1. The general movement of Turkish import unit values can be measured by the following index numbers (1950 = 100):

1948: 134
1951: 120
1953: 114

These figures are taken from the OEEC Foreign Trade Statistical Bulletin, Series I, October 1954, p.16.

2. The following paragraphs summarize the results of calculations undertaken by the secretariat to determine the ad valorem equivalent of specific duties listed in Schedule XXXVII on the basis of import unit values for the years 1948, 1951 and 1953. It should be noted that for 1953 the calculations have been based on the trade returns covering the months from January to October only, since the returns for the whole year are not available in Geneva.

3. The Turkish Schedule comprises 413 bound rates, in addition to five duty-free bindings. As indicated in GATT document L/203, the Turkish Government has availed itself of its right "to convert the specific duty of the categories in which the actual incidence is less than 5 per cent to an ad valorem duty not greater than 5 per cent" which it had reserved when Schedule XXXVII was negotiated (see Consolidated Schedules of Tariff Concessions, volume 5, Schedule XXXVII, p.43). Thus the Turkish Government has converted, as from 7 June last, 81 specific duty rates to ad valorem rates at 5 per cent and in addition has converted the rates applicable to items 544 and 664 to 20 and 10 per cent, respectively (see Schedule XXXVII, pp. 25 and 34).

4. For 91 further positions, the secretariat has been unable to make calculations because it proved impossible to identify the items in the published trade returns.
5. The general results of the calculations made in respect of the remaining 239 positions can be summarized as follows:

The ad valorem equivalent of the specific rates computed in relation to 1948 unit values is lower than the corresponding equivalent computed in relation to both 1951 and 1953 unit values in respect of 121 items, and it is higher than both the 1951 and the 1953 equivalents in respect of 48 items.

In 13 cases, the calculated ad valorem incidence based on 1948 unit values was lower than that based on 1951 unit values, but higher than the 1953 equivalent.

In 23 cases, the calculated ad valorem incidence based on the 1948 unit values was higher than that based on 1951 unit values, but lower than the 1953 equivalent.

In the remaining 39 cases, the calculated 1948 ad valorem incidence could not always be compared with the corresponding 1951 and 1953 figures. However, it was found to exceed those figures in respect of one or the other year in 9 cases, while it fell short of one or the other in 14 cases. Finally, there was one case where the incidence was the same in all three years, and 10 cases where only the 1948, but neither the 1951 nor the 1953 equivalent could be computed.

6. In its recent proposal for the revision of Schedule XXXVII (see document MGT/31/54), the Turkish Government has again availed itself of the right to convert the specific duty of categories in which the actual incidence is less than 5 per cent to an ad valorem duty not greater than .5 per cent in respect of 35 further positions. Moreover, the Turkish Government, as indicated in document MGT/31/54, proposes to apply ad valorem rates which are lower than the 1948 ad valorem equivalent of the specific rates in 71 cases.

Apart from the results of these two sets of measures, and apart from a few discrepancies which may be of merely statistical origin, the ad valorem rates proposed by the Turkish Government (MGT/31/54) on the one hand and the ad valorem equivalents calculated by the secretariat from 1948 import unit values and rounded to the nearest half or whole per cent on the other hand, show complete agreement.

7. The interested delegations may consult the details of these calculations in the Trade Intelligence Unit.

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1 These discrepancies concern items 321 B 1, 461 C, 488 A, 488 B, 607 D 2, and 667 B 4, where the secretariat's calculations resulted in ad valorem equivalents lower than the rates proposed.