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## **TURKEY – ADDITIONAL DUTIES ON CERTAIN PRODUCTS FROM THE UNITED STATES**

### **REQUEST FOR THE ESTABLISHMENT OF A PANEL BY THE UNITED STATES**

The following communication, dated 20 December 2018, from the delegation of the United States to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

On July 16, 2018, the United States requested consultations with Turkey pursuant to Article 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") and Article XXIII of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") with respect to Turkey's imposition of additional duties with respect to certain products originating in the United States ("additional duties measure").<sup>1</sup> The United States held consultations with Turkey on 29 August 2018. Following the request for consultations referenced above, Turkey amended the additional duties measure to increase the rates of duty for 21 out of the 22 tariff lines affected by the additional duties measure ("amended additional duties measure"). On 18 October 2018, the United States requested supplemental consultations with Turkey regarding the amended additional duties measure.<sup>2</sup> The United States held supplemental consultations with Turkey on 14 November 2018. Unfortunately, consultations have not resolved the dispute.

Turkey does not impose the amended additional duties measure on like products originating in the territory of any other WTO Member. Turkey also appears to be applying rates of duty to US imports greater than the rates of duty set out in Turkey's schedule of concessions.

The legal instruments through which Turkey imposes the amended additional duties measure include the following:

- *Decision on Implementation of Additional Financial Obligations for the Import of Certain Products Originating in the United States of America*, Council of Ministers Decision No. 11973/2018, Official Gazette No. 30459, June 25, 2018;
- *Decision to Amend the Decision to Impose Additional Financial Liabilities on the Import of Some Products Originating From the United States of America*, Presidential Decree No. 21, Official Gazette No. 30510, August 15, 2018;

as well as any amendments, replacements, related measures or implementing measures.

The amended additional duties measure appears to be inconsistent with:

- Article I:1 of the GATT 1994, because Turkey fails to extend to products of the United States an advantage, favor, privilege, or immunity granted by Turkey with respect to customs duties and charges of any kind imposed on or in connection with the importation of products originating in the territory of other Members;

<sup>1</sup> WT/DS561/1.

<sup>2</sup> WT/DS561/1/Add.1. This request supplemented and did not replace the US request for consultations with Turkey dated July 16, 2018. For clarity, references in this panel request to the "amended additional duties measure" include the additional duties measure identified in the US consultation request of 16 July 2018.

- Article II:1(a) of the GATT 1994, because Turkey accords less favorable treatment to products originating in the United States than that provided for in Turkey's schedule of concessions; and
- Article II:1(b) of the GATT 1994 because Turkey imposes duties or charges in excess of those set forth in Turkey's schedule.

The amended additional duties measure appears to nullify or impair the benefits accruing to the United States directly or indirectly under the GATT 1994.

Accordingly, the United States respectfully requests pursuant to Article 6 of the DSU that the Dispute Settlement Body establish a panel to examine this matter, with the standard terms of reference as set out in Article 7.1 of the DSU.

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