



MINISTRY OF ECONOMY

REGIONAL TRADE REMEDIES WORKSHOP FOR ASIAN INVESTIGATING AUTHORITIES

SESSION ON UNFORESEEN DEVELOPMENTS

REPUBLIC OF TURKEY
MINISTRY OF ECONOMY
DIRECTORATE GENERAL OF IMPORTS
DEPARTMENT OF SAFEGUARDS

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What is 'unforeseen developments' according to us?

- A situation that we didn't expect to become real, during the time we held tariff reduction and binding negotiations.
- This situation paves the way for increase in imports which cause serious injury to domestic industry producing like products
- As the domestic industry can't bear the new situation we put additional duty over the rates that we bound
- *Additional information:* Turkey considers its applied rates arising from Customs Union with European Union as bound rates.
- It should be pointed out that Turkey's average applied rates are far below the real average bound rates which were decided at the end of Uruguay Round.



Which type of situations do we consider as 'unforeseen developments'?

- There is not a compromised understanding among Member States and in WTO
- It should be evaluated within the scope of product, industry and market conditions, case by case
- General reasons for unforeseen developments such as:
 - Economic crisis
 - Exchange rate fluctuations
 - Measures taken by Member States
 - Unexpected capacity increase in Member States



What about Turkey's legislative aspect of 'unforeseen developments'?

- International Rules:
 - GATT Article XIX
 - WTO Agreement on Safeguards
 - Panel and Appellate Body Jurisdiction
- Domestic Legislation:
 - Decree on Council of Ministers on Safeguard Measures
 - Regulation on Safeguard Measures
 - Communiqués
- None of domestic legislations contain 'unforeseen developments' as a legal condition for safeguard application



Here are some examples for 'unforeseen developments' in our certain measures

- Matches-2009:
 - Production increased rapidly in countries with cheap labour force
 - Production facilities shifted from developed countries to developing countries in a very short time period due to restrictive measures against smoking which force smokers to quit
- Wallpaper and similar wallcoverings-2015:
 - Market contraction caused by economic crisis in a certain country where the demand for product concerned diminished so fast
 - Both the reason above and production capacity increase in a big supplier country have changed the pattern of trade flow into Turkey unexpectedly



UNFORESEEN DEVELOPMENTS



Thank you for listening to me