

**WORLD TRADE
ORGANIZATION**

G/ADP/N/1/TUR/3/Suppl.3
G/SCM/N/1/TUR/3/Suppl.3
13 September 2006
(06-4386)

Committee on Anti-Dumping Practices
Committee on Subsidies and Countervailing Measures

Original: English

**NOTIFICATION OF LAWS AND REGULATIONS
UNDER ARTICLES 18.5 AND 32.6 OF THE AGREEMENTS**

TURKEY

Supplement

The following communication, dated 12 September 2006, is being circulated at the request of the Delegation of Turkey.

In accordance with Articles 18.5 of the Agreement on Implementation of Article VI of GATT and 32.6 of the Agreement on Subsidies and Countervailing Measures, Turkey hereby notifies to the WTO Secretariat that certain parts of the "Decree on the Prevention of Unfair Competition in Imports" and the "Regulation on the Prevention of Unfair Competition in Imports" have been amended.

Certain parts of the "Decree on the Prevention of Unfair Competition in Imports" and the "Regulation on the Prevention of Unfair Competition in Imports" have been amended as published in the Official Gazette dated 31 December 2005 and numbered 26040 2 *bis*, and dated 26 January 2006, numbered 26061 respectively.

Amendments in the Decree

1. The subparagraph (1) of (i) of Article 2 of "Decree on the Prevention of Unfair Competition in Imports" published in the Official Gazette dated 30 October 1999 and numbered 23861 shall be replaced by the following:

"Cases where there is evidence that, a change exists in the pattern of trade between a third country and Turkey or the country subject to measures and Turkey or individual companies in the country subject to measures and Turkey, stemming from a practice, process or work for which there is insufficient due cause or economic justification other than the avoidance of the anti-dumping duty or countervailing duty in force, and that the remedial effects of the duty are being undermined or nullified."

2. "Article 11" of the Decree has been amended as stated below:

"When it is determined as a result of an investigation that definitive duties are circumvented as a consequence of a practice, process or work for which there is insufficient due cause or economic justification other than avoidance of anti-dumping duties or countervailing duties in force, anti-dumping duties and countervailing duties in force may be extended to cover like products or parts thereof from countries subject to measures or like products or parts thereof from third countries. In cases where anti-dumping or countervailing duties are imposed individually for exporters/producers located in a country subject to measures, individual duties of the companies may be increased such that those duties shall not exceed the highest duty in force for the country in question. During the investigations to be carried out in accordance with this paragraph, imports of product under investigation may be subject to a security deposit at an amount not exceeding the provisionally determined level of circumvention.

Where, as a result of the investigation, it is determined that the definitive duties were nullified through lowering of export prices, the anti-dumping duty shall be reassessed in accordance with the new dumping margin calculated. When investigations carried out under this paragraph cover the re-examination of the normal value, during the investigation imports of the product under consideration may be made subject to a security deposit at an amount not exceeding the provisionally determined circumvention level.

Where imports of the product concerned have been subject to a security deposit during the investigation and as a result of the investigation measures are imposed, the difference between determined measures to remove the circumvention and definitive measure in force is transferred to the treasury. The amount of security deposit exceeding the difference between determined measure and definitive measure in force is released, however no security deposit shall be collected if the amount is lower than the difference. If the authority decides to terminate the investigation

without implementing any measure, collection of security deposit will be ceased and collected deposits will be refunded.

The procedures and principles regarding the processes and investigations to be carried out for the prevention of circumvention shall be set out in the regulation."

Amendments in the Regulation

1. The subparagraph (1) of paragraph (i) of Article 4 of "Regulation on the Prevention of Competition in Imports" published in the Official Gazette dated 30 October 1999 and numbered 23861 shall be replaced by the following:

"Cases where there is evidence that a change exists in the pattern of trade between a third country and Turkey or the country subject to measures and Turkey or individual companies in the country subject to measures and Turkey, stemming from a practice, process or work for which there is insufficient due cause or economic justification other than the avoidance of the anti-dumping or countervailing duty in force, and that the remedial effects of the duty are being undermined or nullified."

2. "Article 38" of the regulation has been amended as stated below:

"Domestic producers, claiming that the definitive duty or countervailing duty in force is being circumvented, may submit a written request to the Directorate General duly supported with evidence, to initiate a circumvention investigation. An investigation may also be initiated ex officio upon proposal by the Directorate General.

Investigations initiated for cases where there is evidence for a change in the pattern of trade between a third country and Turkey or the country subject to measures and Turkey or individual companies in the country subject to measures and Turkey, stemming from a practice, process or work for which there is insufficient due cause or economic justification other than the imposition of the anti-dumping duty or countervailing duty, and where the remedial effects of the duty are being undermined or nullified, the regulation's provisions concerning dumping, subsidy and injury determination are not applied."

3. "Article 40" of the Regulation has been amended as stated below:

"Unless otherwise specified, among procedural rules used in dumping and subsidy investigations only appropriate ones in terms of content and essence are applicable to examinations and investigations set out in this part."

4. "Article 41" of the Regulation has been amended as stated below:

"Unless otherwise specified, among investigations set out in this part, the provisions concerning dumping, subsidy and injury determinations are applied to those investigations appropriate in terms of content and essence only when deemed necessary."
