

A S S O C I A T I O N

between

THE EUROPEAN ECONOMIC COMMUNITY

and

TURKEY

ELEVENTH ANNUAL REPORT OF THE

ASSOCIATION COUNCIL

TO THE PARLIAMENTARY COMMITTEE OF THE ASSOCIATION

(1 January to 31 December 1975)

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L E T T E R
FROM THE PRESIDENT OF THE ASSOCIATION COUNCIL
TO THE PRESIDENT OF THE TURKISH GRAND NATIONAL ASSEMBLY
AND TO THE PRESIDENT OF THE EUROPEAN PARLIAMENT
FORWARDING THE REPORT

27th July 1976

In accordance with Article 2 of Association Council Decision No 1/65 on the Parliamentary Committee of the EEC-Turkey Association, I have pleasure in forwarding herewith the eleventh annual report of the Association Council.

This report covers the period 1 January - 31 December 1975.

For the Association Council

I.S. ÇAĞLAYANGİL
President in Office

I. INTRODUCTION

1. This report covers the period from 1 January to 31 December 1975, being the eleventh year after the entry into force of the Ankara Agreement ⁽¹⁾. The work of the Association's bodies during 1975 was devoted largely to the following three major topics: the agricultural review under Article 35 of the Additional Protocol, social questions, and the problems arising in connection with the increasing deficit in the balance of trade between Turkey and the Member States of the Community.

2. In the field of trade between the associated partners in 1975 it should be noted that, for the first time since 1968, Turkish exports to the Community showed a decline which was more marked than that in Turkish exports to third countries. At the same time Turkish imports from the Nine continued to grow, although more slowly than in the previous year. As a result, Turkey's trade gap with the Community widened greatly, moving from about 1.1 thousand million dollars in 1974 to 1.7 thousand million dollars in 1975. This trend gave rise to some concern, and at the Turkish Government's instigation the Association Council decided to instruct the Association Committee to prepare a special report on this problem and to suggest suitable solutions with a view to overcoming the difficulties within the framework of the Association.

⁽¹⁾ It has, however, been deemed useful to indicate in footnotes the developments which have taken place on certain important matters in the first few months of 1976.

3. In 1975 financial co-operation between Turkey and the Community progressed as satisfactorily as in previous years. Three loan agreements totalling 35 MUA were signed; two (amounting to 30 MUA) related to infrastructural projects, and the third was a global loan of 5 MUA for the private sector.

4. Besides information on the application of the Association Agreement proper, this report - like its predecessors - contains, for information, a series of statistics showing general economic trends in Turkey (see Annex A II).

II. INSTITUTIONS OF THE ASSOCIATION

5. The Association Council met only once in 1975 ⁽¹⁾; this meeting at ministerial level was held in Brussels on 16 September.

At the beginning of the meeting the Community expressed its shock at the news of the terrible natural disaster which had devastated a region of South-Eastern Turkey, and informed the Turkish delegation of the immediate measures it had taken to provide emergency aid to the stricken population.

Item 1 on the agenda for this Association Council meeting concerned the problem of the agricultural review. Turkey having stressed that this question was of prime importance to it, the Community confirmed that it was determined to honour the commitments it had entered into in Ankara on 30 June 1973, and announced that it would submit its proposals as soon as possible.

The Association Council then discussed certain social questions: firstly the implementation of Article 39 of the Additional Protocol regarding certain decisions to be taken on social security for Turkish workers; secondly the Turkish Government requested that the preparatory work for the implementation of Article 36 of the Additional Protocol - providing for the gradual achievement, between 1 December 1976 and 1 December 1986, of free movement of workers - should be commenced without delay.

Following the traditional exchange of views on the state of the Association, during which Turkey drew the Community's attention to the problems it was facing due to its worsening trade deficit with the Nine, the Association Council, on a proposal from the Turkish delegation, adopted a Decision instructing the Association Committee to prepare a special report on this question and to suggest solutions to these problems.

⁽¹⁾ The second annual meeting required under the rules of procedure of the Association Council - originally arranged for December 1975 - was postponed by mutual consent until March 1976.

Following Greece's application for membership of the European Communities in June 1975, the Association Council held a debate on the procedure to be followed in applying Article 56 of the Additional Protocol which requires that "in the event of a third State acceding to the Community, appropriate consultations shall take place in the Council of Association so as to ensure that account can be taken of the mutual interests of the Community and Turkey stated in the Agreement of Association". This debate ended with both delegations in agreement that Article 56 should be applied in full in this specific instance.

Finally, the Association Council returned to its discussion of what response to make to the request from the members of the Joint Parliamentary Committee to be able to put questions to the Association Council. Since it was not possible to reach agreement on the issue at the meeting in question, the Association Council agreed to return to the matter at a later meeting.

It should also be noted that, as has become the custom on these occasions, the heads of the delegations attending the Association Council took the opportunity to hold political consultations on the issues of the day.

6. The Association Committee held nine meetings in 1975 (as opposed to three in 1974). This Committee which meets at Counsellor level and whose main task is to prepare the discussions and decisions of the Association Council in the various fields covered by the Agreement, and generally to ensure the **continuity in co-operation** which is necessary for the Association to function properly - thus worked at a much higher pitch than in the previous year.

7. In connection with work on the problems caused by Turkey's worsening trade balance, the Association Council authorized the Association Committee to set up specialist working parties to help it in carrying out the instructions it received on 16 September 1975. Thus it was that, at its meeting on 21 October 1975, the Association Committee agreed to set up a Working Party of experts from Turkey and from the Community; this Working Party was made responsible for collecting all the factual information which the Association Committee would need in order to draft its report to the Association Council on the problems posed for Turkey by its worsening trade balance with the Community (¹).

8. As is customary, the Association Council was represented by its President at the two meetings of the EEC-Turkey Joint Parliamentary Committee in 1975. This was Mr John KELLY, Parliamentary Secretary to the Irish Minister for Foreign Affairs, at the Copenhagen meeting (21/2, April 1975); and at the Ankara meeting (18/19 September 1975) - which was notable for a major speech by Mr Süleyman DEMIREL, Prime Minister of Turkey - it was Mr Sükrü ELEKDAG, Secretary-General of the Turkish Ministry for Foreign Affairs.

(¹) This Working Party held its first meeting in Ankara at the beginning of February 1976, and this was followed by other meetings in Brussels; it submitted its report to the Association Committee on 6 April 1976.

III. AGRICULTURAL QUESTIONS

A. Agricultural review under Article 35 of the Additional Protocol

9. This important question dominated many of the discussions held in the context of the Association during 1975.

When the Association Council met in Ankara on 30 June 1973, for the first agricultural review provided for under Article 35 of the Additional Protocol, brought forward by one year in order to include also those Community concessions made in the context of the enlargement of the EEC, it agreed on the advantages to be conceded by the Community for a series of Turkish agricultural products; at the same time it agreed to re-examine later Turkish requests relating to other farm products for which - owing to the fact that they were covered by the negotiations entered into by the Community as part of its overall Mediterranean approach - the Nine had undertaken to submit specific proposals to Turkey taking account both of the solutions adopted in the context of the overall approach - once these had been adopted - and of Turkey's specific circumstances.

10. It will be recalled that it was not possible to conclude negotiations between the EEC and the various countries covered by the overall Mediterranean approach within the time-limits initially envisaged. It was not until 11 May 1975 that the first of the Agreements under this heading - that between the EEC and Israel - was signed. As the date for the entry into force of this Agreement drew near (1 July 1975), the question of the concessions to be

granted by the Community in accordance with the commitments entered into in Ankara in June 1973 was discussed in depth in the course of several Association Committee meetings. The Turkish delegation requested the Community to delay no longer in submitting its offers so that work on the "second stage of the first agricultural review" begun in Ankara in 1973 could be completed rapidly, and in any case before 1 July 1975.

In the Turkish view, the solution at this "second stage of the first review" should not consist simply of extending to Turkey treatment at least as favourable as that granted or planned under the Mediterranean Agreements, but should also include the grant of additional concessions to take account of Turkey's specific needs. Turkey reminded the Community of the patience and restraint Turkey had shown throughout the period since the decision taken by the Association Council in June 1973 in Ankara; during that period some of its most important agricultural exports had still not enjoyed the concessions originally expected on the Community market, and had even - on the markets of certain new Member States - suffered de facto discrimination as compared with exports from other Mediterranean countries. In order to avoid de jure, as well as de facto, discrimination against Turkey vis-à-vis Israel after 1 July 1975, the Turkish delegation emphatically requested the Community to submit its agricultural proposals without delay.

The Community delegation replied by confirming that it was resolved fully to observe the undertakings it had given in Ankara on 30 June 1973 and that it appreciated the special relationship between the EEC and Turkey which was an associated country whose ultimate aim was accession. However, it pointed out at the same time that the Community did not share the Turkish delegation's view that the first agricultural review should be regarded as "unfinished" as long as negotiations under the overall Mediterranean approach had not been concluded with all the countries involved, and as long as the Association Council had not determined the Community concessions to be granted to Turkey on the basis of the proposals announced by the Community in Ankara. In the Community's view, the period covered by the first agricultural review came to an end on 31 December 1974; this being so, work on this subject after 1 January 1975 formed part of the second agricultural review. As regards the Turkish view that Turkey should enjoy at least the extension to her of all the advantages that the Community would be granting in the negotiations under the overall Mediterranean approach, the Community delegation pointed out that it had never undertaken to grant Turkey concessions identical for every product to those it might make under the various Mediterranean agreements; it considered that each agreement concluded with another partner country was necessarily sui generis and had its own balance of advantages, and that the current treatment the Community afforded to imports of Turkish agricultural products under the Association Agreement was already very favourable to Turkey.

However, mindful of the need to adopt measures within the framework of the EEC-Turkey Association, in accordance with the statements made at the Association Council in Ankara in June 1973, the Community considered that it should be possible, by leaving aside the theoretical and legal discussions and adopting a pragmatic approach, to achieve genuine progress in agricultural matters; it therefore requested the Turkish delegation to specify the products in which it was mainly interested.

While maintaining its position, and with a reminder that it had already advanced its requests at various levels, the Turkish delegation noted with regret that the Community was not in a position to submit its proposals before 1 July 1975, when the EEC-Israel Agreement was due to enter into force.

11. At the ministerial meeting of the Association Council on 16 September 1975, the Turkish delegation repeated its request that the Community should submit its agricultural offer without further delay. It particularly stressed the need to end discrimination on the Community market against exports of certain Turkish farm products as compared with exports of the same products from Israel. The delegation also reaffirmed that it was in its view beyond question that Turkey - as an associated country destined for accession - should enjoy treatment more favourable than that granted to other Mediterranean countries which did not have the same special relationship with the Community. The new Community concessions should, by allowing Turkey to diversify its farm exports, enable this country somewhat to reduce its growing trade gap with the Nine.

While not disguising the fact that this problem raised difficulties within the Nine, the Community stated that the communication from the Commission of the European Communities to the Council regarding the agricultural review had been dispatched, and that the Council would examine this paper without delay. The Community also reaffirmed that it was resolved to fulfil the undertakings made in Ankara on 30 June 1973. The Association Council instructed the Association Committee to begin preparation of the decision to be taken by the Association Council pursuant to Article 35 of the Additional Protocol, once the relevant Community proposals had been received.

12. On the basis of the above communication from the Commission, forwarded to the Council on 15 September 1975, the latter on 3 December 1975 adopted the Community proposal regarding the agricultural review which in the view of the Nine would allow negotiations with Turkey to be begun on this important issue.

13. The Turkish delegation took note of these Community proposals at the Association Committee meeting on 5 December 1975, but considered that they bore no relation to those anticipated.

In the Turkish delegation's view, not only did the offer fail to provide for preferential treatment over third countries, to which Turkey should be entitled on account of its special associate status and intended accession; it did not even avoid discrimination against Turkey in favour of Israel, which was the first third country to have concluded an agreement with the Community under the overall Mediterranean approach and which since summer 1975 had thus received more favourable treatment than Turkey on the Community market for certain of its farm exports.

After repeating its position of principle on this question yet again, the Turkish delegation expressed the opinion that the Community offer did not even amount to a valid base for opening negotiations and requested the Community to reconsider it and to submit new offers as soon as possible, such as to eliminate any misunderstanding there might be over the significance which the Community attached to its links with Turkey and over its determination to observe the special status of its associate.

The Community delegation took note of Turkey's reaction and stressed the need for further talks ⁽¹⁾.

⁽¹⁾ It should be noted that at the ministerial Association Council meeting on 1 and 2 March 1976, the Community made the following statement on this point:

"The Community notes that the implementation of the provisions of the Ankara Agreement makes it possible to grant Turkey very favourable arrangements, leading ultimately to customs union.

The Community is aware of the consequent importance of enabling Turkey to develop and diversify its exports - particularly in agricultural exports - to the Community.

The Community is therefore ready to facilitate access to the Community market for agricultural products of particular export interest to Turkey, taking due account of the competition which they face on that market from other exporting countries."

Turkey subsequently submitted a list of those agricultural products which it would like to see included in the agricultural review, and specified those which it considered should be covered by a minimum Community offer.

This point is still under discussion.

B. Wines

14. The temporary arrangements for Turkish wine applied unilaterally by the Community since 1 January 1972, which provide for a partial suspension of CCT duties at 60% and for the removal of any quantitative restrictions, on condition that the Community reference price is respected, were again extended for one year, until 31 August 1976 ⁽¹⁾.

These arrangements are being applied by the Community until the Association Council is in a position to adopt the definitive preferential arrangements for imports into the Community of Turkish wines, pursuant to Article 11 of Annex 6 to the Additional Protocol.

⁽¹⁾ see Council Regulation (EEC) No 2916/75 dated 5 November 1975 which appears in Annex B to this report, page 90.

IV. GENERALIZED PREFERENCES

15. At the 19th Association Council meeting in Ankara on 30 June 1973, the Community gave assurances that it would take the measures necessary to grant Turkey - which was not included on the list of countries covered by Community generalized preferences - treatment no less favourable than that under the generalized scheme of preferences in the case of those few exports for which arrangements under the Association were in fact less favourable.
16. Thus as in previous years, in November 1975 the Council of the Community adopted a Regulation ⁽¹⁾ improving arrangements for imports into the Community of certain agricultural products and certain processed agricultural products from Turkey.

⁽¹⁾ See Council Regulation (EEC) No 3143/75 dated 24.11.1975 OJ No L 137 which appears in Annex B to this report (pages 91 et seq.).

V. PROBLEMS POSED BY THE WORSENING TRADE BALANCE DEFICIT BETWEEN TURKEY AND THE COMMUNITY

17. Noting that Turkey's trade gap with the nine Community Member States was reaching progressively more alarming proportions (446 million dollars in 1973; 991 million dollars in 1974; 916 million dollars in the first half of 1975 alone), the Turkish delegation took the opportunity first of all at the Association Committee meeting on 9 September, and then at the ministerial Association Council meeting on 16 September 1975, to explain to the Community its very great unease at this unbalanced growth. In its view this was a direct threat to the achievement of one of the most important aims of the Association Agreement, which was the continuous improvement of living conditions in Turkey and in the EEC through accelerated economic progress and the harmonious expansion of trade, and to reduce the disparity between the Turkish economy and the economies of the Member States of the Community (see the preamble to the Ankara Agreement). The delegation considered that the causes of this trend were not temporary and cyclical but rather structural and that the Association Council should exercise the option open to it since the beginning of the transitional phase, pursuant to Article 22(3) of the Ankara Agreement, of taking the appropriate decisions, should joint action by the contracting parties appear necessary during the implementation of the Association arrangements in order to achieve one of the aims of the Agreement, without the necessary powers to do so necessarily appearing in that Agreement.

At the Association Committee meeting mentioned above, the Turkish delegation suggested that the Association Council should set up a joint ad hoc Working Party which would be instructed to study in very great detail all the problems relating to this question. This study should concentrate particularly on the question of what obstacles currently stood in the way of the

harmonious development of trade between Turkey and the Community and what measures should be taken to restore some balance to the situation.

At the Association Council meeting on 16 September 1975, the Community delegation assured Turkey that it fully understood the problems with which it was faced. It pointed out, however, that a trade gap was apparent in many countries at present and not only in most countries which were trying to industrialize, such as Turkey, but even in countries which were generally regarded as having already reached an advanced stage of industrialization, such as Italy. The delegation also considered that when speaking of economic situations, attention should not be paid to the trade balance alone; other factors should be considered, such as invisible earnings, which in some cases could improve the balance of payments of countries severely in deficit on their trade balance. For instance, money sent home by Turkish workers - nearly all of whom were employed in the Community Member States - had amounted to more than 1,400,000,000 dollars in 1974.

The Community lastly stressed that the EEC-Turkey Association was not limited to the trade field, but covered a good many others as well.

18. The Association Council concluded its discussion on this point by adopting a decision ⁽¹⁾ on the basis of a text proposed by the Turkish delegation.

(¹) This is set out in Annex B I to this report, pages 83 and 84.

This decision instructed the Committee to draw up a report for the Association Council on the problems arising for Turkey as a result of the worsening trade balance between the Community and Turkey and to suggest possible ways of overcoming the difficulties within the framework of the Association. The Association Committee was also authorized to call on the assistance of one or more specialist Working Parties in order to carry out this task.

19. On 21 October 1975 the Association Committee met to decide on the setting up of a specialist Working Party to help it perform the task assigned it under Association Council Decision No 2/75, and to define its composition and terms of reference.

The Turkish delegation here said that it was vital for this specialist Working Party to approach its work from the broadest possible angle, since its conclusions would form the essential basis for the Association Committee's report to the Association Council. It was therefore of the view that the investigation to be carried out by the Working Party should not be restricted to trade but should extend to other fields covered by the Agreement, and even those outside the scope of the Agreement as such.

The Community delegation considered that this Working Party should meet immediately, and could adopt a wide-ranging approach, concentrating nevertheless essentially on research and investigation, pursuant to Article 2 of Association Council Decision No 2/75. The Association Committee would then have to consider the questions of substance and draft its report to the Association Council.

At the close of discussion, the Association Committee agreed to set up the Working Party on a formal basis, with the task of collecting the information the Association Committee would need in order to draft the report it had been instructed to prepare on the problems posed for Turkey by its worsening trade balance with the Community. It was agreed that the Working Party could travel to Turkey in order to collect the necessary information.

It was agreed that each delegation would be free to appoint its representatives to make up this Working Party. The Community stated that its delegation within this Working Party would consist of a representative of the Commission of the European Communities who would be assisted by the relevant specialists from the Commission, and of a representative from the Chair assisted by an official of the General Secretariat of the Council of the European Communities. At the meeting on 5 December 1975 it was agreed that the heads of the two delegations would confer at the beginning of January 1976 to fix the date for the Working Party's first meeting which, at the request of the Turkish delegation, would be held in Ankara ⁽¹⁾.

⁽¹⁾ It should be noted that this initial meeting in Ankara (12/13 February 1976) was followed by other meetings in Brussels and that the Working Party's report was submitted on 6 April 1976. It is now under consideration.

VI. QUESTIONS RELATING TO THE APPLICATION OF THE PROVISIONS OF THE ASSOCIATION AGREEMENT CONCERNING THE PROGRESSIVE ACHIEVEMENT OF CUSTOMS UNION

A. Difficulties encountered in the cotton yarn sector

20. At the end of 1974, a sharp increase in Turkish exports of cotton yarn (which rose from 400 tonnes in 1973 to about 3,500 tonnes in 1974) created some disturbances on the United Kingdom market, which led the British authorities to introduce control measures, described by them as largely consisting of statistical checks in order to monitor these exports as closely as possible.
21. The Association Committee devoted its meeting of 10 January and most of that of 24 February 1975 to consideration of this question. The Community delegation stressed the serious difficulties created on the Community market - and not only the United Kingdom but also those of other Member States, particularly Italy - by Turkish exports of cotton yarn and the critical circumstances which had beset the Community textile industry for some time and which were the cause of great concern because of their economic and social repercussions.

The Community delegation accordingly expressed the wish that a solution acceptable to both sides, and one which complied with the spirit of the Association, should be sought within the Association framework; it considered that such a solution could involve a voluntary undertaking by Turkey to stabilize to some extent Turkish exports of cotton yarn

to the EEC countries in the greatest difficulties, i.e. the United Kingdom and Italy, for one year at, say, the level of Turkish exports to these countries in 1974, adjusted for an element of growth (+ 6%). In the Community view, this solution held definite **advantages** for Turkey since it would maintain the **spectacular sales level** reached on the United Kingdom market in 1974.

The Turkish delegation, **which** had submitted a detailed memo setting out its position **on the question**, was not prepared to accept the Community suggestion. It pointed out that pursuant to Article 24 of the Additional Protocol, the Community had undertaken to eliminate all quantitative restrictions in respect of **Turkey** and to consolidate this liberalization; any solution **which** restricted Turkish exports of cotton yarn would **thus** be tantamount to a breach of this Article, something **which** could only be done by invoking the safeguard clause laid down in Article 60 of the Additional Protocol, which in the Turkish Government's view did not apply in this instance. **Furthermore**, this clause could only be applied "erga omnes" by a Community Member State. And, as followed **manifestly** from the memo from the British Embassy in Ankara to the Turkish Government, as well as from a "notice to importers" issued by the United Kingdom authorities, the measures **introduced** by the United Kingdom amounted to quantitative **restrictions** on imports and were not simply for statistical **checking**. The growth of Turkish exports of cotton yarn was **due solely** to the greater competitiveness of Turkish **products**, which had a price/quality ratio better than that of **other countries** which exported to the United Kingdom market. It could not be maintained

that the growth of imports from Turkey - which took the place of those from other countries - lay behind the current difficulties of the United Kingdom cotton-spinning industry. It considered that the British restrictions, aimed at Turkish imports alone and not those from other countries which supplied the United Kingdom, including other Member States, to be entirely without justification.

22. As the Community and Turkey could not agree on a solution within the Association Committee, the United Kingdom authorities retained their measures in force and the Turkish Government in turn introduced restrictions on certain British exports ⁽¹⁾.
23. The question of disturbances of the market of certain Member States caused by very low-priced Turkish exports of cotton yarn was taken up once again by the Association Committee at its meeting on 5 December 1975. The Community delegation declared that in its view these very low prices could be accounted for particularly by duty and tax refunded by the Turkish Government to exporters and it requested precise information on the relevant Turkish regulations.

The Turkish delegation said that it would forward the Community statement to the authorities in Ankara immediately ⁽²⁾.

⁽¹⁾ Both the British and the Turkish measures are at present still in force.

⁽²⁾ When the Community delegation returned to the question at the next meeting of the Association Committee (20 February 1976), the Turkish delegation had not yet been informed of its Government's reaction.

B. Application of Article 16 of the Additional Protocol
(fiscal duties)

24. No progress was made in 1975 on this question ⁽¹⁾ - which was briefly aired at the Association Committee meeting on 6 June 1975 - and the two parties upheld their respective positions on the point at issue, namely the question of the duty to be applied to cars.

C. Opening of quotas by Turkey

25. It should be noted that, as regards the application of Article 25 of the Additional Protocol regarding the quotas to be opened by Turkey for non-liberalized products ⁽²⁾, the Community delegation submitted a specific request at the Association Committee meeting on 5 December 1975 that a quota of at least 10,000 items for the first year be opened under the terms of Article 25(6) for felt hats falling within Turkish tariff heading No 65.05.

The competent Turkish authorities are still considering this Community request.

⁽¹⁾ see 10th annual report, paragraphs 14 and 15, pages 18 and 19.
⁽²⁾ see 10th annual report, paragraph 16, page 20.

VII. SOCIAL QUESTIONS

A. Implementation of Article 39 of the Additional Protocol
(social security)

26. The Turkish Government's counter-proposals to the Community proposals on the implementation of Article 39 of the Additional Protocol - an Article which requires the Association Council to adopt certain social security measures for Turkish workers - were tabled on 20 June 1975. They were immediately submitted for study by the competent Community bodies.
27. The question of the implementation of Article 39 of the Additional Protocol was of course also raised at the Association Council meeting on 16 September 1975, where the Ministers took stock of work undertaken up to that point. After discussion, the Association Council instructed the Association Committee to finalize the Decision which the Association Council would be required to take on the matter as soon as the Community delegation had stated its position on the Turkish counter-proposals.
28. This the Community did at the Association Committee meeting on 5 December 1975. It stated that a good many of the Turkish counter-proposals exceeded the terms of Article 39 of the Additional Protocol and could not therefore be accepted by the Nine. However, the Community's reaction to some of the other Turkish requests was more favourable.

At the Association Committee meeting on 5 December 1975, the Turkish delegation simply gave its initial reaction to the Community's reply, and - given the highly technical nature of the subject - reserved the right to make its final position known at a later stage. However, it noted there and then with regret that virtually all the amendments it had requested to the Community proposals had not been taken into consideration by the Nine. It also drew attention to a point by which it set great store, namely its request that a kind of "most favoured nation clause covering social security", in Turkey's favour as compared with the Community's other partners, should be inserted. This clause would cover the eventuality of more generous advantages being granted to workers from third countries through agreements or arrangements entered into by the Community, whereupon the same rights would automatically be extended to Turkish workers. The Turkish delegation thought it quite obvious that workers from an associated country which was a potential applicant for membership and which had concluded an agreement with the Community covering the progressive achievement of free movement of workers, ought to be given social security coverage at least as favourable as that given to workers from countries whose links with the Community were a good deal looser ⁽¹⁾.

(1) The Turkish delegation subsequently notified its position as regards the Community's reply communicated on 5 December 1975.

At the Association Council meeting on 1 and 2 March 1976, the Community delegation stated that Turkey was the first country with which the Community had implemented social security provisions, a fact of particular significance. It also recalled that the measures adopted pursuant to Article 39 of the Additional Protocol amounted to the most favourable arrangements to which the Community had agreed in the area in question. It was in this spirit that the Community intended to continue its relations with Turkey in this area in future.

B. Preparatory work on the implementation of Article 36 of the Additional Protocol (free movement)

29. Under Article 36 of the Additional Protocol, the period between the end of the twelfth and the twenty-second year after the entry into force of the Ankara Agreement (thus between 1 December 1976 and 30 November 1986) should see the gradual achievement of free movement of workers between the Member States and Turkey, pursuant to the principles of Article 12 of the Agreement, which is based on Articles 48 to 50 of the Treaty of Rome. The Association Council is responsible for deciding precisely how this should be done.
30. Owing to the prime importance which it attached to this question, the Turkish delegation availed itself of the ministerial Council meeting on 16 September 1975 to suggest to the Community that work on this matter be started immediately, so that the measures to be adopted by the Association Council could come into force as scheduled i.e. on 1 December 1976. Free movement of workers represented for the Turkish delegation a fundamental part of the Association; like free movement of goods, it constituted one of the two principle objectives of the whole Association system, which is intended to lead to economic integration pure and simple.

The Turkish delegation declared that Turkey - a labour exporting country - attached particular importance to the achievement of free movement of workers for another reason, i.e. that it represented one of the principal means provided by the architects of the Association to assist Turkey in its task of reducing the disparity between its economy and that of the Member States of the Community. Allowing

Turkish workers free access to the Community employment market would give Turkey a real opportunity, during the transitional phase of the Association, to mitigate its employment and balance of payments problems (1).

Owing to the major significance of this question for Turkey and of the complexity of the problems to be resolved, the Turkish delegation suggested that the Community begin the necessary work for preparing and setting in motion the machinery to govern the gradual achievement of free movement of workers, in accordance with the terms of the Association agreement.

The Community replied by assuring Turkey that it was fully aware of the significance for Turkey of the implementation of Article 36 of the Additional Protocol within the time specified therein (2).

(1) Money sent home by Turkish workers employed abroad amounted to 1,426,000,000 dollars in 1974 and to 1,300,000,000 dollars in 1975.

(2) Preparation of a Community proposal regarding measures to be adopted so as gradually to achieve free movement of workers, has been actively pursued within the Community bodies. On 3 May 1976 the Commission forwarded a communication to the Council on the subject and this is currently being examined within the relevant bodies of the Council of the Communities.

VIII. APPLICATION OF ARTICLE 53 OF THE ADDITIONAL PROTOCOL
(INFORMATION/CONSULTATION)

A. Lomé Convention and EEC-Israel Agreement

31. When the Association Committee met on 24 February 1975, the consultations required under Article 53 of the Additional Protocol took place over two agreements negotiated by the Community, i.e. the Lomé Convention between the EEC and the African, Caribbean and Pacific States (ACP) and the EEC-Israel Agreement. As is the custom, these formal talks followed a meeting in very restricted session at which detailed information on the terms of these agreements were supplied to the Turkish delegation by the Community representatives.

While the Lomé Convention gave no cause for discussion, the EEC-Israel Agreement was the subject of certain remarks by the Turkish delegation, due in particular to the fact that this was the first agreement between the Community and one of the countries covered by its overall Mediterranean approach. The Turkish delegation took this occasion to lay stress on the very special significance, in its view, of the agreements which the Community was to conclude with these various countries, owing to their connection with the forthcoming negotiations between the Community and Turkey on the agricultural review required under Article 35 of the Additional Protocol. The delegation also wished to point out that the concessions to be granted by the Community under these agreements would erode still further the preference enjoyed by Turkey on the markets of the Nine by virtue of its Association Agreement.

B. GATT multilateral negotiations (Tokyo round)

32. This question was discussed at the Association Committee meetings on 20 and 27 June 1975; on that occasion the Turkish delegation cited the statements it had made on the matter in 1973 when these negotiations were begun ⁽¹⁾, and repeated the need for holding the consultations provided for by Article 53 of the Additional Protocol; it restated its wish that the Community should ensure that during these negotiations Turkey's preferential margin on the Community market should be preserved for certain highly sensitive Turkish exports, and it accordingly submitted a list of about 20 mainly agricultural products or groups of products.

The Turkish delegation also asked for Community support for a request it had submitted in Geneva; this was that during these negotiations the fact that Turkey - whose customs tariffs were generally higher than those of the CCT - was significantly to reduce its customs duties applied to third countries by bringing its customs tariff progressively into line with that of the Community, should be regarded as a Turkish contribution to the liberalization of international trade, one of the main themes of the Geneva negotiations.

The Community noted these Turkish statements with interest and declared its readiness to begin the consultations required under Article 53 once the Geneva negotiations had entered a more detailed stage.

⁽¹⁾ see 9th annual report, pages 28 and 29.

IX. CONSULTATIONS TO BE UNDERTAKEN PURSUANT TO ARTICLE 56 OF THE
ADDITIONAL PROTOCOL IN CONNECTION WITH NEGOTIATIONS FOR ACCESSION
BETWEEN THE EUROPEAN COMMUNITIES AND GREECE

33. Article 56 of the Additional Protocol stipulates that, in the event of a third State acceding to the Community, appropriate consultations shall take place in the Council of Association so as to ensure that account can be taken of the mutual interests of the Community and Turkey stated in the Agreement of Association. On 12 June 1975, Greece submitted a request for accession to the European Communities and the EEC-Turkey Association Council held an initial discussion on the subject at its meeting on 16 September 1975, from which it emerged that the two parties were unanimous in thinking this issue was one of particular significance for Turkey.

The Turkish delegation stated that this was for it a delicate problem with very serious implications, which was bound to have major repercussions on the future of the Association and could even lead Turkey to take some fundamental decisions. Thus, for the consultations required under this Article to be effective, they should be continuous and should take an appropriate form adapted to the development of negotiations on enlargement between the Community and the country involved. In the Turkish delegation's view the two parties should first of all agree on the meaning of the concept of "mutual interests stated in the Agreement of Association" ⁽¹⁾.

The Community delegation assured the Turkish delegation that it was fully aware of its obligations under Article 56. At the end of the discussion, the Association Council noted that both parties entirely agreed that Article 56 of the Additional Protocol should be applied in full in this instance.

⁽¹⁾ At the ministerial meeting of the Association Council on 1 and 2 March 1976, the Turkish delegation stated in this connection that the effects which the Greek request for accession could have on Turkey's relations with the Community would even necessitate some restructuring of the content of the agreements on which the Association is based.

X. TRADE RESULTS (1)

(a) Trends in Turkey's foreign trade
(tables A II 1 and A II 2)

34. Turkey's foreign trade in 1975 was marked by a growing imbalance between the trends of exports and imports; exports - which had for several years been constantly growing - slackened off, while imports, although increasing at a slower rate than the previous year, were still up considerably.

Although the rate of increase in total Turkish imports (which rose from 3.8 thousand million \$ in 1974 to 4.7 thousand million \$ in 1975) was reduced from 80% in 1974 to 25% in 1975, total Turkish exports over the same period fell by about 9% (from 1.5 thousand million \$ in 1974 to 1.4 thousand million in 1975). This trend brought about a record trade deficit amounting to more than 3.3 thousand million \$ and the export-import cover rate fell considerably, being now at 29.6%. For comparison, it should be recalled that over the last ten years, this cover rate has always been much more favourable and in 1965 actually reached 81%.

35. This tendency was even more marked in Turkish trade with the Community. Exports to the Nine fell from 717 million dollars in 1974 to 615 million dollars in 1975 (a fall of 14.2%). Turkish imports from the Nine rose from 1.7 thousand million dollars in 1974 to 2.3 thousand million dollars in 1975, an increase of 36.8%.

(1) The information in this chapter is based on the statistics provided by the Turkish delegation and set out in Annex A to this report.

These trends culminated in a Turkish trade deficit with the Community of 1.7 thousand million dollars in 1975, and a fall in the export-import cover rate from 41.9% in 1974 to 26.3% in 1975, the lowest recorded since the establishment of the Association.

This development also led the Turkish Government to bring up the problem of the growing imbalance in trade between Turkey and the Nine at the ministerial meeting of the Association Council on 16 September 1975 ⁽¹⁾.

36. Examination of Table A II 2 shows that it is principally Turkish exports of industrial goods which have experienced a fall (from 600 million \$ to 503 million \$; down 16%), while Turkish exports of agricultural products have fallen from 852 to 793 million \$ (down 7%). Only exports by the extractive industries recorded an increase, from 80 to 106 million \$ (up 32%).

Among Turkish imports, those of investment goods showed a further sharp increase, from 1,289 million \$ to 1,961 million \$ in 1975 (up 52%), which indicates that Turkey has again intensified its industrialisation measures. Turkish imports of raw materials showed only a relatively small increase in 1975 after their sharp rise in 1974; they moved from 2,331 million \$ in 1974 to 2,574 million \$ in 1975 (up 10%).

Turkish imports of consumer goods amounted to 203 million \$ in 1975 as compared with 157 million \$ in 1974 (up 29%).

⁽¹⁾ see the special chapter on this issue, pages 21 to 24 above.

(b) Trends in Turkish exports of the four "traditional" agricultural products (Tables A I 1 and 2)

37. Between 1974 and 1975, exports of tobacco, raisins and hazelnuts to the world as well as to the Nine declined (in value), while exports of dried figs rose very slightly, and the EEC share of total Turkish exports for all these four products was down. These four products, however, still occupy an important place in Turkish foreign trade; they were exported in 1975 to a total value of 414 million \$ (out of 792.6 million \$ worth of total agricultural exports).

(c) Turkish exports of the products referred to in Annexes Nos 1 and 2 of the Additional Protocol (Tables A I 3 and A I 4)

38. Turning to the manufactured products referred to in Annex No 2 to the Additional Protocol, Turkish exports of cotton yarn (tariff heading 55.05) were greater than in the previous year: exports to the world moved from 26,384 tonnes to 35,688 tonnes (up 35%), while those to the Nine increased from 20,355 to 31,241 tonnes (up 53%).

It is apparent from Table A I 3 that this increase involved only Turkish exports to the six original Community Member States (which moved from 17,353 to 28,823 tonnes), while exports to the other three actually fell (from 3,002 to 2,419 tonnes).

It should nevertheless be noted in this connection that in spite of this appreciable tonnage increase, export earnings fell as compared with the previous year, owing to lower prices for these products ⁽¹⁾. The Community's share of total Turkish exports of cotton yarn again increased over the previous year, from 77 to 88%.

⁽¹⁾ See Chapter VI A above, paragraph 23, page 27.

Turkish exports of cotton fabrics (55.09) to the Community declined further. While in 1974 they still amounted to 2,195 tonnes, in 1975 they only reached 1,369 tonnes (41 tonnes of which went to the three new Member States).

39. Turkish exports of petroleum products falling within tariff heading 27.10 declined again, both to the world at large and to the Community. Export earnings from this sector amounted to 36 million \$ from world exports in 1975 (compared with 86 million \$ in 1974) and 21 million \$ from exports to the Nine (as compared with 29 million \$ in 1974).

(d) Trends in Turkish exports of other agricultural and industrial products of importance to Turkey's foreign trade
(Table A I 4)

40. In spite of a slight fall in tonnage, Turkish exports of citrus fruit rose slightly in value both to the world at large and to the Community, as compared with the year before (from 26.4 to 28.4 million \$ for the world, from 6.2 to 6.9 million \$ for the Nine). Trading results (by value) for fresh table grapes remained virtually unchanged (though decreasing slightly by weight). Turkish exports of olive oil to the world at large fell slightly by weight, but rose in value, while those to the Nine slumped both in tonnage (from 5,741 to 169 tonnes) and in value (from 8.5 million \$ to 343,000 \$).

Turkish exports to the world at large of tomato concentrates ⁽¹⁾ rose (from 12,260 to 16,960 tonnes), while to the Nine ⁽²⁾ they fell by almost half (from 6,515 to 4,594 tonnes). Turkish exports of wine to the world at large, still of minor significance, fell in tonnage and in value (from 1.1 million \$ to 905,000 \$) and to the Nine were of no practical significance (1974: 216,000 \$, 1975: 210,000 \$).

As for cotton - one of the most important elements of Turkish foreign trade - Turkish exports increased very sharply in tonnage from 1974 to 1975 (from 145,178 tonnes to 241,599 tonnes to the world at large and from 60,448 to 99,938 tonnes to the Community); but since cotton prices on the world market were down, its export earnings were lower than the previous year in spite of the increased tonnage (from 235 to 225 million \$ for the world at large and from 96 to 95 million \$ for the Community).

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- ⁽¹⁾ Turkish tomato concentrates do not receive any preference on importation into the Community; furthermore, due to the progressive alignment of their tariffs with the COT by the three new Member States with respect to Turkey, these imports are treated less favourably than those from certain Mediterranean countries to which these Member States are applying the tariff standstill.
- ⁽²⁾ It should be remembered that this sector is in the grip of a crisis in the Community itself, where unsold stocks amount to nearly one year's normal production.

XI. FINANCIAL QUESTIONS

I. Application of the Second Financial Protocol

41. This chapter reviews the action taken in 1975 within the framework of financial co-operation between the Community and Turkey pursuant to the Second Financial Protocol signed on 23 November 1970, which entered into force on 1 January 1973 ⁽¹⁾.

A. Loans granted in 1975

(1) Soft loans

42. In 1975, the European Investment Bank concluded three soft loan agreements with Turkey amounting to 35 MUA. They were granted to Turkey for a 30-year period (8 of which interest free) at 2½% per annum for projects showing indirect or long-term returns (30 MUA), and at 4½% for projects showing normal returns (5 MUA).

There follows a summary of operations carried out in 1975 ⁽²⁾.

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- ⁽¹⁾ It should be noted that at the end of the first half of 1976 the Supplementary Protocol (~~enlargement~~) signed on 30 June 1973 and increasing financial aid on special terms to Turkey from 195 to 242 MUA, had not yet been ratified by three Community Member States nor by Turkey.
- ⁽²⁾ These operations are listed in Table A I 5(a) annexed to this report, page 55.

(a) Projects showing indirect or long-term returns

43. Two loan agreements under this heading were concluded in 1975 between the European Investment Bank and the Turkish Government, amounting to a total of 30 MUA.

They were the second tranche (19 MUA) of the 77 MUA loan approved in 1974 to finance the thermo-electric complex in Elbistan, the first tranche of which (58 MUA) was granted in 1974 ⁽¹⁾.

The second loan (11 MUA) was intended to finance an irrigation project in the Berdan river valley (Southern Anatolia). This project is the second stage of an irrigation programme in Mersin province. The first stage, which is on the way to completion, involves the irrigation of about 12,600 hectares. The project financed by the Bank includes an 87 million cubic metre dam on the river Berdan, the irrigation of 14,000 hectares and a corresponding system of roads and drains, regulation of the flow of the river over 6,500 m, preparatory work on the agricultural land and a water pipeline with treatment stations going from the dam to the town of Mersin.

This project will bring about a substantial increase in farm production, incomes and employment, in a predominantly agricultural region. The rural population to benefit numbers about 135,000. The increase in production will largely involve citrus fruit for local consumption, which is rising fast. The water pipeline is designed to supply the town of Mersin up till the end of the century, when its population will number 370,000.

⁽¹⁾ See 10th annual report, pages 30 and 31.

(b) Normal return projects

44. A loan operation was agreed in 1975 involving a normal return project, in the form of a global loan of 5 MUA, to finance industrial ventures by small and medium-sized private enterprise in Turkey, via the Industrial Investment and Credit Bank (SYKB).

This global loan is the second EIB operation in favour of the Industrial Investment and Credit Bank. An initial global loan - also of 5 MUA - was granted in 1974 from the EIB's own resources, pursuant to Article 9 of the Second Financial Protocol ⁽¹⁾.

(2) Ordinary loans

45. As stated in the last annual report ⁽²⁾, the sum of 25 MUA provided for under Article 9 of the Second Financial Protocol, concerning ordinary loans to be granted in Turkey from the Bank's own resources to finance industrial projects in the private sector, were used up in two loan operations in 1974: a framework contract covering 20 MUA for the financing of projects through the Industrial Development Bank of Turkey (TSKB) and a global loan of 5 MUA for small and medium-sized projects to be financed through the Industrial Investment and Credit Bank.

At 31.12.1975, 18 MUA had been committed under the TSKB framework contract to eleven projects ⁽³⁾.

{¹} see 10th annual report, pages 35 and 36.
{²} see 10th annual report, page 35, paragraph 34.
{³} see Table A I 5 (page 57) attached to this report, which lists these eleven projects.

At the same date, 4.3 MUA had been committed to eight projects under the SYKB global loans (¹).

It is expected that the available balances (2 MUA under the TSKB contract and 0.7 MUA under the SYKB global loan) will be committed in 1976.

B. Revolving fund operations

46. No further revolving fund operation was carried out in 1975.

The global loan of LT 50 millions (equal of 3 MUA) concluded in 1974 for financing industrial projects allied to the agricultural sector (²), through the Agricultural Bank of Turkey, was drawn on for three allocations in 1975 amounting to a total of LT 36 millions (equivalent to 2.1 MUA) (³).

C. Disbursements

47. As at 31.12.1975, disbursements by the Bank under the heading of soft loans were as follows (in MUA):

	<u>Loans granted</u>	<u>Disbursements</u>	
		<u>1975</u>	<u>Total</u>
First Financial Protocol	175.0	1.8	174.2
Second Financial Protocol	<u>182.7</u> (⁴)	<u>7.8</u>	<u>54.5</u>
	357.7	9.6	228.7

- (¹) See Table A I 5 (d) (page 58) attached to this report, which lists these eight projects.
(²) See 10th annual report, page 33, paragraph 31.
(³) See the list in Table A I 5 (b) (page 56) attached to this report.
(⁴) Allowing for the cancellation of 0.2 MUA under the TSKB contract of 15 MUA, granted in 1973.

The 0.8 MUA still to be disbursed under the First Financial Protocol relates to the Bosphorus Bridge project and will be paid in 1976.

As regards the Second Financial Protocol, the discrepancy between loans granted and payments made is essentially due to the delay in implementing the Elbistan loans (77 MUA) and the Antalya loan (20 MUA). Large disbursements on these loans are to be made in 1976.

Turning to ordinary loans, the Bank disbursed 14.2 MUA under the TSKB framework contract (20 MUA) and 3.6 MUA under the SYKB loan agreement (5 MUA).

D. Prospects and conclusions

48. The second EEC-Turkey Financial Protocol, signed on 23 November 1970, which entered into force on 1 January 1973, provided for the grant of soft loans to a total of 195 MUA and of ordinary loans up to 25 MUA, up until May 1976.

The latter amount has been committed in its entirety.

The amount of soft loans committed as at 31.12.1975 was 182.7 MUA. The balance still available for further operations is thus 12.3 MUA; projects on which this is to be spent are under scrutiny ⁽¹⁾.

However, owing to the uncertainty which still prevails over the entry into force of the Supplementary Protocol ⁽²⁾, it has not been possible to work out a programme for using the 47 MUA provided under this Protocol.

⁽¹⁾ See Table A I 5 (e) (page 59) attached to this report, which summarizes the EIB operations in Turkey under the Second Financial Protocol.

⁽²⁾ see footnote ⁽¹⁾ on page 41 above.

II. Preparation for the negotiation of the Third Financial Protocol

49. At the initiative of the Turkish delegation, which cited the terms of Article 10 of the Financial Protocol signed in 1970, the Association Committee noted at its meeting on 6 June 1975 that the time had come for the contracting parties to consider what provision could be made for extending financial co-operation over a further period; it was agreed that work should be started on this issue as soon as possible.
50. At the Association Council meeting on 16 September 1975, Turkey stated that it attached considerable importance to an early start on negotiations for the Third Financial Protocol.
51. At the meeting of the Association Committee on 5 December 1975, the Community Delegation indicated to the Turkish delegation that the Commission of the European Communities had just submitted a communication to the Council regarding the third EEC-Turkey Financial Protocol. The communication was immediately given attention by the competent Community bodies.

XII. OTHER QUESTIONS

52. As in previous reports, the purpose of this last chapter is to present information, for the attention of the Parliamentary Committee, on certain activities which, although not directly based on explicit provisions of the Association Agreement, are nonetheless connected with the relations between Turkey and the Community.

(a) Information

53. After a running-in period, the Press and Information Office of the Commission of the European Communities in Ankara - opened at the end of 1974 - now has a whole range of sources of information at its disposal. It has a large and rapidly growing library, containing books on Europe, the European Community and its activities. In addition to the monthly Bulletin in Turkish entitled "Avrupa Topulugu", the office has also published information brochures in Turkish on the various aspects of the Community, and in particular on its Institutions and on relations with Turkey.

The office has also organized a number of seminars and symposia in Turkey to enable the various national circles concerned to become better acquainted with the Community and the Association. It has arranged a number of study visits - which have involved individuals from Turkish political, economic and academic life - to the Community Institutions. At the Commission's invitation several Turkish Members of Parliament visited Brussels, as did ten Turkish trade Unionists. Fifteen Turkish mayors were the guests of the Commission in December 1975; a group of professors from the Universities of Ankara and Istanbul also came to Brussels. And a visit involving some practical experience in certain Community countries was organized for Turkish journalists.

54. Among the visits of Community personalities to Turkey during 1975, may be noted in particular that by the Vice-President of the Commission of the European Communities, Mr SCARASCIA MUGNOZZA, from 2 to 7 April 1975. During his visit, the Vice-President of the Commission was received by the Prime Minister of the Turkish Republic, Mr DEMIREL, and was also able to renew contacts with many people on the Turkish political scene, in particular Mr ECEVIT.

(b) Emergency aid by the Community after the earthquake in Turkey in September 1975

55. At the Association Council meeting on 16 September 1975, the Community spokesman expressed the Community's shock at the terrible earthquake which had devastated a region of South East Turkey. He told the Turkish delegation that the Council of the Community had agreed to emergency measures proposed by the Commission to give assistance to the stricken population. This involved food aid in the form of 100 tonnes of skimmed milk powder and 50 tonnes of butter; the Community also opened a 100,000 UA credit at the Central Bank of Turkey, for the purchase of medicines.

(c) Measures to combat foot and mouth disease

56. Following a request by the Ankara Government, referred to by the Turkish delegation at the Association Committee meeting on 6 June 1975, the Council of the Communities decided ⁽¹⁾ that the Community would contribute, up to a ceiling of 1 million US dollars, to financing a project, also backed by the FAO, to assist the Foot-and-Mouth Disease Institute in Ankara. The important work

⁽¹⁾ see OJ No L 326, pages 16 and 17.

undertaken by this Institute with a view to considerably expanding the production of vaccine should make Turkey self-sufficient for its struggle against and for the final elimination of foot-and-mouth disease in the country, which will at the same time give Community livestock greater protection.

Annex A (1)

STATISTICAL ANNEX

Chapter I

Data on the application of
the Association Agreement

(1) Data provided by the Turkish delegation.

Table A T 1

EXPORTS TO THE EEC
OF TURKEY'S FOUR MAIN AGRICULTURAL
EXPORT PRODUCTS (1)

- Figures for 1973/1975 -

(in tonnes)

PRODUCT	DESTINATION	1973	1974	1975	
<u>TOBACCO</u> (24.01)	BLEU	3,119	5,304	2,010	
	Germany	9,938	23,209	7,612	
	France	12,684	4,071	834	
	Italy	1,944	1,711	763	
	Netherlands	2,247	2,861	1,207	
	United Kingdom	26	196	247	
	Denmark	101	546	374	
	Ireland	2	-	-	
	<u>EEC TOTAL</u>		<u>30,061</u>	<u>37,898</u>	<u>13,047</u>
	<u>RAISINS</u> (ex 08.04)	BLEU	3,290	2,218	2,607
Germany		10,027	14,824	13,070	
France		5,256	3,362	3,241	
Italy		11,269	7,780	11,722	
Netherlands		10,804	10,879	10,918	
United Kingdom		21,956	16,853	18,362	
Denmark		220	49	200	
Ireland		3,286	2,729	3,790	
<u>EEC TOTAL</u>		<u>66,108</u>	<u>58,694</u>	<u>63,910</u>	
<u>DRIED FIGS</u> (ex 08.03)		BLEU	1,189	714	631
	Germany	4,615	3,610	3,387	
	France	8,698	6,204	7,131	
	Italy	3,352	1,872	2,034	
	Netherlands	288	326	366	
	United Kingdom	1,394	1,311	1,001	
	Denmark	849	645	728	
	Ireland	10	-	-	
	<u>EEC TOTAL</u>	<u>20,392</u>	<u>14,682</u>	<u>15,278</u>	
	<u>HAZEL NUTS</u> (ex 08.05)	BLEU	802	1,084	465
Germany		48,104	62,755	50,734	
France		4,865	6,355	4,648	
Italy		860	1,850	646	
Netherlands		3,656	5,074	3,372	
United Kingdom		2,816	3,733	1,004	
Denmark		20	43	58	
Ireland		25	-	-	
<u>EEC TOTAL</u>		<u>61,148</u>	<u>80,894</u>	<u>60,927</u>	

(1) These are the four products which have enjoyed advantages since the Association Agreement entered into force in 1964 (under Article 2 of the Provisional Protocol)

Source: Ministry of Trade, Ankara

Table A.1.2

EXPORTS TO THE EEC (1) AND THE REST OF THE WORLD
OF TURKEY'S FOUR MAIN AGRICULTURAL EXPORT PRODUCTS

- Figures for 1973-1975 -

<u>PRODUCT</u>	<u>YEAR</u>	<u>WORLD</u>		<u>EEC</u>		<u>EEC'S SH. OF IN</u> <u>TOTAL EXPORTS (1)</u> <u>(as %)</u>
		<u>in tonnes</u>	<u>in 1,000 \$</u>	<u>in tonnes</u>	<u>in 1,000 \$</u>	
<u>TOBACCO</u>	1973	108,490	132,959	30,061	20,951	15.6
	1974	112,371	204,475	37,898	66,217	36.0
	1975	65,638	183,213	13,051	34,506	18.8
<u>WALNUTS</u>	1973	89,803	58,026	66,108	43,768	74.9
	1974	67,266	55,026	58,694	49,058	89.0
	1975	76,393	46,876	63,914	38,709	83.9
<u>FILED PEAS</u>	1973	33,773	16,252	20,395	10,470	64.4
	1974	24,588	17,244	14,682	10,746	62.3
	1975	26,906	18,919	15,281	11,289	59.6
<u>RAPEL NUTS</u>	1973	94,445	121,685	61,148	80,380	66.1
	1974	120,184	182,049	80,894	124,579	69.3
	1975	97,824	165,174	60,930	101,297	61.3

(1) In terms of value.

Source: Ministry of Trade, Ankara

Table A.I.3

Turkish exports to the EEC of
the four industrial products
for which concessions are granted
within Community tariff quotas pursuant to
Annexes 1 and 2 to the Additional Protocol

- Figures for 1973/1975 -

(in tonnes)

PRODUCTS	1973			1974			1975 (1)		
	<u>The Six</u>	<u>The Three</u>	<u>The Nine</u>	<u>The Six</u>	<u>The Three</u>	<u>The Nine</u>	<u>The Six</u>	<u>The Three</u>	<u>The Nine</u>
Cotton yarn (55.05)	21,588	635	22,223	17,353	3,002	20,355	28,823	2,419	31,242
Woven fabrics of cotton (55.09)	3,640	141	3,781	2,192	3	2,195	1,328	41	1,369
Machine-loomed carpets (ex 58.01 A)	(n.k.)*	(n.k.)	(n.k.)	(n.k.)	(n.k.)	(n.k.)	(n.k.)	(n.k.)	(n.k.)
Petroleum products (ex 27.10 to 27.14)	247,936	-	247,936	(n.k.)	(n.k.)	257,453 (2)	(n.k.)	(n.k.)	178,017 (2)

Source: Ministry of Trade, Ankara

(1) The figures for 1975 are provisional.

(2) This figure relates only to heading No 27.10.

(*) not known.

Table A I 4

EXPORTS TO THE EEC AND THE WORLD
OF TURKEY'S OTHER MAIN AGRICULTURAL
AND INDUSTRIAL PRODUCTS

- Figures for 1973-1975 -

<u>Products</u>	<u>year</u>	<u>W O R L D</u>		<u>EEC (The Nine)</u>	
		<u>tonnes</u>	<u>1,000 \$</u>	<u>tonnes</u>	<u>1,000 \$</u>
Citrus fruits (08.02)	1973	113,369	25,547	31,370	7,902
	1974	110,453	26,416	25,252	6,154
	1975	105,239	28,441	22,587	6,882
Fresh table grapes (08.04.10)	1973	9,200	1,564	6,249	1,063
	1974	4,974	1,121	3,680	851
	1975	3,958	1,143	3,016	885
Olive oil (15.07.12)	1973	44,390	47,824	38,221	40,807
	1974	11,061	15,105	5,741	8,452
	1975	9,341	17,703	169	343
Tomato concentrates (20.02.11)	1973	17,508	8,333	10,486	4,861
	1974	12,260	10,323	6,515	5,681
	1975	16,690	11,310	4,594	2,731
Fruit and vegetable juices (20.07)	1973	564	764	107	79
	1974	409	64	61	20
	1975	344	515	213	104
Wines (22.05)	1973	3,952	529	676	157
	1974	6,940	1,092	677	216
	1975	5,045	905	485	210
Petroleum products (27.10)	1973	870,518	48,881	403,439	17,241
	1974	721,027	85,881	257,453	28,869
	1975	320,632	35,972	178,017	20,682
Cotton (55.01)	1973	322,019	300,901	130,781	122,337
	1974	145,178	235,303	60,448	95,965
	1975	241,699	225,223	99,938	94,752
Cotton yarn (55.05)	1973	27,757	49,154	22,222	37,610
	1974	26,384	67,799	20,355	52,029
	1975	35,688	59,383	31,241	51,898

Source: Ministry of Trade, Ankara

SOFT LOANS TO TURKEY
 UNDER THE SECOND FINANCIAL PROTOCOL IN 1975

<u>Project and promoter</u>	<u>Date</u>	<u>Cost of project</u>	(MUA) <u>EIB loan</u>
1. Mining of a lignite deposit and construction of a thermal power station at Elbistan, north-east of Adana (2nd loan) Promoters: Turkish Coal Enterprises (TKI) and Turkish Electricity Authority (TEK)	29.1.75	1,215	19 (1)
2. Irrigation in the Berdan valley in Southern Anatolia Promoters: Department of State Hydraulic Works (DSI) Department of Land Reclamation and Development (TOPRAKSU) and Extension Service of the Ministry of Agriculture	30.12.75	66	11
3. SYKB II Global Loan to finance small and medium-scale industrial ventures in the private sector	30.12.75	-	5 35

(1) 1st loan of 58 MUA granted 30.12.1974

Revolving Fund Operation

Global Loan for TL 50m to TC Ziraat Bankasi (Agricultural Bank)
for financing local currency expenditure on
agro-industrial projects

Allocations made in 1975

<u>Project and promoter</u>	<u>Cost of</u>	<u>Amount allocated*</u>	
	<u>project</u> <u>(MUA)</u>	<u>TL m</u>	<u>(MUA)</u>
1. Construction of a factory to produce fruit juice, at Avanos in Central Anatolia Promoter: Asya Meyva Suyu ve Gida Maddeleri AŞ	3.0	6.0	(0.3)
2. Construction of a factory to produce concentrated tomato purée and peeled tomatoes, at Gonen in Western Anatolia Promoter: Gonen Gida Sanayi AŞ	2.8	15.0	(0.9)
3. Construction of a factory to produce combine harvesters, at Ankara Promoter: Tamsaş Tarım Araç ve Makine Sanayi AŞ	2.3	15.0 36.0	(0.9) (2.1)

* Note that revolving fund operations are transacted in Turkish lira; the equivalent in units of account is given purely as a guide.

1974 TSKB frame contract for 20 MUA
(Ordinary operation)
List of sub-loans
(1974-1975)

(MUA)

Title and description of project	Location	Cost	EIB sub-loan
1. <u>Anadolu Sabun</u> : construction of integrated olive oil and soap factory	Muğla, South-West Anatolia	2.10	1.06
2. <u>Van Yapak</u> : construction of factory producing woollen carpet yarn	Van, Eastern Anatolia	2.30	1.10
3. <u>Yibitas</u> : construction of a cement works	Yozgat, Central Anatolia	20.00	6.35
4. <u>Kartonsan II</u> : extension of coated paperboard factory	Izmit, south-east of Istanbul	7.60	1.50
5. <u>Izmir Pamuk</u> : extension and modernization of cotton spinning and weaving mill	Izmir	4.06	1.10
6. <u>Upağ</u> : construction of tiling factory	Uşak, Central Anatolia	4.06	1.15
7. <u>Filiz</u> : construction of pasta products factory	Bolu, north-west of Ankara	4.50	1.50
8. <u>Tamsan Tomruk</u> : extension of woodwork factory by installing furniture manufacturing unit	Hendek, North-West Anatolia	2.70	0.69
9. <u>Kıdaş</u> : construction of factory producing woollen carpet yarn	Mardin, South-East Anatolia	2.80	1.17
10. <u>Betonsan</u> : construction of factory producing panelling and flooring for prefabricated houses	Manisa, Western Anatolia	3.60	1.50
11. <u>Doğu</u> : construction of footwear factory	Erzurum, Eastern Anatolia	2.76	0.87
		<u>56.48</u>	<u>17.99</u>

Source: Ministry of Finance, Ankara

Table A I 5(d)

SYKB Global loan of 5 MUA
(Ordinary operation)
List of sub-loans
(1974-1975)

(MUA)

Title and description of project	Location	Cost	EIB sub-loan
1. <u>Pemko</u> : construction of factory producing compressors for refrigerators	<u>Çerkezköy, west of Istanbul</u>	4.9	0.7941
2. <u>Eltor</u> : extension and modernization of sanitary ware factory	<u>Edirne, Thrace</u>	0.7	0.4332
3. <u>Doysan</u> : construction of sunflower oil factory	<u>İzileburgaz, Thrace</u>	4.9	0.5081
4. <u>Canakkale Seramik</u> : extension of plant producing porcelain insulators	<u>Çanakkale (Dardanelles)</u>	2.2	0.5577
5. <u>Alpres</u> : diversification of product range at aluminium radiator factory	<u>Ankara</u>	1.070	0.6272
6. <u>Esas</u> : extension of transformer factory	<u>Kartal, near Istanbul</u>	3.280	0.6184
7. <u>Ara</u> : construction of radiator factory	<u>Uşak, Central Anatolia</u>	2.900	0.4034
8. <u>Yıldırım Tarım</u> : extension of factory producing agricultural equipment	<u>Ankara</u>	1.240	0.3490

BANK OPERATIONS IN TURKEY
UNDER THE SECOND FINANCIAL PROTOCOL

Summary

(A) <u>Soft loans</u>	(MUA)
granted in 1973	76.2 ⁽¹⁾
" " 1974	71.5
" " 1975	<u>35.0</u>
Total	<u>182.7</u>

 of which: - 46.2 MUA (25%) for projects
 showing a normal return

 - 136.5 MUA (75%) for projects
 showing an indirect or long-
 term return

(B) <u>Ordinary loans</u>	<u>25.0</u>
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⁽¹⁾ Allows for the 0.2 MUA cancelled under the 15 MUA TSKB
frame financing contract.

Chapter II

Data on

economic trends

in Turkey

Table A II.1

TURKEY'S FOREIGN TRADE

(1973/1975)

- Development in terms of value -

(in mill. \$)

PERIODS	EXPORTS						I. PORTS				I. PORTS/EXPORT COVER AS %		
	EEC	Rest of the world	World	EEC's share	EEC	Rest of the world	World	EEC's share	EEC	Rest of the world	World	I. PORTS/EXPORT COVER AS %	
												EEC	Rest of the world
1973	<u>The Six</u>	493.5	824.5		37.4%	923.7	1,175.2		44.0%	53.4%	70.2%		
	<u>The Nine</u>	611.5	706.5	1,318.0	46.4%	1,155.1	943.8	2,098.9	55.0%	52.9%	74.8%		62.9%
	<u>The Six</u>	619.9	912.2		40.5%	1,419.4	2,358.1		37.6%	43.6%	38.6%		
1974	<u>The Nine</u>	717.2	814.9	1,532.1	46.8%	1,708.1	2,069.4	3,777.5	45.2%	41.9%	39.3%		40.6%
	<u>The Six</u>	530.0	871.0		37.8%	1,962.4	2,776.1		41.4%	27.0%	31.4%		
	<u>The Nine</u>	615.1	785.9	1,401.0	43.9%	2,338.2	2,400.3	4,738.5	49.3%	26.3%	32.7%		29.6%
Change from 1974 to 1975	<u>The Six</u>	-14.5%	- 4.5%			+38.3%	+17.7%						
	<u>The Nine</u>	-14.2%	- 3.6%	-9%		+36.8%	+16 %	+25.4%					

Source: Ministry of Trade, Ankara

Table A II.2

STRUCTURE OF EXPORTS AND IMPORTS

(in mill. \$)

YEARS	AGRICULTURAL PRODUCTS (1)	MINING PRODUCTS	INDUSTRIAL PRODUCTS	TOTAL
1963	292.3 (x)	10.8 (x)	64.9 (x)	368.0
1964	319.9 (x)	14.9 (x)	75.9 (x)	410.8
1965	361.8 (x)	21.0 (x)	80.9 (x)	463.7
1966	389.8 (x)	23.3 (x)	77.4 (x)	490.5
1967	426.7 (x)	20.7 (x)	74.9 (x)	522.3 (x)
1968	405.0 (x)	26.0 (x)	65.3 (x)	496.3
1969	405.0 (x)	34.8 (x)	97.0 (x)	536.8
1970	442.6	42.7 (x)	103.2 (x)	588.5
1971	491.3	40.1 (x)	145.2 (x)	676.6
1972	607.4	35.0	242.5	884.9
1973	832.0	41.7	443.4	1,317.1
1974	851.9	79.8	600.4	1,532.1
1975	792.6	105.6	502.9	1,401.1
YEARS	CAPITAL GOODS	RAW MATERIALS	CONSUMER PRODUCTS	TOTAL
1963	314.9 (x)	335.9 (x)	36.9 (x)	687.6
1964	245.5 (x)	265.7 (x)	26.2 (x)	537.4
1965	241.2 (x)	305.9 (x)	24.8 (x)	572.0
1966	341.2 (x)	341.2 (x)	35.8 (x)	718.3 (x)
1967	323.5 (x)	327.6 (x)	33.5 (x)	684.6
1968	366.6	360.7 (x)	36.3	763.6
1969	350.9	395.6	54.7	801.2
1970	446.0	454.3	47.3	947.6
1971	511.2	600.7	47.3	1,170.8
1972	782.7	707.1	72.8	1,562.6
1973	1,002.8	993.0 (x)	58.9	1,994.7
1974	1,289.0	2,331.4	90.4	3,710.8
1975	1,961.1	2,574.3	203.2	4,738.6

(1) Agricultural products also include industrial plants, such as cotton.
(x) Figures corrected on the basis of the most recent data available.

Source: Ministry of Trade, Ankara.

Table A II 3

IMPORTS OF SPECIFIC PRODUCTS (1)

	1974	1975	Différence	% Change
TOTAL	3,783,916	4,738,559	+ 954,643	+ 25.2
I. AGRICULTURAL GROUP	307,705	202,470	- 105,235	- 34.2
II. MINING AND QUARRYING GROUP	748,960	795,245	+ 46,285	+ 6.2
III. INDUSTRY GROUP	2,727,251	3,740,844	+ 1,013,593	+ 37.2
11. Vegetable products	277,951	154,847	- 123,104	- 44.3
12. Animal products	25,950	39,793	+ 13,843	+ 53.3
13. Fishery products	-	-	-	-
14. Forestry products	3,804	7,830	+ 4,026	+ 109.8
21. Non-metallic quarrying	34,016	67,452	+ 33,436	+ 98.3
22. Mineral ores	9,005	7,647	- 1,358	- 15.1
23. Fuels	705,765	719,771	+ 14,006	+ 2.0
24. Other mining products	174	375	+ 201	+ 115.5
31. Processed agricultural products	154,329	229,709	+ 75,380	+ 48.8
32. Processed petroleum products	57,682	88,145	+ 30,463	+ 52.8
33. Industrial products	2,515,240	3,422,990	+ 907,750	+ 36.1

(in mill. \$)

(1) Prepared on the basis of the latest available data and systematization

Table A II 3
page 2

	1974	1975	Difference	% Change
11. Agricultural Group - Vegetable products				
11.01 Cereals	277,951	154,847	- 123,104	- 44.3
02 Leguminous vegetables	254,727	141,174	- 113,553	- 44.6
03 Oil seeds	43	1,475	+ 1,432	+330.2
04 Industrial plants	7	1,064	+ 1,057	+ 15,100.0
05 Fruits	22,828	10,444	- 12,384	- 54.2
06 Vegetables	149	382	+ 233	+ 156.4
07 Seeds	51	80	+ 29	+ 56.9
08 Other vegetable products	105	143	+ 38	+ 36.2
	41	85	+ 44	+ 107.3
12. AGRICULTURE GROUP - ANIMAL PRODUCTS				
12.01 Live animals	25,950	39,793	+ 13,843	+ 53.3
02 Wool and other animal hair	1,357	5,367	+ 4,010	+ 295.5
03 Raw hides and fur skins	17,306	25,205	+ 7,899	+ 45.6
04 Other animal products	6,274	7,987	+ 1,713	+ 27.3
	1,013	1,234	+ 221	+ 21.8
13. AGRICULTURAL GROUP - FISHERY PRODUCTS				
13.01 Edible fishery products	-	-	-	-
02 Other fishery products	-	-	-	-
14. AGRICULTURAL GROUP - FORESTRY PRODUCTS				
14.01 Wood stripped of its bark or merely toughed down	3,804	7,830	+ 4,026	+ 105.8
02 Other forestry products	2,452	6,905	+ 4,453	+ 181.6
	1,352	925	- 427	- 31.6

Table A II 3
page 3

	1974	1975	Difference	% Change
31. INDUSTRY GROUP - PROCESSED AGRICULTURAL PRODUCTS				
31.01 Food industry products	154,329	229,709	+ 75,380	+ 48,8
02 Food industry side-products	91,951	191,003	+ 99,052	+ 107,7
03 Processed tobacco products	337	314	- 23	- 6,8
04 Processed forestry products	-	-	-	-
05 Processed textile fibres	31,509	13,240	- 8,269	- 38,4
	40,532	25,152	- 15,380	- 37,9
32. INDUSTRY GROUP - PROCESSED PETROLEUM PRODUCTS				
	57,682	88,145	+ 30,463	+ 52,8
33. INDUSTRY GROUP - INDUSTRIAL PRODUCTS				
33.01 Cement	2,515,240	3,422,990	+ 907,750	+ 36,1
02 Products of the chemical industry	105	270	+ 165	+ 157,1
03 Products of rubber and plastic industries	440,517	580,643	+ 140,126	+ 31,8
04 Products of raw hides, skins and leather	135,583	152,876	+ 17,293	+ 12,8
05 Manufactured forestry products	1,266	618	- 648	- 51,2
06 Textile products	1,10	1,944	+ 835	+ 75,3
07 Glass and ceramics	45,817	66,582	+ 20,765	+ 45,3
08 Products of iron and steel industry	21,152	26,098	+ 4,946	+ 23,4
09 Products of non ferrous metals industry	531,995	679,762	+ 147,767	+ 27,8
10 Metallic articles	131,391	101,902	- 29,489	- 22,4
11 Machinery	13,684	15,210	+ 1,526	+ 11,2
12 Electrical and non-electrical equipment	645,506	998,726	+ 393,220	+ 54,7
13 Parts and accessories of motor vehicles	183,955	278,304	+ 94,349	+ 51,3
14 Other industrial products	277,659	400,439	+ 122,780	+ 44,2
	85,501	119,616	+ 34,115	+ 39,9

Table A II 4

EXPORTS BY PRODUCTS

- Breakdown by sectors -

PRODUCTS	1973			1974			1975		
	Value (in 1,000 \$)	% of total exports	% growth as compared with previous year	Value (in 1,000 \$)	% of total exports	% growth as compared with previous year	Value (in 1,000 \$)	% of total exports	% growth as compared with previous year
TOTAL	1,317,082	100.00	+ 48.9	1,532,181	100.00	+ 16.3	1,401,074	100.00	+ 8.6
AGRICULTURAL AND STOCK-BREEDING PRODUCTS:	831,968	63.16	+ 37.1	851,958	55.60	+ 2.4	792,630	55.77	+ 7.0
AGRICULTURAL PRODUCTS	41,714	3.17	+ 18.9	79,831	5.21	+ 91.4	105,355	7.54	+ 32.2
INDUSTRIES	443,400	33.67	+ 82.9	600,392	39.19	+ 35.4	502,879	35.89	+ 16.2
INDUSTRIAL PRODUCTS	64,174	4.87	+ 77.5	25,625	1.67	- 60.1	28,182	2.01	+ 10.0
AGRICULTURAL AND STOCK-BREEDING PRODUCTS:	258,917	19.66	+ 31.2	293,222	19.14	+ 13.2	275,431	19.66	+ 6.1
Cereals and leguminous plants	456,830	34.68	+ 35.3	461,868	30.14	+ 1.1	435,095	31.05	+ 5.8
Fruit and vegetables	40,918	3.11	+ 51.2	56,490	3.69	+ 38.1	41,081	2.93	+ 27.3
Stockbreeding and products of animal origin	11,129	0.84	+ 21.0	14,793	0.96	+ 32.6	12,881	0.92	+ 12.7
Fisheries products	149,111	11.32	+ 70.7	130,418	8.51	- 12.5	116,658	8.33	+ 10.6
INDUSTRIAL PRODUCTS:	105,640	8.02	+ 92.6	147,846	9.65	+ 40.0	132,477	9.45	+ 10.4
Food and beverages	8,045	0.61	+ 65.3	21,181	1.38	+ 163.3	9,055	0.65	+ 57.2
Textiles	45,259	3.44	+ 110.1	73,901	4.82	+ 63.3	64,885	4.63	+ 12.2
Forestry products	19,640	1.49	+ 76.1	36,232	2.37	+ 84.8	37,718	2.69	+ 3.9
Skins and hides	48,898	3.71	+ 119.2	89,891	5.81	+ 79.7	36,032	2.57	+ 58.0
Chemical products	14,751	1.12	+ 2.7	7,991	0.52	- 45.8	24,215	1.73	+ 103.0
Petroleum products	6,625	0.50	+ 79.6	12,537	0.82	+ 89.2	17,874	1.28	+ 42.0
Cement	22,284	1.69	+ 98.5	38,100	2.49	+ 71.0	12,682	0.90	+ 66.7
Glass and ceramics	8,637	0.66	+ 111.5	16,109	1.05	+ 86.5	805	0.06	+ 13.6
Non ferrous metals	1,524	0.12	+ 73.0	1,103	0.07	- 34.2	13,022	0.99	+ 99.9
Articles of metal and machinery	12,986	0.99	+ 143.5	29,123	1.90	+ 124.3	36,551	2.61	+ 19.5
Electrical machinery									
Other industrial products									

Source: Ministry of Trade, Ankara

Table A II 5 (a)

FOREIGN TRADE BY AREAS (1)

EXPORTS -

(in mill. \$)

DESTINATION	1961	1967	1972	1973	1974	% (2)	1975	% (2)
OECD countries								
E.C. (The Six)	128,517	176,679	347,017	493,464	619,924	+ 42.20	530,095	- 14.49
E.C. (The Three)	36,067	44,233	57,725	118,065	97,346	+ 104.53	85,048	- 12.63
E.C. (The Nine)	164,584	220,913	404,741	611,529	717,269	+ 51.09	615,142	- 14.24
USA	65,205	92,932	103,506	130,810	144,196	+ 26.38	147,119	+ 2.03
Japan	2,110	26,549	15,091	16,575	18,108	+ 9.83	28,665	+ 58.30
Other OECD countries	34,282	56,698	126,810	190,039	201,647	+ 49.86	194,134	- 3.73
Total for OECD countries	266,181	397,093	650,148	948,952	1,081,221	+ 45.96	985,061	- 8.89
Countries with bilateral clearing agreements								
U.S.S.R.	4,473	28,412	41,602	50,390	77,462	+ 21.12	73,641	- 4.93
Other countries with bilateral clearing agreements	2,270	1,421	2,371	2,460	6,239	+ 3.75	6,440	+ 2.24
Total for countries with bilateral clearing agreements	6,743	29,833	43,973	52,850	83,761	+ 20.19	80,081	- 4.39
Free exchange agreement countries								
Eastern Europe countries with free-exchange agreements	25,477	58,878	45,514	51,103	67,874	+ 12.28	48,697	+ 28.25
R.C.D. countries (2)	5,093	1,365	13,828	17,478	17,341	+ 26.40	38,167	+120.10
Other countries with free-exchange agreements	7,062	6,651	59,714	79,506	100,473	+ 33.14	101,244	+ 0.77
Total for countries with free-exchange agreements	37,632	66,894	119,056	148,088	185,689	+ 24.39	188,108	+ 1.30
Other countries	36,184	28,515	71,791	167,193	181,510	+ 132.89	147,825	- 18.56
Total for other countries and countries ... with free-exchange agreements	73,816	95,408	190,848	315,281	367,200	+ 65.20	335,933	- 8.51
TOTAL EXPORTS	346,740	522,334	884,969	1,317,083	1,532,182	+ 48.83	1,401,075	- 8.56

(1) Prepared on the basis of latest available data and
 (2) Percentage change as compared with previous year.
 Source: Ministry of Trade, Ankara.

Table A II 5(b)

Development of Turkish exports to the Member States of the EEC

DESTINATION	(in mill. \$)				
	1973	1974	1975	Development 1974/1975	Share of total Turkish exports to the EEC
<u>THE SIX</u>	<u>493.464</u>	<u>619.924</u>	<u>530.095</u>	- <u>14%</u>	<u>86%</u>
GERMANY	221.261	342.988	304.934	- 11%	50%
FRANCE	72.717	66.601	61.935	- 7%	10%
ITALY	115.448	90.332	82.120	- 9%	13%
NETHERLANDS	41.045	52.438	50.830	- 3%	8%
BLEU	42.994	67.564	50.276	- 55%	5%
<u>NEW MEMBER STATES</u>	<u>118.065</u>	<u>97.346</u>	<u>85.048</u>	- <u>13%</u>	<u>14%</u>
UNITED KINGDOM	110.551	81.603	70.078	- 14%	11.5%
DENMARK	15.076	12.759	12.083	- 5%	2%
IRELAND	2.439	2.984	2.887	- 3%	0.5%
<u>THE NINE</u>	<u>611.529</u>	<u>717.269</u>	<u>615.142</u>	- <u>14%</u>	<u>100%</u>

Source: Ministry of Trade, Ankara

Table A II 5 (c)

- EXPORTS - (1)

(in mill. \$)

DESTINATION CONTINENTS	1961	1967	1972	1973	% (2)	1974	% (2)	1975	% (2)
Europe	231,726	365,101	630,239	923,917	+ 46.60	1,087,745	+ 17.93	933,900	- 14.14
Asia	41,391	60,283	132,613	235,064	+ 77.26	252,796	+ 7.54	269,919	+ 6.77
America	66,758	94,349	106,237	137,382	+ 29.32	164,731	+ 20.66	151,493	+ 8.04
Africa	6,670	2,068	14,920	18,819	+ 26.13	23,972	+ 27.38	43,500	+ 81.46
Oceania	195	533	959	1,901	+ 98.23	2,938	+ 54.55	2,262	- 23.01
SPECIAL GROUPINGS									
Arab countries	33,702	26,370	83,787	161,909	+ 93.24	207,766	+ 28.32	197,533	- 4.93
Developed countries other than the EEC	108,070	183,614	240,738	314,242	+ 30.53	348,159	+ 10.79	355,909	+ 2.23
Socialist countries	32,268	89,378	118,495	153,748	+ 29.75	189,236	+ 23.08	131,488	- 30.52
Eastern Europe countries	29,950	87,290	87,115	101,493	+ 16.50	147,337	+ 43.20	122,338	- 15.82
EMA	196,596	275,446	527,551	794,231	+ 50.55	908,832	+ 14.43	802,720	- 11.68
EFTA	61,433	87,737	163,532	269,379	+ 65.09	246,635	- 8.65	250,791	+ 1.69
MONEY AREAS									
Dollar area	65,851	94,152	105,651	134,936	+ 27.72	155,826	+ 15.48	150,775	- 3.24
Sterling area	34,568	38,997	63,849	135,988	+112.98	118,872	- 12.59	127,588	+ 7.33
French franc area	26,241	29,026	55,650	77,961	+ 40.09	72,457	- 7.06	66,261	- 8.55

(1) Prepared on the basis of latest available data and systematization

(2) Percentage change as compared with previous year.

Source : Ministry of Trade, Ankara.

Table A 11 5 (d)

FOREIGN TRADE BY AREAS (1)

- IMPORTS -

(in mill. \$)

DESTINATION	1961	1967	1972	1973	1974	% (2)	1975	% (2)
OECD Countries								
EEC (The Six)	165,025	237,915	652,519	910,943	1,419,432	+ 39.60	1,962,417	+ 55.82
EEC (The Three)	68,382	91,595	177,043	231,396	288,742	+ 30.70	375,799	+ 24.78
EEC (The Nine)	233,407	329,510	829,562	1,142,339	1,708,174	+ 37.70	2,338,215	+ 49.53
USA	139,473	122,732	191,823	185,442	350,359	- 3.33	425,749	+ 88.93
Japan	13,108	16,927	35,846	59,095	199,199	+ 64.86	211,353	+ 237.08
Other OECD countries	40,899	59,618	174,393	238,094	425,792	+ 36.53	526,083	+ 78.83
Total for OECD countries	426,887	528,787	1,228,624	1,624,869	2,683,523	+ 32.25	3,501,401	+ 65.15
Countries With Bilateral clearing agreements								
U.S.S.R.	8,358	27,495	120,105	126,058	95,028	+ 4.96	73,655	- 24.62
Other countries with bilateral clearing agreements	794	932	6,128	671	8,908	- 89.05	1,084	(+)
Total for countries with bilateral clearing agreements	9,152	28,427	126,234	126,729	103,936	+ 0.39	74,739	- 17.99
Free exchange agreement countries								
Eastern Europe countries with free-exchange agreements	30,947	62,768	42,232	48,381	162,490	+ 14.51	170,454	+ 235.85
Other countries with free-exchange agreements	2,744	2,402	15,359	15,016	42,991	- 2.23	29,873	+ 186.30
Other countries with free-exchange agreements	17,050	44,773	100,139	146,589	642,931	+ 46.39	790,692	+ 338.59
Total for countries with free-exchange agreements	50,742	109,943	157,749	209,986	848,412	+ 33.11	991,019	+ 304.03
Other countries	20,824	17,211	99,987	124,530	241,087	+ 109.32	271,400	+ 13.78
Total for other countries and countries with free-exchange agreements	71,165	127,455	207,696	334,516	990,099	+ 61.06	1,162,419	+ 195.98
TOTAL IMPORTS	507,205	684,669	1,562,554	2,086,215	3,771,558	+ 33.51	4,738,558	+ 81.07

(1) Prepared on the basis of latest available data and systematization

(2) Percentage change as compared with previous year.

(3) OECD members: Turkey, Iran, Pakistan.

Table A II 5(e)

Development of Turkish imports from Members States of the Community

SOURCE	1973	1974	1975	Development 1974/1975	Share of total Turkish imports from the Community
<u>THE SIX</u>	<u>911,064</u>	<u>1,419,432</u>	<u>1,962,417</u>	+ <u>38 %</u>	<u>84 %</u>
GERMANY	437,428	680,930	1,057,712	+ 55 %	45 %
FRANCE	133,580	244,867	278,640	+ 14 %	12 %
ITALY	170,205	270,783	357,940	+ 32 %	15 %
NETHERLANDS	99,829	116,200	138,877	+ 20 %	6 %
BLEU	70,021	106,652	129,247	+ 21 %	6 %
<u>NEW MEMBER STATES</u>	<u>231,396</u>	<u>288,742</u>	<u>375,799</u>	+ <u>30 %</u>	<u>16 %</u>
UNITED KINGDOM	223,958	266,914	344,265	+ 29 %	15 %
DENMARK	6,275	20,676	29,026	+ 40 %	1 %
IRELAND	1,163	1,152	2,508	+ 118 %	0.1 %
<u>THE NINE</u>	<u>1,142,460</u>	<u>1,708,174</u>	<u>2,338,215</u>	+ <u>37 %</u>	<u>100 %</u>

(in mill. \$)

Table A II.5 (f)

- IMPORTS - (1)

(in mill. \$)

DESTINATION CONTINENTS	(in mill. \$)							1975	% (2)
	1961	1967	1972	1973	% (2)	1974	% (2)		
Europe	307,861	474,964	1,153,414	1,542,682	+ 33.74	2,353,196	+ 52.54	3,056,539	+ 29.89
Asia	46,526	65,800	172,911	297,519	+ 72.06	944,219	+217.36	1,003,401	+ 6.27
America	142,303	125,274	216,244	232,539	+ 7.54	431,034	+ 85.37	522,048	+ 21.11
Africa	1,674	10,737	10,088	3,916	- 61.18	35,998	(+)	139,916	+288.68
Oceania	8,859	7,894	9,897	9,559	- 3.42	14,091	+ 47.41	16,654	+ 18.19
SPECIAL GROUPINGS									
Arab countries	15,229	43,955	119,295	207,475	+ 73.92	692,651	+233.85	814,711	+ 17.62
Developed countries other than the EEC	207,145	216,293	397,531	483,736	+ 21.69	982,319	+103.07	1,180,130	+ 20.14
Socialist countries	42,975	95,763	173,383	195,836	+ 12.95	285,584	+ 45.83	284,317	- 0.44
Eastern Europe countries	39,305	90,263	162,357	174,440	+ 7.44	257,518	+ 47.63	244,109	- 5.21
EMA	260,566	375,778	975,287	1,345,684	+ 37.98	2,064,761	+ 53.44	2,777,818	+ 34.53
EFTA	92,002	135,436	301,799	415,677	+ 37.73	606,535	+ 45.91	781,264	+ 28.81
MONEY AREAS									
Dollar area	140,477	124,752	210,996	208,875	- 1.01	404,485	+ 93.65	494,084	+ 22.15
Sterling area	90,608	107,685	189,265	257,547	+ 36.08	357,346	+ 38.75	510,445	+ 42.84
French franc area	not known	not known	not known	not known	not known	not known	not known	not known	not known

(1) Prepared on the basis of latest available data and systematisation.

(2) Percentage change as compared with previous year.

Source : Ministry of Trade, Ankara.

Table A. II. 6

BALANCE OF PAYMENTS
(1968/1975)

	1968	1969	1970	1971	1972	1973	1974	1975
I. CURRENT ACCOUNT								
A. Foreign Trade								
(1) Exports (fob)	496	537	588	677	885	1,317	1,532	1,401
(2) Imports (cif)	- 764	- 801	- 948	- 1,171	- 1,563	- 2,086	- 3,777	- 4,339
Trade Balance	- 268	- 264	- 360	- 494	- 678	- 769	- 2,245	- 3,439
B. Invisibles								
(1) Interest on loans	- 34	- 44	- 47	- 47	- 62	- 59	- 102	- 124
(2) Tourism and foreign travel	- 9	- 5	- 4	- 21	- 44	- 78	- 42	- 46
(3) Transfers from Turkish workers	107	141	273	471	740	1,183	1,426	1,312
(4) Profit transfers	- 32	- 32	- 33	- 36	- 35	- 35	- 71	- 36
(5) Payments for servicing project credits	- 15	- 18	- 30	- 32	- 35	- 24	- 27	- 22
(6) Balance of invisibles (net)	34	36	181	375	640	1,235	1,500	1,456
C. Infrastructure and offshore receipts (net)	10	8	8	6	30	18	27	23
BALANCE OF CURRENT OPERATIONS	- 224	- 220	- 171	- 109	- 8	484	- 718	- 1,865
II. CAPITAL TRANSACTIONS								
(1) External debt repayments	- 72	- 108	- 168	- 91	- 235	- 72	- 126	- 118
(2) Net imports of capital	13	24	58	45	43	79	88	305
(3) Credits for projects	127	174	179	219	222	328	268	259
(4) Imports not requiring currency transfers	-	-	-	-	-	-	-	-
(5) (Imports with waiver)	22	20	34	27	39	50	58	99
(6) Credits for programmes	235	106	217	89	73	48	2	5
Balance of capital transactions	11	257	413	344	160	433	290	550
OVERALL BALANCE	- 213	- 37	- 242	- 235	- 152	917	- 428	- 1,315
III. RESERVE FLOWS (+ = increase)								
IV. SDR	6	-	- 233	- 345	- 564	- 728	431	417
V. SHORT TERM CAPITAL TRANSACTIONS	-	-	18	11	18	-	8	301
VI. ERRORS AND OMISSIONS (net)	- 17	- 37	27	99	17	35	55	- 12

(1) Figures not available
Source: Ministry of Finance, Ankara.

Table A 11 7

NATIONAL PRODUCT ⁽¹⁾

(in mill. TL)

	1971	1972	1973	1974	1975 ⁽²⁾
1. AGRICULTURE	51,622.0	60,850.8	79,204.6	109,884.7	135,015.9
(a) Agriculture	50,144.4	59,332.5	77,150.8	107,319.8	131,947.8
(b) Forestry	1,160.8	1,126.2	1,557.8	1,817.9	2,120.9
(c) Fisheries	316.8	392.1	496.0	747.0	947.2
2. INDUSTRY	41,525.0	52,641.6	67,073.2	94,558.0	115,047.6
(a) Extracting industries	3,234.8	3,794.3	4,197.3	5,502.7	6,557.0
(b) Manufacturing industries	35,943.4	45,777.7	59,349.9	83,485.3	101,518.1
(c) Gas, water, electricity	2,346.8	3,069.6	3,526.0	5,570.0	6,972.5
3. CONSTRUCTION	10,311.3	12,621.1	16,076.8	20,365.0	26,456.2
4. TRADE	21,257.8	27,007.5	35,750.2	51,439.0	64,944.1
5. TRANSPORT AND COMMUNICATIONS	14,382.0	17,148.3	23,586.9	32,544.2	40,635.0
6. FINANCIAL INSTITUTIONS	5,217.5	6,308.0	8,042.7	11,718.2	15,432.9
7. ACCOMMODATION	8,776.6	10,279.9	12,387.2	15,236.3	19,106.3
8. LIBERAL PROFESSIONS AND SERVICES	9,583.8	11,759.3	15,098.9	20,761.0	26,179.6
9. EXPENDITURE RELATING TO BANKING SERVICES	2,932.3	3,489.4	4,449.0	6,482.2	8,537.1
10. TOTAL INDUSTRY	159,753.7	195,127.1	252,771.5	350,024.2	434,280.5
11. PUBLIC SERVICES	19,419.3	24,398.1	29,201.8	37,815.3	54,713.4
12. TOTAL (10 + 11)	179,173.0	219,525.2	281,973.3	387,389.5	488,993.9
13. DUTIES AND TAXES ON IMPORTS	7,493.6	9,330.8	11,476.9	15,666.0	-20,099.5
14. GROSS DOMESTIC PRODUCT (at market price)	186,666.6	228,856.0	293,450.2	403,505.5	509,093.4
15. INCOME FROM ABROAD	+ 5,469.0	+ 8,694.4	+15,756.8	+17,351.3	+15,602.9
16. GROSS DOMESTIC PRODUCT (at market price) (14 + 15)	192,135.6	237,550.4	308,507.0	420,856.8	524,696.3

Source: State Statistical Institute, Ankara

- (1) Gross national product at current factor prices, in specific branches of activity.
 (2) The figures for 1975 are provisional.

Table A II 8

GROSS PER CAPITA NATIONAL PRODUCT

(in TL)

	<u>at 1968 prices</u>	<u>at current prices</u>
1962	2,652	1,990
1963	2,838	2,252
1964	2,882	2,346
1965	2,900	2,463
1966	3,167	2,860
1967	3,121	3,004
1968	3,344	3,344
1969	3,437	3,619
1970	3,537	4,149
1971	3,817	5,290
1972	3,973	6,334
1973	4,087	8,015
1974	4,280	10,880
1975 (1)	4,490	13,460

Source: State Planning Organization, Ankara

(1) The figures for 1975 are provisional.

Table A II 9

NUMBER OF TURKISH WORKERS ENTERING EEC COUNTRIES
THROUGH OFFICIAL TURKISH BODIES (1)

(1970 - 1975)

(cumulative figures)

COUNTRY	1970	1971	1972	1973	1974	1975
Germany	412,677	478,361	544,236	648,029	649,257	649,897
Belgium	14,348	14,931	15,044	15,309	15,864	15,923
France	9,315	17,212	27,822	45,366	55,943	55,968
Netherlands	15,768	20,621	21,365	23,359	24,862	24,894
EEC (The Six)	452,108	531,125	608,467	732,063	745,926	746,682
Denmark	3,568	3,640	3,667	4,921	5,081	5,119
United Kingdom	575	1,864	1,946	2,062	2,175	2,273
EEC (The Nine)	456,826	536,629	614,080	739,046	753,182	754,074

N.B. The number of workers who have returned to Turkey is not included in these figures

Source: Turkish Ministry of Labour

(1) For figures prior to 1970 see 9th Annual Report, Table A II 9, page 62.

DISTRIBUTION BY COUNTRY OF TURKISH
WORKERS EMPLOYED ABROAD AT THE
END OF 1972, 1973, 1974 AND 1975

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Federal Republic of Germany	544,236	648,029	649,257	649,897
Netherlands	21,365	23,359	24,862	24,894
Belgium	15,044	15,309	15,864	15,923
France	27,822	45,366	55,943	55,968
<u>EEC (The Six)</u>	<u>608,467</u>	<u>732,063</u>	<u>745,926</u>	<u>746,682</u>
Denmark	3,667	4,921	5,081	5,119
United Kingdom	1,946	2,062	2,175	2,273
<u>EEC (The Nine)</u>	<u>614,080</u>	<u>739,046</u>	<u>753,182</u>	<u>754,074</u>
Austria	27,216	34,459	36,960	37,186
Switzerland	5,048	6,360	7,130	7,359
Australia	3,782	4,668	5,806	6,207
Other	4,181	5,754	7,420	10,091
<u>World total</u>	<u>654,307</u>	<u>790,287</u>	<u>810,498</u>	<u>814,917</u>

Source: Turkish Ministry of Labour

Table A II 11

TRANSFER OF
TURKISH WORKERS' SAVINGS

(in dollars)

1964	8,114,000
1965	69,781,884
1966	115,334,365
1967	92,436,246
1968	107,355,811
1969	140,636,057
1970	273,020,778
1971	471,370,427
1972	740,205,694
1973	1,183,255,037
1974	1,426,306,906
1975	1,299,666,913

Source: Turkish Ministry of Labour

Annex B

COLLECTED ACTS ADOPTED IN 1975

I.

Acts adopted by the Association Council

DECISION No 1/75 OF THE ASSOCIATION COUNCIL
amending Decision No 4/72 on the
definition of the concept of "originating products"
from Turkey for implementation of Chapter I
of Annex No 6 of the Additional Protocol
to the Ankara Agreement

THE ASSOCIATION COUNCIL,

Having regard to the Agreement establishing an Association
between the European Economic Community and Turkey,

Having regard to the Additional Protocol annexed to that
Agreement and in particular Article 16 of Annex No 6,

Whereas Decision No 4/72 defined the concept of products originating in Turkey for the purpose of implementing Chapter I of Annex No 6 of the Additional Protocol to the Ankara Agreement;

Whereas, according to Article 1(f) of that Decision, goods obtained in Turkey by working or processing the products specified in subparagraphs (a) to (e), even if other products are incorporated on an accessory basis in their manufacture, whatever the origin of those products, are considered as "originating products" from Turkey; whereas according to Explanatory Note No 5 to that Decision "products in a quantity not exceeding 10% of that of the products referred to in subparagraphs (a) to (e) of that Article shall be considered as being incorporated on an accessory basis in their manufacture";

Whereas this rule has proved to be unnecessarily rigid because it prevents certain Turkish goods from acquiring the necessary origin entitling them to preferential importation into the Community, even if the products which have been used in the manufacture of the goods and which, in quantity, exceed 10% of the products referred to under (a) to (e), have been obtained in the Community or in Turkey and satisfy the conditions set out in Articles 2 and 3 of the Additional Protocol;

Whereas, accordingly, greater flexibility of the rules of origin on this point would only be of advantage to both partners to the Agreement,

HAS DECIDED AS FOLLOWS:

Sole Article

The following text shall be substituted for Article 1(f) of Decision No 4/72:

"(f) goods obtained in Turkey by working or processing the products referred to under (a) to (e), even if other products are used in their manufacture, on condition that products obtained outside Turkey or the Community are only used on an accessory basis in the manufacture".

Done at Brussels, 26 May 1975
For the Association Council
The President

T. SARAÇOĞIU .

The Secretaries

F. DİNÇMEN

G.L. GIOLA

DECISION OF THE ASSOCIATION COUNCIL No 2/75

on the imbalance of the
EEC-Turkey trade balance

THE ASSOCIATION COUNCIL,

Having regard to the Association Agreement, and in particular Article 24 thereof,

Having regard to Decision of the Association Council No 3/64 setting up the Association Committee, and in particular Article 1 thereof,

Whereas the Turkish Government has drawn attention to the worsening of the trade balance between the Community and Turkey and has asked that the Association Council be given a report on this problem;

Whereas the Preamble to the Association Agreement mentions, among other things, the need for harmonious expansion of trade between Turkey and the Community,

HAS DECIDED AS FOLLOWS:

Article 1

The Association Committee is instructed to draw up a report, to be submitted to the Association Council, on the problems arising for Turkey as a result of the worsening trade balance between the Community and Turkey and to suggest possible ways of overcoming the difficulties within the framework of the Association.

Article 2

In order to carry out this task the Association Committee may set up working parties which may, if necessary, travel to Turkey to collect the necessary information.

Done at Brussels, 16 September 1975
For the Association Council
The President

I.S. ÇAGLAYANGIL

The Secretaries

F. DİNÇMEN G.L. GIOLA

II.

Acts relating to the EEC-Turkey Association
adopted by the Council of the European Communities

REGULATION (EEC) No 572/75 OF THE COUNCIL
of 3 March 1975

increasing the Community tariff quotas opened for 1975 by Regulation (EEC) No 2925/74 for certain textile products falling within heading Nos 55.05 and 55.09 and subheading ex 58.01 A of the Common Customs Tariff, coming from Turkey

(O.J.E.C. No L 61 of 7.3.1975)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof;

Having regard to the proposal from the Commission;

Whereas by Council Regulation (EEC) No 2925/74 (1) of 18 November 1974 opening, allocating and providing for the administration of Community tariff quotas for certain textile products falling within heading Nos 55.05 and 55.09 and subheading ex 58.01 A of the Common Customs Tariff (1975), coming from Turkey, the Council opened and allocated among the Member States for 1975 duty-free Community tariff quotas in amounts of 885 metric tons, 2 085 metric tons and 160 metric tons for, respectively, cotton yarn, other woven fabrics of cotton and carpets, carpeting and rugs, knotted (made up or not), of wool or of fine animal hair (excluding hand-made carpets, carpeting and rugs), of heading Nos 55.05, 55.09 and subheading ex 58.01 A of the Common Customs Tariff;

Whereas for the products concerned it is desirable to adjust these quotas for 1975 by increasing each of them by 5 %; whereas this increase of 5 % should apply to each of the quotas laid down for the Community as originally constituted and to each of those laid down for each new Member State; whereas the additional amounts allocated to the Community as originally constituted should be added to the relevant Community reserves, while those allocated to the new Member States should be added to the individual shares assigned to them by the abovementioned Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

1. The Community tariff quotas opened under Regulation (EEC) No 2925/74 for the following textile products are hereby increased to the levels indicated below:

<i>(in metric tons)</i>		
CCT heading No	Description	Quota
55.05	Cotton yarn, not put up for retail sale	930
55.09	Other woven fabrics of cotton	2 190
58.01	Carpets, carpeting and rugs, knotted (made up or not) ex. A. of wool or of fine animal hair, excluding hand-made carpets and rugs	168

(1) OJ No L 315, 26. 11. 1974, p. 36.

2. The increases, which amount to 45 metric tons for cotton yarn, 105 metric tons for other woven fabrics of cotton and eight metric tons for carpets, carpeting and rugs of wool or of fine animal hair, shall be apportioned between the Community as originally constituted and the new Member States as shown below :

(in metric tons)

CCT heading No	Community as originally constituted	New Member States
55.05	38	-
55.09	75	30
ex 58.01 A	5	3

Article 2

The quota increases referred to in Article 1 (2) allocated to the Community as originally constituted, shall be appropriated to the reserves constituted under the second paragraph of Article 3 (2) of Regulation (EEC) No 2925/74, such reserves being increased from 175 to 213 metric tons for cotton yarn, from 460 to 535 metric tons for other woven fabrics of cotton and from 22 to 27 metric tons for carpets, carpeting and rugs of wool or of fine animal hair.

Article 3

The quota increases referred to in Article 1 (2) allocated to the new Member States shall be apportioned among them.

The shares allocated to those Member States under Article 9 (1) of Regulation (EEC) No 2925/74 are thus increased to the following levels :

(in metric tons)

	CCT heading No		
	55.05	55.09	ex 58.01 A
Denmark	63	32	12
Ireland	16	16	2
United Kingdom	63	567	37

Article 4

This Regulation shall enter into force on 15 April 1975.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 3 March 1975.

For the Council
The President
J KEATING

REGULATION (EEC) No 1431/75 OF THE COUNCIL
of 26 May 1975

amending Regulation (EEC) No 428/73 on the application of Decisions No 5/72
and No 4/72 of the EEC-Turkey Association Council
(O.J.E.C. No L 142 of 4.6.1975)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Turkish origin must be produced on importation into
the Community,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 113
thereof;

HAS ADOPTED THIS REGULATION:

Having regard to the proposal from the Commission;

Article 1

Whereas Council Regulation (EEC) No 428/73 (1) of 5
February 1973 on the application of Decisions No
5/72 and No 4/72 of the Association Council
provided for by the Agreement establishing an associa-
tion between the European Economic Community and
Turkey, as amended by Regulation (EEC) No
3573/73 (2), implemented in the Community the rules
of origin laid down by Decision No 4/72 on the defi-
nition of the concept of 'originating products' from
Turkey for implementation of Chapter I of Annex 6
to the Protocol of the Ankara Agreement;

Decision No 1/75 of the Association Council
amending Decision No 4/72 on the definition of the
concept of 'originating products' from Turkey for
implementation of Chapter I of Annex 6 to the Addi-
tional Protocol of the Ankara Agreement shall apply
in the Community.

The text of Decision No 1/75 is annexed to this Regu-
lation.

Whereas these rules have been amended by Decision
No 1/75 of the Association Council and it is therefore
necessary to take the requisite measures to implement
this Decision and, in particular, to amend Regulation
(EEC) No 428/73 accordingly;

Article 2

The following Article shall be added to Regulation
(EEC) No 428/73:

Whereas the rules of origin defined by Decision No
4/72 relate only to the agricultural products listed in
Chapter I of Annex 6 to the Additional Protocol;
whereas, in order to avoid different rules of origin
being applied within the same trading structure, the
scope of the above rules should be extended to goods
not listed in the said Annex and for which proof of

Article 1a

The rules of origin laid down by Decision No
4/72 of the Association Council shall also apply to
goods which are not listed in Annex 6 to the Addi-
tional Protocol and for which proof of Turkish
origin must be produced on importation into the
Community.

Article 3

This Regulation shall enter into force on 1 July 1975.

This Regulation shall be binding in its entirety and directly applicable in all Member
States.

Done at Luxembourg, 26 May 1975.

For the Council
The President
M. A. CLINTON

(1) OJ No L 59, 5. 3. 1973, p. 73.

(2) OJ No L 359, 28. 12. 1973, p. 1.

ANNEX

DECISION No 1/75 OF THE ASSOCIATION COUNCIL
amending Decision No 4/72 on the definition of the concept of 'originating products' from Turkey for implementation of Chapter I of Annex 6 to the Additional Protocol of the Ankara Agreement

THE ASSOCIATION COUNCIL,

Having regard to the Agreement establishing an association between the European Economic Community and Turkey;

Having regard to the Additional Protocol annexed to that Agreement, and in particular Article 16 of Annex 6 thereof;

Whereas Decision No 4/72 defined the concept of products originating in Turkey for the purpose of implementing Chapter I of Annex 6 to the Additional Protocol of the Ankara Agreement;

Whereas, according to Article 1 (f) of that Decision, goods obtained in Turkey by working or processing the products specified in subparagraphs (a) to (e), even if other products are incorporated on an accessory basis in their manufacture, whatever the origin of those products, are considered as 'originating products' from Turkey; whereas according to Explanatory Note No 5 to that Decision, 'products in a quantity not exceeding 10 % of that of the products referred to in subparagraphs (a) to (e) of that Article shall be considered as being incorporated on an accessory basis in their manufacture';

Whereas this rule has proved to be unnecessarily rigid because it prevents certain Turkish goods from acquiring the necessary origin entitling them to preferential importation into the Community, even if the products which have been used in the manufacture of

the goods and which, in quantity, exceed 10 % of the products referred to under (a) to (e), have been obtained in the Community or in Turkey and satisfy the conditions set out in Articles 2 and 3 of the Additional Protocol;

Whereas, accordingly, greater flexibility of the rules of origin on this point would only be of advantage to both partners to the Agreement,

HAS DECIDED AS FOLLOWS:

Sole Article

The following text shall be substituted for Article 1 (f) of Decision No 4/72:

'(f) goods obtained in Turkey by working or processing the products referred to under (a) to (e), even if other products are used in their manufacture, on condition that products obtained outside Turkey or the Community are only used on an accessory basis in the manufacture.'

Done at Brussels, 26 May 1975.

For the Association Council

The President

T. SARAÇOĞLU

REGULATION (EEC) No 2916/75 OF THE COUNCIL
of 5 November 1975

extending for the fourth time Regulations (EEC) No 2313/71 and (EEC) No 2823/71 partially and temporarily suspending Common Customs Tariff duties applicable to wines originating in and coming from Algeria, Morocco, Tunisia and Turkey

(O.J.E.C. No L 290 of 8.11.1975)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament⁽¹⁾;

Whereas Regulations (EEC) No 2313/71⁽²⁾ and (EEC) No 2823/71⁽³⁾, as last extended by Regulation (EEC) No 1942/74⁽⁴⁾, pending the adoption of a definitive system, established a provisional system for the importation of wines from Algeria, Morocco, Tunisia and Turkey into the Community; whereas since the definitive system has not yet been adopted, the provisional system must be extended on the same conditions as those on which it was set up, so as to avoid any interruption which might harm wine exports from those countries to the Community; whereas the period of validity of this provisional system must end on the date when the definitive system is implemented or on 31 August 1976, whichever shall be the earlier,

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 5 November 1975.

HAS ADOPTED THIS REGULATION:

Article 1

1. The second paragraph of Article 2 of Regulation (EEC) No 2313/71 shall be replaced by the following:

'It shall be applicable, as regards Algeria, until the implementation of a definitive tariff system for the products in question, or until 31 August 1976, whichever shall be the earlier.'

2. The second paragraph of Article 2 of Regulation (EEC) No 2823/71 shall be replaced by the following:

'It shall be applicable as regards each of the countries concerned until the implementation of a definitive tariff system for the products in question, or until 31 August 1976, whichever shall be the earlier.'

Article 2

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Communities*.

It shall apply with effect from 1 September 1975.

For the Council

The President

M. RUMOR

⁽¹⁾ OJ No C 257, 10. 11. 1975, p. 36.

⁽²⁾ OJ No L 244, 30. 10. 1971, p. 10.

⁽³⁾ OJ No L 285, 29. 12. 1971, p. 51.

⁽⁴⁾ OJ No L 204, 26. 7. 1974, p. 1.

REGULATION (EEC) No 3143/75 OF THE COUNCIL

of 24 November 1975

on the total or partial suspension of Common Customs Tariff duties on certain agricultural products originating in Turkey

(O.J.E.C. No L 317 of 8.12.1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof;

Having regard to Council Regulation (EEC) No 1059/69 ⁽¹⁾ of 28 May 1969 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products, as last amended by Council Regulation (EEC) No 1491/73 ⁽²⁾, and in particular Article 12 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament ⁽³⁾;

Whereas under Annex 6 to the Additional Protocol laying down the conditions, procedures and time-tables for implementing the transitional phase pursuant to Article 4 of the Agreement establishing an association between the European Economic Community and Turkey, and under Article 1 of the Interim Agreement between the European Economic Community and Turkey on account of the accession of new Member States to the Community, the Community must totally or partially suspend the Common Customs Tariff duty or duties applicable to certain products; whereas it also appears necessary on a provisional basis to adjust or supplement some of these tariff advantages provided for in the above-mentioned Annex 6; whereas the Community should

as regards the products originating in Turkey, and contained in the list annexed to this Regulation, suspend from 1 January to 31 December 1976, at the levels indicated for each of them, either the fixed component of the charge applicable to the goods coming under Regulation (EEC) No 1059/69 or the customs duty applicable to the other products;

Whereas, for certain products of Chapters 1 to 24 of the Common Customs Tariff, this scheme would, however, involve in 1976 the application in the new Member States of customs duties higher than or very close to those which are applied by the new Member States to non-member countries in general on the basis of the provisions of the Act of Accession; whereas in order to maintain an equivalent preferential margin for these products also, reduced customs duties should be applied to them, in accordance with detailed rules based on the principle of maintaining, in the new Member States, a preference proportional to that which exists between the duties of the Common Customs Tariff and the duties given in Annex A to this Regulation; whereas, with a view to granting to Turkey the best possible treatment, in accordance with the objectives of the preference scheme, the duties given in Annex A should also be applied wherever the duties calculated according to the above-mentioned detailed rules prove to be higher than them,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1976 the products originating in Turkey listed in Annex A shall be admitted for import into the Community at the customs duties indicated for each of them.

⁽¹⁾ OJ No L 141, 12. 6. 1969, p. 1.

⁽²⁾ OJ No L 151, 7. 6. 1973, p. 1.

⁽³⁾ OJ No C 257, 10. 11. 1975, p. 39.

On importation into Denmark, Ireland and the United Kingdom, there shall be applied to the abovementioned products the customs duties determined by multiplying, by a coefficient equal to the margin of preferences existing between the duties given in Annex A and the Common Customs Tariff duties applicable, the duties obtained by reducing the difference between the lowest duty applied to developing countries on 1 January 1972 and the Common Customs Tariff, by 60% in respect of the products mentioned in Annex B, and by 80% in respect of the other products given in Annex A.

However, the duties given in Annex A shall be applied where the duties resulting from the abovementioned calculation are higher than them.

2. For the purposes of application of this Regulation, the concept of 'originating products' and the methods of administrative cooperation shall be those laid down by Regulation (EEC) No 428/73 ⁽¹⁾, as last amended by Regulation (EEC) No 1431/75 ⁽²⁾.

Article 2

When the imports of products benefiting from the arrangements provided for in Article 1 come into the Community in quantities or at prices which cause or threaten to cause serious loss to the Community producers of similar products or directly competitive products, the Common Customs Tariff duties may

be partially or wholly re-introduced for the products in question. These measures may also be taken in the event of serious loss or the threat of serious loss limited to a single region of the Community.

Article 3

1. In order to ensure the application of Article 2, the Commission may decide by means of a Regulation to re-introduce Common Customs Tariff duties for a limited period.

2. If the action of the Commission was requested by a Member State, the Commission shall take a decision within a maximum period of 10 working days from receipt of the request and shall inform the Member States of the action taken.

3. Any Member State may remit to the Council the measure taken by the Commission within a period of 10 working days following the day of its notification. The intervention of the Council shall not have a suspensory effect. The Council shall meet without delay. It may by qualified majority modify or annul the measure in question.

Article 4

This Regulation shall enter into force on 1 January 1976.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 November 1975.

For the Council
The President
B. VISENTINI

⁽¹⁾ OJ No L 59, 5. 3. 1973, p. 73.

⁽²⁾ OJ No L 142, 4. 6. 1975, p. 1.

ANNEX A

List of products falling within Chapters 1 to 24, originating in Turkey, for which there are grounds for total or partial suspension of the duties of the Common Customs Tariff

CCT heading No	Description	Rate of duty
1	2	3
03.01	Fish, fresh (live or dead), chilled or frozen: B. Saltwater fish: I. Whole, headless or in pieces: ex q) Other: -- Aquarium fish	Free
04.06	Natural honey	26%
05.15	Animal products not elsewhere specified or included; dead animals of Chapter 1 or Chapter 3, unfit for human consumption: A. Fish, crustaceans and molluscs: I. Fish of a length of 6 cm or less and shrimps and prawns, dried	Free
07.04	Dried, dehydrated or evaporated vegetables, whole, cut, sliced, broken or in powder but not further prepared: ex B. Other: -- Whole mushrooms, dried, dehydrated or evaporated, excluding cultivated -- Horse-radish (<i>Cochlearia armoracia</i>)	10% 7%
08.05	Nuts other than those falling within heading No 08.01, fresh or dried, shelled or not: D. Pistachios E. Pecans F. Areca (or betel) and cola ex G. Other, excluding hazelnuts	Free Free Free Free
08.10	Fruit (whether or not cooked), preserved by freezing, not containing added sugar: ex A. Bilberries and blackberries	9%

CCT heading No	Description	Rate of duty
1	2	3
08.10 (cont'd)	ex B. Other: — Quinces — Fruit falling within heading No 08.01, excluding pineapples, grapefruit, pomelos and whortleberries . — Fruit falling within heading No 08.09, excluding melons and water melons	11% 9% 9%
08.11	Fruits provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption: C. Papaws D. Bilberries ex E. Other: — Quinces — Fruit falling within heading No 08.01, excluding pineapples; grapefruit, pomelos whortleberries and blackberries — Fruit falling within heading No 08.09, excluding melons and water melons	Free 4% 5% 4% 4%
08.12	Fruit, dried (other than that falling within heading No 08.01, 08.02, 08.03, 08.04 or 08.05): E. Papaws ex G. Other: — Tamarind (pods, pulp)	Free Free
08.13	Peel of melons and citrus fruit, fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions	Free
15.04	Fats and oils, of fish and marine mammals, whether or not refined: A. Fish-liver oil: I. Of a vitamin A content not exceeding 2 500 international units per gramme	Free
15.07	Fixed vegetable oils, fluid or solid, crude, refined or purified: B. China-wood and oiticica oils, myrtle wax and Japan wax . C. Castor oil: II. Other D. Other oils: 1. For treatment or industrial uses other than the manufacture of foodstuffs for human consumption:	Free 6%

CCT heading No	Description	Rate of duty
1	2	3
15.07 (cont'd)	<p>a) Crude (a):</p> <p>1. Palm oil 2.5%</p> <p>ex 3. Other:</p> <p>— Palm kernel oil 3%</p> <p>— Other, excluding linseed oil, groundnut oil, sunflower seed oil and colza oil 2.5%</p> <p>II. Other:</p> <p>a) Palm oil:</p> <p>1. Crude 4%</p> <p>b) Other:</p> <p>2. Solid, other; fluid:</p> <p>ex aa) Crude:</p> <p>— Palm kernel oil 8%</p> <p>— Coconut oil 8%</p>	
15.12	<p>Animal or vegetable oils and fats, wholly or partly hydrogenated, or solidified or hardened by any other process, whether or not refined, but not further prepared:</p> <p>A. In immediate packings of a net capacity of 1 kg or less .. 16%</p> <p>B. Other 12%</p>	
15.17	<p>Residues resulting from the treatment of fatty substances or animal or vegetable waxes:</p> <p>B. Other:</p> <p>I. Oil foots and dregs; soapstocks Free</p> <p>II. Other Free</p>	
16.02	<p>Other prepared or preserved meat or meat offal:</p> <p>A. Liver:</p> <p>I. Goose or duck liver 14%</p> <p>B. Other:</p> <p>II. Game or rabbit meat or offal:</p> <p>— Game 9%</p> <p>— Rabbit 14%</p> <p>III. Other:</p> <p>b) Other:</p> <p>ex 1. Containing bovine meat or offal:</p> <p>— Prepared or preserved bovine tongue .. 17%</p>	

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities.

CCT heading No	Description	Rate of duty
1	2	3
16.02 (cont'd)	2. Not specified: aa) Ovine meat or offal bb) Other	18% 16%
16.04	Prepared or preserved fish, including caviar and caviar substitutes: A. Caviar and caviar substitutes : I. Caviar (sturgeon roe) II. Other B. Salmonidas ex F. Bonito and mackerel G. Other: I. Fillet, raw, coated with batter or breadcrumbs, deep frozen II. Other	12% 16% 6% 21% 11% 11%
16.05	Crustaceans and molluscs, prepared or preserved : A. Crabs ex B. Other, excluding shrimps of the 'Crangon sp.p.' type and snails	7% 7%
18.06	Chocolate and other food preparations containing cocoa: A. Cocoa powder, not otherwise sweetened than by the addition of sucrose	5% + vc
ex 19.04	Tapioca and sago excluding tapioca and sago substitutes obtained from potato or other starches	6% + vc
20.01	Vegetables and fruit, prepared or preserved by vinegar or acetic acid, with or without sugar , whether or not containing salt, spices or mustard: ex B. Other, prepared or preserved by vinegar or acetic acid, with or without salt, spices or mustard but with sugar, except for gherkins, cucumbers , 'mixed pickles' or sweet peppers	18%
20.02	Vegetables prepared or preserved without vinegar or acetic acid: E. Sauerkraut:	16%
20.03	Fruit preserved by freezing, containing added sugar: ex A. With a sugar content exceeding 13% by weight: — Fruit falling within heading No 08.01, excluding pineapples → Fruit falling within heading No 08.09, excluding melons and water melons	12% + (L) 12% + (L)

CCT heading No	Description	Rate of duty
1	2	3
20.03 (cont'd)	ex B. Other: — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons	12 % 12 %
20.04	Fruit, fruit-peel and parts of plants, preserved by sugar (drained, glacé or crystallized): B. Other: ex I. With a sugar content exceeding 13 % by weight: — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons ex II. Other: — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons	11 % + (L) 11 % + (L) 11 % 11 %
20.05	Jams, fruit jellies, marmalades, fruit purée and fruit pastes, being cooked preparations, whether or not containing added sugar: B. Jams and marmalades of citrus fruit: ex I. With a sugar content exceeding 30 % by weight, excluding orange jam and orange marmalade.... ex II. With a sugar content exceeding 13 % but not exceeding 30 % by weight, excluding orange jam and orange marmalade ex III. Other, excluding orange jam and orange marmalade..... C. Other: I. With a sugar content exceeding 30 % by weight: ex b) Other: — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.09, excluding melons and water melons ... ex II. With a sugar content exceeding 13 % ² but not exceeding 30 % by weight: — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.09, excluding melons and water melons	19 % + (L) 19 % + (L) 19 % 16 % + (L) 16 % + (L) 16 % + (L) 16 % + (L)

CCT heading No	Description	Rate of duty
1	2	3
20.05 (cont'd)	ex III. Other: — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.09, excluding melons and water melons	 16% 16%
20.06	Fruit prepared otherwise or preserved ; whether or not containing added sugar or spirit: B. Other: I. Containing added spirit: a) Ginger b) Pineapples, in immediate packings of a net capacity: 1. Of more than 1 kg: aa) With a sugar content exceeding 17% by weight bb) Other 2. Of 1 kg or less: aa) With a sugar content exceeding 19% by weight bb) Other c) Grapes: 1. With a sugar content exceeding 13% by weight 2. Other d) Peaches, pears and apricots, in immediate packings of a net capacity: 1. Of more than 1 kg: aa) With a sugar content exceeding 13% by weight bb) Other 2. Of 1 kg or less: aa) With a sugar content exceeding 15% by weight bb) Other e) Other fruits: ex 1. With a sugar content exceeding 9% by weight excluding cherries ex 2. Other f) Mixtures of fruit: 1. With a sugar content exceeding 9% by weight 2. Other II. Not containing added spirit: a) Containing added sugar, in immediate packings of a net capacity of more than 1 kg: 2. Grapefruit segments	 14% 14% + (L) 14% 14% + (L) 14% 25% + (L) 25% 25% + (L) 25% 25% + (L) 25% 25% + (L) 25% 11% + (L)

CCT heading No	Description	Rate of duty
1	2	3
20.07 (cont'd)	— Fruit falling within heading No 08.09, excluding melons and water melons	19%
	b) Of a value not exceeding 30 u.a. per 100 kg net weight:	
	ex 1. With an added sugar content exceeding 30% by weight:	
	— Fruit falling within heading No 08.01, excluding pineapples	19% ÷ (L)
	— Fruit falling within heading No 08.09, excluding melons and water melons	19% ÷ (L)
	ex 2. Other:	
	— Fruit falling within heading No 08.01, excluding pineapples	19%
	— Fruit falling within heading No 08.09, excluding melons and water melons	19%
	B. Of a specific gravity of 1.33 or less at 15° C:	
	II. Other:	
	a) Of a value exceeding 30 u.a. per 100 kg net weight:	
	2. Grapefruit juice	9.5%
	ex 3. Other citrus fruit juices:	
	aa) Containing added sugar	14%
	bb) Other	15%
	ex 6. Other fruit and vegetable juices, excluding apricot and peach juices:	
	aa) Containing added sugar	17%
	bb) Other	18%
	7. Mixtures:	
	ex bb) Other, excluding mixtures containing either separately or together, over 25% of grape, citrus fruit, pineapple, apple, pear, tomato, apricot or peach juice:	
	11. Containing added sugar	17%
	22. Other	18%
	b) Of a value of 30 u.a. or less per 100 kg net weight:	
2. Grapefruit juice:		
aa) With an added sugar content exceeding 30% by weight	9% ÷ (L)	
bb) Other	9%	
4. Other citrus fruit juices:		
aa) With added sugar content exceeding 30% by weight	14% ÷ (L)	

CCT heading No	Description	Rate of duty
1	2	3
20.06 (cont'd)	<p>3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids</p> <p>4. Grapes</p> <p>ex 8. Other fruits:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons ...</p> <p>— Tamarinds, (pods, pulp)</p> <p>b) Containing added sugar, in immediate packings of a net capacity of not more than 1 kg:</p> <p>2. Grapefruit segments</p> <p>3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids</p> <p>4. Grapes</p> <p>ex 8. Other fruits:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons</p> <p>c) Not containing added sugar, in immediate packings of a net capacity:</p> <p>1. Of 4.5 kg or more:</p> <p>ex dd) Other fruits:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons</p> <p>2. Of less than 4.5 kg:</p> <p>ex bb) Other fruits and mixtures of fruit:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09 excluding melons and water melons</p>	<p>19% + (L)</p> <p>18% + (L)</p> <p>10% + (L)</p> <p>10% + (L)</p> <p>10% + (L)</p> <p>11% + (L)</p> <p>20% + (L)</p> <p>19% + (L)</p> <p>11% + (L)</p> <p>11% + (L)</p> <p>11%</p> <p>11%</p> <p>11%</p> <p>11%</p>
20.07	<p>Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirits:</p> <p>A. Of a specific gravity exceeding 1.33 at 15° C:</p> <p>III. Other:</p> <p>ex a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <p>Fruit falling within heading No 08.01, excluding pineapples</p>	<p>19%</p>

CCT heading No	Description	Rate of duty
1	2	3
20.07 (cont'd)	bb) With an added sugar content of 30 % or less by weight cc) Not containing added sugar ex 7. Other fruit and vegetable juices, excluding apricots and peaches: aa) With an added sugar content exceeding 30 % by weight bb) With an added sugar content of 30 % or less by weight cc) Not containing added sugar 8. Mixtures: ex bb) Other, excluding mixtures containing either separately or together, over 25 % of grape, citrus fruit, pineapple, apple, pear, tomato, apricot, or peach juice: 11. With an added sugar content exceeding 30 % by weight 22. With an added sugar content of 30 % or less by weight 33. Not containing added sugar	14 % 15 % 17 % + (L) 17 % 18 % 17 % + (L) 17 % 18 %
21.07	Food preparations not elsewhere stated or included: A. Cereals in grain or ear form, precooked or otherwise prepared	4 % + vc
23.01	Flours and meals, of meat, offals, fish, crustaceans or molluscs, unfit for human consumption; greaves: B. Flours and meals of fish, crustaceans or molluscs	Free

ANNEX B

List of products in respect of which the difference between the lowest duties applied on 1 January 1972 to the developing countries by Denmark, Ireland and the United Kingdom and the Common Customs Tariff duties must be reduced by 60% in accordance with Article 1 of this Regulation

CCT heading No	Description
07.04	<p>Dried, dehydrated or evaporated vegetables, whole, cut, sliced, broken or in powder but not further prepared.</p> <p>ex B. Other:</p> <ul style="list-style-type: none"> — Whole mushrooms dried, dehydrated or evaporated, excluding cultivated mushrooms — Horse-radish (<i>Cochlearia armoracia</i>)
08.05	<p>Nuts other than those falling within heading No 08.01, fresh or dried, shelled or not:</p> <ul style="list-style-type: none"> D. Pistachios E. Pecans <p>ex G. Other (excluding hazelnuts)</p>
08.10	<p>Fruit (whether or not cooked), preserved by freezing, not containing added sugar:</p> <p>ex A. Bilberries and blackberries</p> <p>ex B. Other:</p> <ul style="list-style-type: none"> — Quinces — Fruit falling within heading No 08.01, excluding pineapples; grapefruit, pomelos and whortleberries — Fruit falling within heading No 08.09, excluding melons and water melons
08.11	<p>Fruit provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:</p> <ul style="list-style-type: none"> C. Papaws D. Bilberries <p>ex E. Other:</p> <ul style="list-style-type: none"> — Quinces — Fruit falling within heading No 08.01, excluding pineapples; grapefruit, pomelos, whortleberries and blackberries — Fruit falling within heading No 08.09, excluding melons and water melons

CCT heading No	Description
08.12	<p>Fruit, dried, other than that falling within heading No 08.01, 08.02, 08.03, 08.04 or 08.05:</p> <p>E. Papaws</p> <p>ex G. Other:</p> <p>— Tamarind (pods, pulp)</p>
08.13	<p>Peel of melons and citrus fruit, fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions</p>
16.02 (a)	<p>Other prepared or preserved meat or meat offal:</p> <p>B. Other:</p> <p>III. Other:</p> <p>b) Other:</p> <p>ex 1. Containing bovine meat or offal:</p> <p>— Prepared or preserved bovine tongue</p> <p>2. Other:</p> <p>aa) Ovine meat or offal</p> <p>bb) Other</p>
20.01	<p>Vegetables and fruit, prepared or preserved by vinegar or acetic acid, with or without sugar, whether or nor containing salt, spices or mustard:</p> <p>ex B. Other:</p> <p>— Prepared or preserved by vinegar or acetic acid, with sugar, excluding gherkins, cucumbers, 'mixed pickles' and sweet peppers</p>
20.02	<p>Vegetables prepared or preserved otherwise than by vinegar or acetic acid:</p> <p>E. Sauerkraut</p>
20.03	<p>Fruit preserved by freezing, containing added sugar:</p> <p>ex A. With a sugar content exceeding 13 % by weight:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons</p> <p>ex B. Other:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons</p>
20.04	<p>Fruit, fruit-peel and parts of plants, preserved by sugar (drained, glacé or crystallized):</p> <p>B. Other:</p> <p>ex I. With a sugar content exceeding 13 % by weight:</p> <p>— Fruit falling within heading No 08.01, excluding pineapples</p> <p>— Fruit falling within heading No 08.09, excluding melons and water melons</p>

(a) This heading will be abolished from 1 April 1976.

CCT heading No	Description
20.04 (cont'd)	<p>ex II. Other:</p> <ul style="list-style-type: none"> — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons
20.05	<p>Jams, fruit jellies, marmalades, fruit purée and fruit pastes, being cooked preparations, whether or not containing added sugar:</p> <p>B. Jams and marmalades of citrus fruit:</p> <ul style="list-style-type: none"> ex I. With a sugar content exceeding 30% by weight, excluding orange jam and orange marmalade ex II. With a sugar content exceeding 13% but not exceeding 30% by weight, excluding orange jam and orange marmalade ex III. Other, excluding orange jam and orange marmalade <p>C. Other:</p> <ul style="list-style-type: none"> I. With a sugar content exceeding 30% by weight: <ul style="list-style-type: none"> ex b) Other: <ul style="list-style-type: none"> — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.09, excluding melons and water melons ex II. With a sugar content exceeding 13% but not exceeding 30% by weight: <ul style="list-style-type: none"> — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.01, excluding melons and water melons ex III. Other: <ul style="list-style-type: none"> — Of fruit falling within heading No 08.01, excluding pineapples — Of fruit falling within heading No 08.09, excluding melons and water melons
20.06	<p>Fruit, otherwise prepared or preserved, whether or not containing added sugar or spirit:</p> <p>B. Other:</p> <ul style="list-style-type: none"> I. Containing added spirit: <ul style="list-style-type: none"> a) Ginger b) Pineapples, in immediate packings of a net capacity: <ul style="list-style-type: none"> 1. Of more than 1 kg: <ul style="list-style-type: none"> aa) With a sugar content exceeding 17% by weight bb) Other 2. Of 1 kg or less: <ul style="list-style-type: none"> aa) With a sugar content exceeding 19% by weight bb) Other c) Grapes: <ul style="list-style-type: none"> 1. With a sugar content exceeding 13% by weight 2. Other

CCT heading No	Description
20.06 (cont'd)	<p>d) Peaches, pears and apricots, in immediate packings of a net capacity:</p> <ul style="list-style-type: none">1. Of more than 1 kg:<ul style="list-style-type: none">aa) With a sugar content exceeding 13% by weightbb) Other2. Of 1 kg or less:<ul style="list-style-type: none">aa) With a sugar content exceeding 15% by weightbb) Other <p>e) Other fruits:</p> <ul style="list-style-type: none">ex 1. With a sugar content exceeding 9% by weight, excluding cherriesex 2. Other <p>f) Mixtures of fruit:</p> <ul style="list-style-type: none">1. With a sugar content exceeding 9% by weight2. Other <p>ii. Not containing added spirit:</p> <p>a) Containing added sugar, in immediate packings of a net capacity of more than 1 kg:</p> <ul style="list-style-type: none">2. Grapefruit segments3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids4. Grapes <p>ex 8. Other fruits:</p> <ul style="list-style-type: none">— Fruit falling within heading No 08.01, excluding pineapples— Fruit falling within heading No 08.09, excluding melons and water melons— Tamarind (pods, pulp) <p>b) Containing added sugar, in immediate packings of a net capacity of 1 kg or less:</p> <ul style="list-style-type: none">2. Grapefruit segments3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids4. Grapes <p>ex 8. Other fruits:</p> <ul style="list-style-type: none">— Fruit falling within heading No 08.01, excluding pineapples— Fruit falling within heading No 08.09, excluding melons and water melons <p>c) Not containing added sugar, in immediate packings of a net capacity:</p> <ul style="list-style-type: none">1. Of 4.5 kg or more:<ul style="list-style-type: none">ex dd) Other fruits:<ul style="list-style-type: none">— Fruit falling within heading No 08.01, excluding pineapples— Fruit falling within heading No 08.09, excluding melons and water melons

CCT heading No	Description
20.06 (cont'd)	<p>2. Of less than 4.5 kg:</p> <p>ex bb) Other fruits and mixtures of fruit:</p> <ul style="list-style-type: none"> — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons
20.07	<p>Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirit:</p> <p>A. Of a specific gravity exceeding 1.33 at 15° C:</p> <p>III. Other:</p> <p>ex a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <ul style="list-style-type: none"> — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons <p>b) Of a value not exceeding 30 u.a. per 100 kg net weight:</p> <p>ex 1. With an added sugar content exceeding 30 % by weight:</p> <ul style="list-style-type: none"> — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons <p>ex 2. Other:</p> <ul style="list-style-type: none"> — Fruit falling within heading No 08.01, excluding pineapples — Fruit falling within heading No 08.09, excluding melons and water melons <p>B. Of a specific gravity of 1.33 or less at 15 °C:</p> <p>II. Other:</p> <p>a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <p>2. Grapefruit juice</p> <p>ex 3. Other citrus fruit juices:</p> <ul style="list-style-type: none"> aa) Containing added sugar bb) Other <p>ex 6. Other fruit and vegetable juices, excluding apricot and peach juice:</p> <ul style="list-style-type: none"> aa) Containing added sugar bb) Other <p>7. Mixtures:</p> <p>ex bb) Other, excluding mixtures, containing either separately or together, over 25 % of grape, citrus fruit, pineapple, apple, pear, tomato, apricot or peach juice:</p> <ul style="list-style-type: none"> 11. Containing added sugar 22. Other

CCT heading No	Description
20.07 (cont'd)	<p>b) Of a value of 30 u.a. or less per 100 kg net weight:</p> <p>2. Grapefruit juice:</p> <p>aa) With an added sugar content exceeding 30% by weight</p> <p>bb) Other</p> <p>4. Other citrus fruit juices:</p> <p>aa) With an added sugar content exceeding 30% by weight</p> <p>bb) With an added sugar content of 30% or less by weight</p> <p>cc) Not containing added sugar</p> <p>ex 7. Other fruit and vegetable juices, excluding apricots, and peaches:</p> <p>aa) With an added sugar content exceeding 30% by weight</p> <p>bb) With an added sugar content of 30% or less by weight</p> <p>cc) Not containing added sugar</p> <p>8. Mixtures:</p> <p>ex bb) Other, excluding mixtures containing, either separately or together, over 25% of grape, citrus fruit, pineapple, apple, pear, tomato, apricot or peach juice:</p> <p>11. With an added sugar content exceeding 30% by weight</p> <p>22. With an added sugar content of 30% or less by weight</p> <p>33. Not containing added sugar</p>

REGULATION (EEC) No 3144/75 OF THE COUNCIL

of 24 November 1975

opening, allocating and providing for the administration of a Community tariff quota for fresh or dried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff, originating in Turkey (1976)

(O.J.E.C. No L 317 of 8.12.1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament (1);

Whereas under Article 1 of Council Regulation (EEC) No 3375/73 (2) of 10 December 1973 concerning the importation into the Community of certain agricultural products originating in Turkey, the Community must reduce by 37.5% the duty applied to the import of fresh or dried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff, within the limit of a Community tariff quota of 21 700 metric tons; whereas the Community tariff quota concerned should therefore be opened for 1976; whereas the application of a 37.5% reduction to the Common Customs Tariff duty would result in a quota duty of 2.5% for the Community as originally constituted; whereas, as regards the new Member States, it should be noted that Article 2 (1) and (3) of the Interim Agreement bringing into force certain provisions of the Supplementary Protocol provides that the reductions of customs duties pursuant to the Association Agreement shall be applied by the new Member States from the entry into force of the Interim Agreement in the proportions and according to the time limits laid down,

that the rates on which the new Member States shall base those reductions shall be those which they apply at any given moment to non-member countries and that the rates fixed as a result of the reductions regarding the products listed, in particular, in Annex 6 to the Additional Protocol — and which include hazelnuts — may in no case be lower than those applied by the new Member States with reference to the Community as originally constituted; whereas the reduction to be applied by the new Member States within the framework of the tariff quota under consideration must therefore, in certain cases, be limited to 60%;

Whereas it is in particular necessary to ensure to all importers of the Member States equal and uninterrupted access to the said quota and uninterrupted application of the rate laid down for that quota to all imports of the products concerned into all Member States until the quota has been used up; whereas having regard to the above principles, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas, to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics relating to imports from Turkey over a representative period, and to the economic outlook for the quota period concerned;

Whereas, on the basis of the statistics at present available, imports into the Member States in 1972, 1973 and 1974 of the products concerned, originating in Turkey, have developed as follows and represent the following percentages of total imports into the Community:

(1) OJ No C 257, 10. 11. 1975, p. 38.

(2) OJ No L 345, 15. 12. 1973, p. 1.

	1972		1973		1974	
	metric tons	%	metric tons	%	metric tons	%
Germany	36 776	70.59	39 133	70.16	34 515	64.29
Benelux	5 220	10.02	3 323	5.96	4 500	8.38
France	4 906	9.42	6 170	11.06	5 680	10.58
Italy	197	0.38	2 062	3.70	2 473	4.61
Denmark	795	1.53	975	1.75	875	1.63
Ireland	424	0.81	201	0.36	619	1.15
United Kingdom	3 777	7.25	3 910	7.01	5 026	9.36
	52 095		55 774		53 688	

Whereas, taking into account these figures and the foreseeable development of the product concerned during 1976 and, in particular, the forecasts made by some Member States, the initial shares may be fixed approximately at the following percentages:

Germany	65.93
Benelux	10.14
France	8.20
Italy	0.25
Denmark	2.67
Ireland	1.66
United Kingdom	11.15

Whereas in order to take into account the import trends for the product concerned in the Member States, the quota volume should be divided into two instalments, the first instalment being allocated to the Member States, and the second forming a reserve intended ultimately to cover the requirements of the Member States, should their initial share be used up; whereas, in order to ensure a certain degree of security to importers, the first instalment of the Community quota should be determined at a relatively high level, which under present circumstances could be approximately 80 % of the quota volume;

Whereas the initial shares may be used up sooner or later; whereas, in order to take this fact into account and to avoid any break in continuity, it is important that any Member State which has used up almost all its initial share should draw an additional share from the reserve; whereas this must be done as and when each of its additional shares in the quota is almost entirely used up, and repeated as often as the reserve allows; whereas the initial and additional shares must be available for use until the end of the quota period; whereas this method of administration calls for close

cooperation between the Member States and the Commission, which must in particular be able to observe the extent to which the quota volume is used up and inform the Member States thereof;

Whereas if, at a specified date in the quota period, a considerable balance remains in any Member State, it is essential that the Member State should return a certain proportion thereof to the reserve, in order to avoid part of the Community quota remaining unused in one Member State when it could be used in others; whereas, taking into account the seasonal nature of imports, it seems appropriate to fix the transfer limit or 40% of the initial share;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any measure concerning the administration of the quota shares allocated to that economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1976 a Community tariff quota of 21 700 metric tons shall be opened in the Community for fresh or dried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff, originating in Turkey.

2. Within this tariff quota, the Common Customs Tariff duty is suspended at 2.5%.

3. The new Member States shall apply within this Community tariff quota, the customs duties calculated in accordance with the relevant provisions of the Act of Accession, the Interim Agreement and Regulation (EEC) No 3375/73.

4. This tariff quota shall be allocated and administered in accordance with the following provisions.

Article 2

1. The tariff quota laid down in Article 1 (1) shall be divided into two instalments.

2. A first instalment, amounting to 17 700 metric tons, shall be shared among the Member States; the shares, which subject to Article 5 shall be valid until 31 December 1976, shall be as follows:

Germany	11 669 metric tons,
Benelux	1 795 metric tons,
France	1 451 metric tons,
Italy	45 metric tons,
Denmark	472 metric tons,
Ireland	294 metric tons,
United Kingdom	1 974 metric tons.

3. The second instalment of 4 000 metric tons shall constitute the reserve.

Article 3

1. If 90% or more of any Member State's initial share, as laid down in Article 2 (2), or 90% of that share less the amount returned into the reserve, where Article 5 has been applied, has been exhausted, that Member State shall proceed without delay, by notifying the Commission, to draw a second share equal to 15% of its initial share, rounded up to the next unit where appropriate, to the extent that the reserve is sufficient.

2. If, after its initial share has been exhausted, 90% of the second share drawn by a Member State has been used, that Member State shall proceed, in the manner specified in paragraph 1, to draw a third share equal to 7.5% of its initial share.

3. If, after its second share has been exhausted, 90% or more of the third share drawn by a Member State has been used, that Member State shall, in the manner provided for in paragraph 1, draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. Notwithstanding the provisions of paragraphs 1, 2 and 3, a Member State may proceed to draw shares smaller than those fixed in those paragraphs if there is reason to believe that those shares might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 31 December 1976.

Article 5

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which, on 15 September 1976, is in excess of 40% of their initial amount. They may return a larger portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 October 1976, notify the Commission of the total imports of the products concerned effected up to and including 15 September 1976, and charged against the Community quota and, where appropriate, the proportion of their initial shares that is being returned to the reserve.

Article 6

The Commission shall keep account of the shares opened by Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserve has been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1976, notify the Member States of the amount in the reserve after the return of shares pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and for this purpose shall specify the amount thereof to the Member State which makes the last drawing.

Article 7

1. The Member States shall take all appropriate measures to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that changes may be made without interruption against their accumulative shares of the Community quota.

2. The Member States shall ensure that importers of the said products established in their territory have free access to the shares allocated to them or drawn from the reserve.

3. The Member States shall charge imports of the said goods against their shares as and when the goods are entered for home use.

4. The extent to which a Member State has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 8

On receipt of a request from the Commission, Member States shall inform it of imports actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is observed.

Article 10

This Regulation shall enter into force on 1 January 1976.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 November 1975.

For the Council

The President

B. VISENTINI

REGULATION (EEC) No 3145/75 OF THE COUNCIL

of 24 November 1975

opening, allocating, and providing for the administration of Community tariff quotas for certain textile products, falling within heading Nos 55.05 and 55.09 and subheading ex 58.01 A of the Common Customs Tariff, coming from Turkey (1976)

(O.J.E.C. No L 317 of 8.12.1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

— for woven fabrics of cotton:

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof;

1 000 metric tons to the Community as originally constituted,

20 metric tons to Denmark, 10 metric tons to Ireland and 360 metric tons to the United Kingdom;

Having regard to the proposal from the Commission;

Whereas, moreover, it appears desirable to provide for an initial provisional adjustment of the tariff advantages for these goods:

Whereas, pending the entry into force of the Supplementary Protocol, signed in Ankara on 30 June 1973, containing the adjustments to be made to the Agreement establishing an association between the European Economic Community and Turkey and to the Additional Protocol⁽¹⁾ consequent on the accession of new Member States, the Community has undertaken, in an Interim Agreement⁽²⁾ which runs only for the period prior to the entry into force of this Supplementary Protocol which is applicable until 31 December 1974, but which has been extended for 1976 in accordance with the terms laid down in Article 13 thereof, to implement certain provisions of the Supplementary Protocol relating to trade in goods; whereas, under Article 6 of this Interim Agreement amending Article 1 of Annex 2 to the Additional Protocol, the Community must reduce by 75% the customs duties on imports from Turkey of certain textile products, falling within heading Nos 55.05 and 55.09 of the Common Customs Tariff, within the limit of annual Community tariff quotas of 390 metric tons for cotton yarn and 1 390 metric tons for woven fabrics of cotton; whereas the abovementioned Article 6 allocates these Community tariff quotas as follows:

— for the Community as originally constituted by a total suspension of the customs duties of the Common Customs Tariff, and an increase of 50% and then of 5% in the volume of the quotas allocated to these Member States,

— for the new Member States, by a total suspension of the duties applicable within the limits of the quotas fixed above, increased in the same proportions;

Whereas these adjustments may, if necessary, be reviewed during the quota year;

— for cotton yarn:

Whereas pursuant to Article 1 of Annex 2 to the Supplementary Protocol together with Article 2 of the Interim Agreement, for the duration of 1976 in particular, the Community must reduce by 25% the duties applicable in respect of third countries to carpets, carpeting and rugs, knotted (made up or not) of wool or of fine animal hair, (excluding hand-made carpets, carpeting and rugs) imported from Turkey; whereas it also appears advisable to improve this tariff advantage provisionally by means of a total suspension of the duties applicable to the products in question within a Community tariff quota initially fixed at a provisional level of 168 metric tons and allocated in accordance with the same percentages as those adopted for 1975 under the generalized tariff preferences;

300 metric tons to the Community as originally constituted,

40 metric tons to Denmark, 10 metric tons to Ireland and 40 metric tons to the United Kingdom,

Whereas, in order to comply with the special provisions of the Interim Agreement, different systems should be provided for the Member States of the Community as originally constituted and for the new Member States;

⁽¹⁾ OJ No L 293, 29. 12. 1972, p. 4.

⁽²⁾ OJ No L 277, 3. 10. 1973, p. 2.

Whereas, as regards the Community as originally constituted:

- it is necessary to guarantee to all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted application of the rate laid down for those quotas to all imports of the product concerned into all Member States until the quota has been used up;
- in the light of the principles mentioned above, the Community nature of the quotas can best be respected by allocating the Community tariff quotas among the Member States; whereas, in order to reflect most accurately the actual

development of the market in the product concerned, such allocation shall be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Turkey over a representative period and to the economic outlook for the quota period concerned; whereas, in spite of the limited need for imports from Turkey of the products concerned, as shown by the statistics for the majority of the Member States the Community character of the tariff quotas concerned should be safeguarded by making provisions to cover needs which might arise in these Member States;

- imports into the various Member States from Turkey were as follows during the last three years for which complete statistics are available:

	1972		1973		1974	
	metric tons	%	metric tons	%	metric tons	%
<i>Cotton yarn:</i>						
Germany	11 736	48.35	10 734	42.56	6 333	29.01
Benelux	6 144	25.31	6 795	26.95	7 000	32.07
France	412	1.70	162	0.64	1 806	8.27
Italy	5 982	24.64	7 527	29.85	6 690	30.65
<i>Other woven fabrics of cotton:</i>						
Germany	570	21.17	877	30.62	456	24.52
Benelux	995	36.96	953	33.27	1 000	53.76
France	747	27.75	412	14.39	194	10.43
Italy	380	14.12	622	21.72	210	11.29

- in view of these figures and foreseeable market trends for the products concerned during 1976, the initial shares may be fixed approximately at the following percentages:

	<i>cotton yarn</i>	<i>other woven fabrics of cotton</i>
Germany	44.7	23.1
Benelux	20.0	30.8
France	5.3	34.6
Italy	30.0	11.5

- in order to take into account the uncertainty of the import trends for the products concerned in the Member States, the quota volumes should be divided into two instalments, the first instalment being allocated to the Member States, and the second held as a reserve intended ultimately to cover the requirements of those Member States

which have used up their initial shares; whereas, in order to ensure a certain degree of security to importers, the first instalment should be determined at a relatively high level, which, under present circumstances, may be about 80% of each quota volume;

- the initial quota shares of the Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, it is important that any Member State having used up almost the whole of one of its initial quota shares should draw an additional quota share from the corresponding reserve; whereas, this must be done by each Member State as and when each of its additional quota shares is almost entirely used up, and repeated as many times as each of the reserves allows; whereas each of the initial and additional quota shares must be available for use until the end of the quota period; whereas this method of administration calls for close cooperation

between Member States and the Commission, which must, in particular, be able to observe the extent to which the quota amount is used and inform Member States thereof;

— if, at a specified date in the quota period, a considerable balance remains in one or other Member State it is essential that that Member State pays a percentage of it back into the corresponding reserve, in order to prevent a part of one or other of the Community quotas from remaining unused in one Member State when it could be used in others;

— since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any measure concerning the administration of the quota shares allocated to that economic union may be carried out by any of its members;

Whereas as regards the new Member States in particular:

— the quota volumes to be allocated to those new Member States under Article 6 of the Interim Agreement as well as the duties to be applied in those Member States for the purposes of these quotas determined in accordance with Article 2 of the said Agreement, are to be adjusted as set out below;

— equal and uninterrupted access to the quotas should be ensured to all importers and the duties should be applied without interruption to all imports of the products concerned until the quotas have been used up,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1976 Community tariff quotas shall be opened for the following products coming from Turkey as shown below:

CCT heading No	Description	Quota (metric tons)
55.05	Cotton yarn, not put up for retail sale	930
55.09	Other woven fabrics of cotton	2 190
58.01	Carpets, carpeting and rugs (made up or not): ex A. Of wool or of fine animal hair, excluding hand-made carpets, carpeting and rugs	168

2. The quotas shall be allocated and administered in accordance with the following provisions.

SECTION I

Provisions relating to the Community as originally constituted

Article 2

1. Within the quota, Common Customs Tariff duties shall be totally suspended within the limit of: 788 metric tons for cotton yarn not put up for retail sale, 1 575 metric tons for other woven fabrics of cotton, and 117 metric tons for carpets made of wool or fine animal hair.

Article 3

1. The quotas referred to in Article 2 shall be divided into two instalments.

2. A first instalment of each of these quotas shall be shared among the Member States; the shares, which subject to Article 6 shall be valid until 31 December 1976, shall be as follows:

	<i>(in metric tons)</i>		
	CCT heading No		
	55.05	55.09	ex 58.01 A
Germany	252	240	34.7
Benelux	113	320	12.9
France	30	360	24.4
Italy	170	120	18.0

The second instalment of each quota, amounting to 223, 535 * and 27 metric tons respectively, shall constitute the corresponding reserve.

(*) taking into account the correction contained in O.J.E.C. No L 35 of 10.2.1976.

Article 4

1. If 90% or more of the initial share of a Member State laid down in Article 3 (2), or 90% of that share less the amount returned into the reserve where the provisions of Article 6 have been applied, has been exhausted, that Member State shall proceed without delay, by notifying the Commission, to draw a second share, equal to 15% of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.

2. If, after one or other of its initial shares has been used up, 90% or more of the second share drawn by one of the Member States has been used, that Member State shall proceed, in accordance with the conditions laid down in paragraph 1, to draw a third share equal to 7.5% of its initial share.

3. If, after one or other of its second shares has been exhausted, 90% or more of the third share drawn by a Member State has been used, that Member State shall proceed, in the same way, to draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. Notwithstanding paragraphs 1, 2 and 3, the Member States may proceed to draw smaller shares than those fixed in those paragraphs if there is reason to believe that they might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 5

Each of the additional shares drawn pursuant to Article 4 shall be valid until 31 December 1976.

Article 6

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which, on 15 September 1976, is in excess of 20% of the initial amount. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 October 1976, notify the Commission of the total imports of the products concerned effected under the Community quotas up to and including 15 September 1976 and, where appropriate the proportion of each of their initial shares that they are returning to each of the reserves.

Article 7

The Commission shall keep account of the shares opened by Member States in accordance with Articles 3 and 4 and shall inform each State of the extent to which the reserves have been used up as soon as it receives the notifications.

The Commission shall, not later than 5 October 1976, notify the Member States of the amount in each of the reserves after the return of shares pursuant to Article 6.

The Commission shall ensure that any drawing which uses up a reserve is limited to the balance available and for this purpose shall specify the amount thereof to the Member State which makes the last drawing.

Article 8

The Member States shall take all appropriate measures to ensure that when additional shares are drawn pursuant to Article 4 it is possible for imports to be counted without interruption against their accumulated shares of the Community tariff quotas.

SECTION II

Provisions relating to the new Member States

Article 9

1. Within the tariff quotas referred to in Article 1, the following shares shall be allocated to the new Member States:

(in metric tons)

	CCT heading No		
	55.05	55.09	ex 55.01 A
Denmark	63	32	12
Ireland	16	16	2
United Kingdom	63	567	37

2. Within the limits of these quotas, the new Member States shall apply zero duties for the textile products concerned.

SECTION III

General provisions

Article 10

1. Member States shall take all measures necessary to ensure for importers of the products concerned established in their territory free access to the shares allocated to them.

2. Member States shall count imports of the products concerned against their shares as and when such products are presented for customs clearance under cover of a declaration that they have been made available for consumption.

3. The extent to which the Member States' shares have been used up shall be established on the basis of imports counted in accordance with paragraph 2.

Article 11

On receipt of a request from the Commission, Member States shall inform it of imports of the

products concerned actually charged against their shares.

Article 12

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is observed.

Article 13

This Regulation shall enter into force on 1 January 1976.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 November 1975.

For the Council
The President
B. VISENTINI

REGULATION (EEC) No 3146/75 OF THE COUNCIL

of 24 November 1975

opening, allocating and providing for the administration of a Community tariff quota for certain petroleum products, falling within Chapter 27 of the Common Customs Tariff, refined in Turkey (1976)

(O.J.E.C. No L 317 of 8.12.1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof;

Having regard to the proposal from the Commission;

Whereas, pending the entry into force of the Supplementary Protocol, signed in Ankara on 30 June 1973, containing the adjustments to be made to the Agreement establishing an association between the European Economic Community and Turkey and to the Additional Protocol (1) consequent on the accession of new Member States, the Community has undertaken, in an Interim Agreement (2) which runs only for the period prior to the entry into force of this Supplementary Protocol, which is applicable until 31 December 1974, but which has been extended for 1976 in accordance with the terms laid down in Article 13 thereof, to implement certain provisions of the Supplementary Protocol relating to trade in goods; whereas under Article 6 of the Interim Agreement amending the first paragraph of the sole Article of Annex 1 to the Additional Protocol, the Community must totally suspend the customs duties applicable to certain petroleum products, falling within Chapter 27 of the Common Customs Tariff, refined in Turkey, within the limit of an annual Community tariff quota of 340 000 metric tons; whereas pursuant to Article 2 of the abovementioned Interim Agreement, the new Member States must apply zero duties to the products concerned;

Whereas equal and direct access to the said quota by all importers and the uninterrupted application of the rate laid down for the said quotas to all imports of the products in question into all Member States should be guaranteed until the quotas are exhausted; whereas utilization of this quota, based on allocation between Member States, would appear to safeguard the Community character of the said quota as regards the principles described above; whereas in order to ensure that such allocation takes as much account as possible of the actual development of the

market of the products concerned, the allocation of shares should be in direct proportion to the needs of Member States, calculated, on the one hand, on the basis of statistics relating to imports from Turkey during a given representative period and, on the other, on the basis of the economic prospects for the quota period considered;

Whereas, during the last three years for which complete statistics are available, imports of these products from Turkey into the various Member States were as follows:

	<i>(in metric tons)</i>		
	1972	1973	1974
Benelux	96 222	—	15 000
Denmark	—	12 000	—
Germany	300 000	300 000	46 534
France	—	—	—
Ireland	—	—	—
Italy	110 162	134 035	12 252
United Kingdom	38 200	40 000	17 000

whereas this information indicates that imports of these products are very irregular and that the calculation of the percentages which they represent in relation to the total imports into the Community of the same products from Turkey would not therefore be significant; whereas the calculation of the imports from Member States in question for the quota period considered proves difficult as a result of the irregularity noted in imports during the foregoing years; whereas the foreseeable import figures put forward by the Member States for the quota period concerned leads to the quota considered being allocated according to the percentages indicated hereinafter:

Benelux	16.55
Denmark	4.14
Germany	42.07
France	8.28
Ireland	4.14
Italy	12.41
United Kingdom	12.41

(1) OJ No L 293, 29. 12. 1972, p. 4.

(2) OJ No L 277, 3. 10. 1973, p. 2.

Whereas to take into account the uncertainty in the development of imports of the said products into Member States, the quota amount should be divided into two instalments, the first instalment being allocated between the Member States, and the second instalment forming a reserve intended to meet subsequently the needs of the Member States which have exhausted their original share of the quota; whereas in order to ensure some security to importers in each Member State, the first instalment of the Community quota should be fixed at a relatively high level which, under the circumstances, might amount to approximately 85% of the quota volume;

Whereas the initial quota shares of those Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, it is important that any Member State having used up almost the whole of its initial quota share should draw an additional quota share from the reserve; whereas this must be done by each Member State as and when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional quota shares must be available for use until the end of the quota period, whereas such method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the quota amounts are used and inform Member States thereof;

Whereas if, at a specified date in the quota period, a considerable balance of one of the initial shares remains in one or other Member State, it is essential that that Member State pay a certain percentage of

it back into the reserve, in order to avoid a part of the Community quota remaining unused in one Member State when it could be used in others;

Whereas it does not seem possible for the moment, taking into account the differences still existing in the national provisions governing the market of the products in question, to lay down a single method of administration;

Whereas since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any measure concerning the administration of the quota shares allocated to that economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. Subject to any measures taken under paragraphs 2 and 4 of the sole Article of Annex 1 to the Additional Protocol between the European Economic Community and Turkey, a Community tariff quota of 340 000 metric tons shall be opened from 1 January to 31 December 1976 for the following petroleum products, refined in Turkey and falling within Chapter 27 of the Common Customs Tariff:

CCT heading No	Description
27.10	<p>Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70% by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:</p> <p>A. Light oils:</p> <p> III. For other purposes</p> <p>B. Medium oils:</p> <p> III. For other purposes</p> <p>C. Heavy oils:</p> <p> I. Gas oil:</p> <p> c) For other purposes</p> <p> II. Fuel oil:</p> <p> c) For other purposes</p>

CCT heading No	Description
27.10 <i>(cont'd)</i>	III. Lubricating oils; other oils: c) To be mixed in accordance with the terms of Additional Note 7 to Chapter 27 (a) d) For other purposes
27.11	Petroleum gases and other gaseous hydrocarbons: B. Other: I. Commercial propane and commercial butane c) For other purposes
27.12	Petroleum jelly: A. Crude: III. For other purposes B. Other
27.13	Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured: B. Other: I. Crude: c) For other purposes II. Other
27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities.

2. Within the Community tariff quota, Common Customs Tariff duties shall be totally suspended.

Within the limits of the quota, the new Member States shall also exempt the petroleum products concerned from duty.

Benelux	48 000 metric tons,
Denmark	12 000 metric tons,
Germany	122 000 metric tons,
France	24 000 metric tons,
Ireland	12 000 metric tons,
Italy	36 000 metric tons,
United Kingdom	36 000 metric tons.

Article 2

1. The tariff quota referred to Article 1 (1) shall be divided into two instalments.

2. A first instalment, amounting to 290 000 metric tons, shall be shared among the Member States; the shares which, subject to Article 5 shall be valid until 31 December 1976, shall consist of the following amounts:

3. The second instalment of 50 000 metric tons shall constitute the reserve.

Article 3

1. If 90% or more of one of the initial shares of a Member State, as laid down in Article 2 (2), or 90% of that share less the amount returned into the reserve, where the provisions of Article 5 have been

applied, has been exhausted, that Member State concerned shall proceed without delay, by notifying the Commission to draw a second share equal to 10% of its initial share, where appropriate rounded up to the next figure, to the extent that the amount in the reserve allows.

2. If, after its initial share has been exhausted, 90% or more of the second share drawn by a Member State has been used, that Member State shall proceed, under the conditions laid down in paragraph 1, to draw a third share equal to 5% of its initial share, where appropriate rounded up to the next figure.

3. If, after its second share has been exhausted, 90% or more of the third share drawn by a Member State has been used, that Member State shall proceed, under the same conditions, to draw a fourth share equal to the third.

This procedure shall be applied until the reserve is exhausted.

4. Notwithstanding the provisions of paragraphs 1, 2 and 3, Member States may proceed to draw shares smaller than those fixed in those paragraphs if there is reason to believe that those shares might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 31 December 1976.

Article 5

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which, on 15 September 1976, is in excess of 20% of the initial amount. They may return a greater portion if there are grounds for believing that such quantity may not be used in full.

The Member States shall, not later than 1 October 1976, notify the Commission of the total imports of the products concerned effected up to and including 15 September 1976, and charged against the Community quota and, where appropriate, the proportion of their original quota share that is being returned to the reserve.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 November 1975.

Article 6

The Commission shall keep account of the initial share opened by Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserves have been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1976, notify Member States of the state of the reserve after the return of quota shares pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and for this purpose shall specify the amount thereof to the Member State which makes the last drawing.

Article 7

1. The Member States shall take all appropriate measures to ensure that when additional shares are drawn pursuant to Article 3, it is possible for charges to be made without interruption against their accumulated share of the Community quota.

2. The Member States shall take all measures necessary to ensure that importers of the products in question established in its territory have free access to the shares allocated to it.

3. The extent to which a Member State has used up its quota shares shall be determined on the basis of the importations of the products in question entered with the customs authorities for home use.

Article 8

On receipt of a request from the Commission, Member States shall inform it of imports actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is observed.

Article 10

This Regulation shall enter into force on 1 January 1976.

For the Council
The President
B. VISENTINI
