
IV. *IMPORT AND EXCHANGE CONTROL REGULATIONS*

Exchange Controls and Terms of Payment

Very few goods are now subject to these controls. However, in limited cases, an import licence guarantees that the necessary foreign exchange will be made available. Imports may be paid by letter of credit, cash against documents (c.a.d.) or cash against goods (c.a.g.) terms. An import licence or permit is valid up to six months from its date of issue.

Letters of credit may be opened for a maximum of five months from the date of issue of the import licence. Under c.a.g. terms, the importer must apply for the transfer of payment to the authorized banks within five months of the date of the import licence. Documents may not be released to the importer until after the transfer has been made. In c.a.g. transactions, the importer should apply for transfer of payment within two months from the date of the actual importation of the goods and deposit the equivalent amount in Turkish lira with the authorized bank. If the importer fails to apply for the transfer within two months, application may be made up to the end of the sixth month but only if the import guarantee certificate is forfeited. (This rule does not apply to state-sector importers.)

Acceptance credits for periods of at least six months may be used for imports of specific commodities. Applications for special credit terms, for example, are accepted for complete factory installations.

Customs Tariff

The customs tariff is based on the Customs Council Nomenclature (formerly the Brussels Nomenclature) system. It is advisable to quote the tariff numbers in making enquiries but to omit them on invoices unless requested by the customer. Most duties are ad valorem and levied on the c.i.f. value of the goods.