

REPUBLIC OF TURKEY
MINISTRY OF COMMERCE
Directorate General of European Union and International Agreements

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Transition period which has begun after UK's separation from European Union (EU) as of January 31, 2020 shall expire on December 31, 2020, and as a third country as of January 1, 2021, the UK shall fall outside the scope of the EU's trade regulations and the existing customs union between Turkey and the EU, the Association Council resolution no. 1/98 and the ECSC Free Trade Agreement (FTA).

The Turkey-UK FTA, which was negotiated and concluded to regulate the new preferential trade regime between Turkey and the UK in the mentioned new period, was signed on December 29 2020, and as of the date of January 1, 2021 to be implemented without any delay, the necessary process is carried out.

A document that shall be used to prove the origin of goods that will be subject to preferential trade under this FTA is a "declaration of origin" that all exporters can declare on an invoice or a relevant commercial document themselves and shall not be approved by the authority, and no other document shall be used for this purpose.

The Regulation on the rules and procedures of origin for the goods referred to above shall be published in the Official Gazette upon the completion of the FTA's entry into force process, and it is of great importance that the provisions of the aforementioned Regulation, especially the details of the post-control procedures of the declarations of origin, are taken into account in practice.

In addition, if a valid declaration of origin is submitted for import operations that should be performed within the framework of the Turkey-UK FTA between the date of January 1, 2021 and the date when this regulation shall be published in the Official Gazette, it is required to carry out transactions by obtaining collateral at the legal tax rate applied to other countries in relation to the good, to evaluate the compliance of such transactions with the regulation and resolving the guarantee if appropriate after the publication of the regulation and the registration of annuity in unsuitable cases.

On the other hand, goods that are shipped from the UK to Turkey as of January 1, 2021 or brought to Turkey and are located in a warehouse or temporary storage, including free zones, and import operations have not yet completed shall be able to benefit from preferential tariff regulations, especially the customs union, which are valid before January 1, 2021, in accordance with the provisions of the legislation to be made on this issue in the Import Regime Resolution and published in the Official Gazette,

In the same way, the UK has also considered it appropriate to implement a similar transition for goods that are shipped, stored in a warehouse or temporary storage and import operations have

not yet completed yet, for export from our country to the UK. In this context, for the said kind of goods in our country, A.TR Certificate of Circulations which have already been issued or to be issued before January 1, 2021 shall be valid within a 12-month period from January 1, 2021 for UK imports, provided that they are based on four-month submission periods.

On January 1, 2021 and after that date, it shall not be possible to arrange/approve/endorse documents in the normal procedure, but it shall be possible to approve documents "subsequently issued". If the documents issued for the mentioned good must be endorsed in the second copy after January 1, 2021, this process must be carried out taking into account the validity period of the original document, but no later than May 1, 2021 (excluding this date).

Similarly, negotiations with the UK on documents to be used for exports to Northern Ireland, which shall be carried out directly from our country as of this date, are still ongoing, as the EU shall apply customs rules in the new preferential trade arrangement, which is supposed to be effective as of January 1, 2021 within the framework of the FTA concluded between the EU and the UK.

In this context, unless another announcement is made by our ministry on this issue, for goods to be exported directly from our country to Northern Ireland as of this date, if the importer would like to take advantage of the preferential tariff, the declaration of origin must be used as stipulated in the Turkey-UK FTA.

Finally, in the event of a possible shortage relating the effective date of the Turkey-UK FTA will be January 1, 2021, considerations that will need to be taken into account shall also be reported.

Kindly submitted for your information.

Hüsnü DİLEMRE
Deputy of General Manager

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