
Liberalization & Restriction of International Trade Amid COVID-19 – Update of Turkey’s Measures on Imports and Exports

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INTRODUCTION

The COVID-19 pandemic is continuing to affect the global economy as well as our everyday lives. Indeed, the World Trade Organization estimates that global trade is likely to fall steeply in every region of the world and across all sectors of the economy. In an optimistic scenario, the volumes of global trade in goods could tumble by 13% in 2020. If the COVID-19 pandemic is not kept in check soon and if governments fail to coordinate policy responses, the decline could amount to 32%, or more.

With a view to enhance the ability of their countries to fight against the pandemic, many governments have imposed export control measures while liberalizing the importation of the very product subject to export control. Turkey too adopted a series of measures on imports and exports of certain products. The measures taken by Turkey since the beginning of the epidemic are outlined below.

Measures concerning exports

The first case of infection from COVID-19 in Turkey was detected on 11 March 2020. A week before, on 4 March 2020, the Ministry of Trade subjected, through the Communiqué no 2020/4 Amending the Communiqué no 96/31 on Products Whose Exportation is Prohibited and Subject to Prior Authorization, the exportation of personal protective equipment to the Pharmaceuticals and Medical Devices Administration’s authorization. The following products have thus been subjected to export control: (i) protective masks with gas, dust and radioactive dust filters, (ii) tubus (protective work wears), (iii) liquid-proof aprons (aprons used to protect from chemicals), (iv) protective glasses, (v) medical masks and (vi) medical and surgical gloves.

On 18 March 2020, the Ministry of Trade had taken further measures to avoid being kept unprepared in the fight against the pandemic. Through the Communiqué no 2020/5 Amending the Communiqué no 2006/7 on Products Whose Exportation is Subject to Registration, the exportation of (i) ethyl alcohol, (ii) cologne, (iii) sanitizers, (iv) hydrogen peroxide and (v) melt blown fabrics

(used in the production of medical face masks) had been subjected to the authorization of the Directorate General for Exports. Apart from the measure prescribed regarding the exportation of melt blown fabrics, the restrictions imposed on the exportation of ethyl alcohol, cologne, sanitizers and hydrogen peroxide have been repealed on 2 May 2020 through the Communiqué no 2020/9 Amending the Communiqué no 2006/7 on Products Whose Exportation is Subject to Registration.

Furthermore, on 16 March 2020, the Ministry of Trade had introduced with its Communiqué no 2020/6 Amending the Communiqué no 96/31 on Products Whose Exportation is Forbidden and Subject to Prior Authorisation an export control under the form of prior authorisation (from the Pharmaceuticals and Medical Devices Administration) to the exportation of ventilators, oxygen concentrators, ECMO apparatuses, flow sensors, expiration valves, oxygen sensors, ventilator switches, anaesthetic apparatuses , cannulae, intubation tubes and intensive care monitors. The Ministry of Trade then repealed those measures through the Communiqué no 2020/8 Amending the Communiqué no 96/31 on Products Whose Exportation is Forbidden and Subject to Prior Authorisation published on 2 May 2020.

Eventually, the Ministry of Trade subjected the exportation of lemons to the prior authorization of the Ministry of Agriculture and Forestry through the Communiqué No. 2020/7 on the Exportation of Lemon published on 7 April 2020.

As a result, while the exportation of protective masks with gas, dust and radioactive dust filters, tubus (protective work wears), liquid-proof aprons (aprons used to protect from chemicals), protective glasses, medical masks and medical and surgical gloves are still subject to registration, the exportation of melt blown fabrics and lemons still necessitates the prior authorization of the Ministry of Trade and of the Ministry of Agriculture and Forestry, respectively.

Measures concerning imports

Restrictive measures

Four presidential decrees have been published on 18 April 2020. The modifications introduced by those decrees, which aim at protecting the concerned Turkish industries against the pressure exerted by imports, are as follows:

- **Presidential Decree No. 2422:** The residual rate of the customs duties imposed on imports of sunflower seeds (HS codes 1206.00.91.00.19 and 1206.00.99.00.19) and the rates applicable to imports from Kosovo and Bosnia-Herzegovina have been modified as follows: while imports made between 1 February 2020 and 30 June 2020 were subject to customs duties of 13% (0% regarding imports from Bosnia-Herzegovina and Kosovo and 13% for those made from Singapore), the Presidential Decree No. 2422 introduced customs duties of 9% until 31 May 2020 (included) and 13% for imports made from Singapore (the 0% rate regarding imports originating in Bosnia-Herzegovina and Kosovo has been maintained).
- **Presidential Decree No. 2423:** The customs duties imposed on a large number of iron and

steel products (such as semi-finished products of iron and non-alloy steel, stainless steel, flat-rolled steel, alloyed products and other bars and rods of alloy steel, slab and billets, sections and stainless sheets) have been temporarily increased at rates ranging between 3-22% until 15 July 2020. Indeed, as the global demand decreased with the COVID-19 pandemic, the Turkish government intended to prevent a trade diversion that could adversely affect employment and productivity in the iron and steel industry.

- **Presidential Decree No. 2424:** Additional customs duties ranging between 5-50% have been imposed on imports of a large number of products (such as prepared glues, plates, sheets, film, foil and strip, articles of plastics, vulcanized rubbers, coach screws, air or vacuum pumps, cutting machines used in book printing, machine tools, electrical transformers, loudspeakers, headphones, microphones, oscilloscopes, wrist watches and pocket watches, video game consoles and machines) on imports made from GSP beneficiary countries and those from countries not benefiting from any particular preferential treatment.
- **Presidential Decree No. 2425:** The rates of the additional customs duties applicable to more than 50 products (such as synthetic stable fibres, woven fabrics, cotton fabrics, synthetic filament yarns, men's/woman's apparel and clothing accessories, medicaments, pile fabrics) have been increased between 20-30% regarding the imports made from GSP beneficiary countries and those from countries not benefiting from any particular preferential treatment.

Furthermore, two other presidential decrees have been published on 21 April 2020, which introduced temporary additional customs duties applicable until 30 September 2020 on imports made from GSP beneficiary countries (*i.e.* developing countries, least developed countries and countries benefiting from special incentive arrangements) and those from countries not benefiting from any particular preferential treatment:

- **Presidential Decree No. 2429:** Additional customs duties ranging between 4-50% have been imposed on imports of textile, ready-to-wear garments, leather products and shoes.
- **Presidential Decree No. 2430:** Additional customs duties ranging between 2.3-45% on imports of various industrial products such as chemicals, piston engines, pumps, cables, wares, and iron and steel products.

Liberalizing measures

On 25 March 2020, three presidential decrees Turkey also liberalized the importation of certain products:

- **Presidential Decree No. 2284:** The customs duties imposed on imports of ethyl alcohol in bulk have been reduced to 0% under the end-use procedure (*i.e.* on the condition that the importer makes an application demonstrating that those goods are destined for the production of cologne and sanitizers and obtain an authorization from the Turkish customs authorities).
- **Presidential Decree No. 2285:** The %13 additional customs duties applicable to imports of ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic

respiration apparatuses from GSP beneficiary countries (*i.e.* developing countries, least developed countries and countries benefiting from special incentive arrangements) and those from countries not benefiting from any particular preferential treatment have been terminated.

- **Presidential Decree No. 2286:** the %20 additional customs duties applicable to imports of disposable (single use) medical masks from GSP beneficiary countries (*i.e.* developing countries, least developed countries and countries benefiting from special incentive arrangements) and those from countries not benefiting from any particular preferential treatment have been terminated.