

are not required for imports of medicine or raw materials to be used in the production of medicines. Requests for importation of free goods are processed by private banks by the issuance of special import licences. A separate import licence is issued for each customs tariff item. Payments for the import of free goods are directly affected by banks. If the goods to be imported are subject to the payment of a surcharge, the importer must deposit a surcharge along with the Turkish lira equivalent of the foreign exchange cost of the imported goods.

In cases where an import transaction is not completed within the period allowed, a guarantee covering the value of the goods not imported is forfeited to the Export Promotion Fund.

## Other Import Procedures

Imports on consignment are not normally allowed, and re-exportation can be made only with the permission of the Undersecretariat of Treasury and Foreign Trade or the customs authorities. Goods that have arrived at Turkish customs within the prescribed time limit of six months, but cannot be imported in time, may be cleared within 20 days of the expiry of the licence.

In the case of goods requiring more than six months to manufacture, an additional period can be added to the term of the licence at the time of issue, upon application to the Undersecretariat. Extensions to the period of validity of exchange allocation certificates and import licences may be claimed in certain prescribed cases when force majeure is proven, for up to one month and six months respectively. A non-force majeure extension may also be obtained for a maximum of 12 months; in this case, 0.1 per cent of the value in Turkish lira of the goods will be collected from the importer each month by the authorized bank at the rate of exchange in effect on the date of application, and paid to the Export Promotion Bank. This amount may not exceed TL 1 000 000. The regulations are strict and later deliveries are at risk. Time lost due to transfer delay is automatically added to the validity period of the licence.

## Turkey and the EC

An Association Agreement between the EC and Turkey provides for the gradual elimination of Turkish duties on imports from the original six members of the EC. Under an interim agreement, these provisions now also apply to Britain.