The following communication dated 4 August 1960 has been received from the Turkish Government:

"I have the honour to refer to the Airgram of 28 March 1960 (GATT/AIR/187) addressed to the Minister for Foreign Affairs of Turkey on the question of participation in the tariff negotiations which are scheduled to begin in the first days of 1961 and to inform you of the following:

I. Within the framework of its existing customs tariff, Turkey is facing a number of problems which have to be solved in the near future if Turkey is to secure the conditions necessary for the expansion of its developing economy.

(a) In fact, the existing Turkish customs tariff by no means fulfills its fiscal and protective functions. Turkey took part in the Torquay negotiations on the basis of a specific tariff, which had been introduced in 1929.

At the time when the customs duties at present included in the Turkish schedule of concessions annexed to the General Agreement were negotiated, Turkey was not in a position to determine with any degree of accuracy the protective nature of the legal or conventional rates of duty.

The bound items included in the Turkish schedule of concessions represent 43 per cent of the total value of Turkish imports. This has had repercussions ever since 1951, and the Turkish customs tariff could therefore not play its protective role in respect of newly established industries.

A new customs tariff based on the ad valorem system and the 1950 Brussels Nomenclature has come into force in 1954. Nevertheless, the introduction of the new tariff has brought out the inadequacy of the former tariff from the point of view of protection, given the fact that the transposition of the agreed specific rates of duties into agreed ad valorem rates was effected on the basis of the 1948 criteria as determined by the Torquay conference."
It is clear from the foregoing that the Turkish customs tariff has been inadequate for the purpose of the economic development of the country, the more so as customs duties in those sectors where industries had not yet been established at the time when the tariff was prepared have only been determined in a very approximate way.

That is the reason why Turkey has to carry out a general review of its conventional and legal rates of duty.

It is only after the new legal and conventional rates of the customs tariff, which constitute one of the major instruments for the development of the domestic economy, have been fixed that Turkey can enter into negotiations with CONTRACTING PARTIES for the purpose of determining its conventional customs tariff.

(b) Turkey has to adapt its customs tariff to the 1955 Brussels Nomenclature in view of the fact that it has undertaken the obligations resulting from the Nomenclature. Turkey must therefore make a number of adjustments to its conventional tariff items and sub-items in the course of negotiations with the CONTRACTING PARTIES.

II. When the new customs tariff has been prepared, Turkey proposes to submit a request to the CONTRACTING PARTIES, in the near future (probably at the seventeenth session of the CONTRACTING PARTIES), in order that a decision may be taken, in conformity with existing procedures and in accordance with the spirit of understanding which has been shown in the past, in respect of those measures which it will have to take in the customs tariff field, due regard being had for the special features of its economy.

"It is for that reason that Turkey could not submit the list requested by the Executive Secretary by 1 August 1960."