The various statements made in connection with the Review of the General Agreement have emphasized the particular importance of this question for the future of international trade. They have shown us also the need for most cautious action by the Contracting Parties in this field.

I shall try in turn to state briefly the views of my Government in relation to the various aspects of the problem raised by the Review of the Agreement.

Turkey has directed all her efforts towards contributing as widely as possible to the development of international economic co-operation. It is in that spirit that she has scrupulously met all her contractual commitments. Since my Government became a contracting party to the General Agreement, it has carefully applied the principles of that instrument which are designed to eliminate barriers to international trade, and concurrently to ensure binding of customs tariffs which is one of the most important elements of international trade.

It is likewise along those lines that it has contracted new international obligations; notably, it has signed the Brussels Conventions on Determination of Valuation for Customs Purposes of Goods, and the Nomenclature, the principles of which have already been implemented by the bringing into force since June 1954 of the new Turkish Customs Code.

In adopting these measures, my Government has followed the trend which is becoming universally manifest, to apply ad valorem rates, and thereby it has carried out a stupendous task.

The contribution of Turkey to the work of economic co-operation and liberalization of trade which is its logical consequence, and which are likewise embodied in the principles of the General Agreement, was not confined to these achievements in the field of tariffs and customs.

As will be recalled, the Turkish Government, since August 1950, has genuinely tried to contribute to the expansion of international trade in the widest possible measure by reinforcing its liberal conception of general economic policy. In actual fact, since that date, it has applied an economic policy which is designed to permit the free and unhindered flow of external trade, and the expansion and profitable utilization of its sources of production. I may say that for a country which is not yet fully developed, Turkey may thus serve as an example through the support she has given to the principle of economic stability and development.
For the past four years, we have consistently endeavoured to apply the three following fundamental principles which form the basis of our system of foreign trade:

1. development of exports through the elimination of unnecessary formalities and barriers;

2. large-scale liberalization of imports, parallel with a policy of development of sources of production;

3. application of the measures adopted on the basis of their automatic implementation, publicity afforded them, and stability.

The application of these three principles has trebled within the relatively short period of three years the volume of trade of my country, and that development has greatly contributed to the expansion of international trade. The results which Turkey has thus obtained were rightly appraised by foreign countries also.

The reasons to be adduced for inability on the part of my Government to continue fully to apply this system of large-scale liberalization since the end of 1952, are the modifications which have occurred in external conditions. It should also be remembered that Turkey has made great sacrifices in order to be able to ensure the proper implementation of the principles of multilateral collaboration and trade, by endeavouring to sell her products on the same terms and at the same prices as those of foreign markets.

Turkey is therefore convinced that countries which are sincerely attached to the principles of freedom of trade and have placed their faith in those principles, will thereby serve their own interest as well as the common interest of international trade.

The economic policy of Turkey designed, as resulting from the explanations which I have just given, to raise the standard of living of her population by mobilizing all the productive activities of the country, and by using international collaboration, has moreover provided, through recent measures adopted in this connection, a wide field of action for foreign capital, by granting it all the necessary legal safeguards and various economic possibilities.

By recently enacting a law granting great facilities to foreign capital investment, Turkey has created in the country a favourable atmosphere for the activities of foreign capital - a matter to which you yourself alluded, Mr. Chairman, in your opening speech under item 3 of our agenda. Despite the short lapse of time since the entry into force of this law, i.e., seven or eight months, the result attained has been so remarkable, that applications submitted by about one hundred foreign firms have been accepted by my Government and are at present in course of execution.
This short statement confirms, Mr. Chairman, that the Turkish Government has made a concrete contribution to the work of liberalization of trade and by so doing, it has helped to carry out the purpose of the General Agreement which is to tend to eliminate barriers to international trade.

At this point of my statement, may I also make a few general comments on the General Agreement, of which we shall soon undertake the Review in the light of the experience gained during more than six years.

It must be admitted that the General Agreement, in the six years of its application, has widely contributed to the development of trade between nations, and thereby, and by reason of the targets which it has set and to the attainment of which it is firmly attached, to the most important instrument of international trade. However, that instrument contains certain lacunae. For instance it does not take sufficient account of divergencies in the level of development and structure which exist between various national economies. It lays the same obligations on industrialized countries and insufficiently developed countries, whose economic structures are fundamentally different. Therefore, in the interest of the work which the General Agreement is designed to carry out, certain modifications and new regulations in relation to the present structure of the Agreement would be necessary, with a view, in particular, to enabling insufficiently developed countries to procure the necessary means to stimulate their economic development and thus to protect their young industries or already existing undertakings. The fact that the present Agreement provides for no exceptional measure in favour of those countries is a lacuna which should be the determining point guiding the work of the Contracting Parties when they proceed to the Review of the General Agreement.

As a result of the above, the Turkish Government consider that the Contracting Parties should embody in the new text of the General Agreement certain specific provisions in favour of the insufficiently developed countries, to take account of their special economic conditions.

In voicing this opinion, I have particularly in mind, Mr. Chairman, the question of import restrictions.

We are in principle in favour of the abolition of all restrictive measures on importation, including those resulting from disequilibrium in the balance of payments, but subject to the following condition alone: that countries which are not yet fully developed be permitted to apply those restrictions to procure, if need be, the means of protecting their economy within the limitations, and under the conditions agreed to by the Contracting Parties.

Insufficiently developed countries should also be entitled to adopt measures of protection both for their existing and for their young branches of industry.

We also feel that the new wording of the General Agreement should include the principle of abolition of all measures of a restrictive character on imports of agricultural products. The recognition of this principle would enable a certain balance to be established between the obligations contracted, within the frame of the General Agreement, by the industrialized countries, and by countries which are insufficiently developed.