant a subsidy of ten piasters per litre of wine to promote wine exports. As domestic wine production is relatively small, the consequences of the above-mentioned subsidy on exports are negligible.

There are no further products for which export or production subsidies are granted.

Price support policy

Under Law No. 3780, the Turkish Government is empowered to act upon the domestic market by means of direct purchases in order to support the prices of
certain products and to protect agricultural income. The products affected by this policy are those which are of primary importance for the Turkish economy, such as cereals, tobacco, hazel nuts and cotton. As regards the first two items, purchases are effected on a yearly basis. As regards the other two, purchases are made as the need arises.

Government purchases are conducted through governmental bodies set up or designated for that purpose.

When prices tend to decline, above all for speculative reasons, the aforementioned bodies purchase mass quantities of the items concerned until an adequate price level is restored, taking into account the level of world prices.

As the domestic price of the items concerned is thus maintained at around the level of world prices, the government policy in question is not of such a nature that it can affect the foreign trade of the country.