THE EFFECTS OF THE CUSTOMS UNION ON TURKISH FOREIGN TRADE AND FOREIGN TRADE LEGISLATION

BY

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ABSTRACT

Looking at the history of the world, the trade policy of the states among each other; the colonial-imperialist state understanding that the powerful states were taxed by the weak, the tax measures they applied to each other if the two states were strong, or the tax privileges they had given each other. However, these policies have sometimes been economically disadvantageous to other states, including both parties to an agreement, sometimes both, or contracted parties. The political and economic disputes that lived until the end of World War II led to great destruction in the states. With the concern that the neighboring state of Soviet Russia would be exposed to communism and the US view this as a danger and that this danger could only be overcome with a united Europe, the European idea to unify emerged, with the material and intellectual support of the United States has been thrown away.

Our work will first examine the explanations, causes, types, success conditions and integration tendencies in the world of economic integration theory and then examine the effects of the Customs Union Theory, one of the types of economic integration theory. It will be briefly mentioned from the history of the European Union, the institutions and organizations that our country has made a Customs Union agreement, and the process of entry into the Customs Union of our country will be mentioned. Afterwards, the alignment policies, revisions, laws, regulations, working procedures and principles of entry into the customs union will be examined. Finally, the Customs Union Agreement, which entered into force in 1996, examines our foreign trade data with the innovations brought about by

our foreign trade legislation, and the impact on the Turkish Foreign Hades will be revealed.

Keywords: Economic Integration, European Union, Custom Union, Turkish Foreign Trade

ÖZET

Dünya tarihine bakıldığında devletlerin birbirleri arasında olan ticaret politikası; güçlü devletlerin güçsüz olanlardan vergi aldığı, sömürgeci-emperyalist devlet anlayışı, her iki devlet güçlü ise birbirlerine uyguladıkları vergi önlemleri ya da birbirlerine sağlamış oldukları vergi imtiyazları ile yürütülmekteydi. Ancak yürütülen bu politikalar bazen anlaşmalı taraflardan birine, bazen her ikisine ya da anlaşmalı taraflarda dahil olmak üzere diğer devletlere ekonomik zararlar verebilmekteydi. 2. Dünya savaşı sonuna kadar yaşanan siyasi ve ekonomik çekişmeler devletlerde büyük tahribatlara yol açmışlardır. Güçsüzleşen Avrupa devletlerini, komşusu olan Sovyet Rusya'nın komünizm etkisi altına alması endişesiyle birlikte ABD'nin bunu tehlike olarak görmesi ve bu tehlikenin ancak birlik olmuş bir Avrupa ile aşılacağını öngörmesiyle, birlik olması gereken Avrupa fikri ortaya çıkmış, ABD'nin maddi ve fikri desteğiyle temelleri atılmış olmuştur.

Çalışmamız da ilk olarak iktisadi entegrasyon teorisinin açıklamasını, sebeplerini, türlerini, başarı koşullarını ve dünyadaki entegrasyon eğilimleri ele alınacak, daha sonra iktisadi entegrasyon teorisi türlerinden biri olan Gümrük Birliği Teorisinin etkileri incelenecektir. Ülkemizin Gümrük Birliği anlaşması yapmış olduğu Avrupa Birliği'nin tarihçesinden, kurum ve kuruluşlarından kısaca bahsedilecek, Ülkemizin Gümrük Birliğine giriş sürecine değinilecektir. Sonrasında gümrük birliğine girişte

yapılan uyumlaştırma politikaları, revizyonlar, getirilen kanunlar, yönetmelikler, çalışma usul ve esaslar incelenecektir. Son olarak 1996 yılında yürürlüğe girmiş olan Gümrük Birliği Anlaşmasının, dış ticaret mevzuatımıza getirmiş olduğu yeniliklerle birlikte, dış ticaret verilerimiz incelenerek Türk Dış Hadlerine olan etkisi ortaya koyulacaktır.

Anahtar Kelimeler: İktisadi Entegrasyon, Avrupa Birliği, Gümrük Birliği, Türk Dış Ticareti

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1. INTRODUCTION

Society is the basis of economic life, people have relationships with each other to improve their situation more. The spiritual tendency of man, neither the material nature nor the racial differences, nor the degree of historical development, can change. The person we see in every period of history is always trying to get into a better situation. This is the natural tendency of the individual soul to create prosperity and well-being in the lives of the nations as well as in the individual's own private life.(Adam Smith, et al., 1776) World population growth, technology, communication and media sector progress; increasing the natural tendency by creating significant effects on supply and demand balance. This growing tendency leads production to the other lands and even to the other continents as the driving force of the constituents of the consumption balance. For this reason, the intentional journey also pursues certain costs and various obstacles. Various ideas, theses, empirical studies have been put forward in order to reduce the costs and remove the obstacles caused by the theory of economic integration. These studies, which have been influential for many centuries, have also led to the emergence of many organizations.

1.1 Economic Integration

The inclusion of the term economic integration into the economic terms first took place in 1933 with a book published by two German authors on trade statistics and secondly in 1935 in the English translation of Hecker’s work on mercantilism (Maclup, 2007)

When examined at the microeconomic level on firm and sector basis, two different types of integration are emerging. Horizontal integration; Extension of the company's product, service, and market portfolio is dealt with within the scope of

horizontal growth. Horizontal growth can take many forms in businesses. Commonly applied are product differentiation and market differentiation. Vertical integration, which is an approach to increasing the level of control over the inputs or outputs of an operator, means integrating the operations of that particular operator into the supply chain before or after its own production and distribution processes (Dess, et al., 2008: 200). Going forward, backward in vertical growth, the business begins to produce inputs that it has previously purchased. Forward vertical growth occurs during the passage of the goods produced by the operator to consumers. Economic integration is handled at the macro level. International economic integration can be expressed as the liberalization of trade and other economic relations between countries in order to increase mutual benefits. The first examples of economic integration are IMF, WTO*.

International economic integration can also be referred to as two approaches. These; international approach and regional approach. The international approach includes the elimination of tariffs and non-tariff barriers in world trade. The regional approach is that countries in certain regions provide free foreign trade among themselves and apply trade restrictions to other countries (Karluk, 2009)

Some of the economists working in integration have some points to agree on the definition of economic integration. These can be grouped under three main headings (Yıldız, 1999). These are:

I. Cooperation in economic integration is essential.
II. The free circulation of goods, services and production factors are among the aims of economic integration (especially in the advanced stages).
III. In economic integration, goods, services, and factors of production are not subject to a privileged policy according to the region to which they will go.

1.2 Reasons for Economic Integration

Increasing social welfare levels by raising production capacities and productivity, gaining competitiveness against extraterritorial blocks, and preventing conflicts of interest of countries in the same region (Reich, 1995: 63) are among the reasons that countries are turning towards economic integration.

The main objective is the other objectives of economic integration, which is to increase the level of prosperity by liberalizing trade among countries participating in integration; elimination of regional imbalances, ensuring that the countries involved in the economic and political events in the world are party to the issue, and finding common solutions to social-political problems (Dura, 2003: 5)

As a result of the recent rise in regional economic integration, which is another form of economic globalization, it is seen as an attempt to counter the growing competition conditions of the countries and to benefit from the expanding markets (İncekara, 1995: 51).

As a result of the researches and examinations conducted, it is seen that the reason of economic integration as a common idea is gathered under 3 main headings. These;

I. To increase the level of welfare,
II. To gain competitive power,
III. Find a common solution to the problems.

1.3 Historical Development of Economic Integration

With the adoption of a liberal structure and the use of the gold coin system until the First World War, the economic integration movement naturally took place around the world. In the period between the First World War and the Second World

War, economic integration has been shaken by the foreign trade barriers, especially the foreign exchange controls. Apart from the short process between 1923 and 1928, the patriotic movements and the "multilateral" nature of world trade have been lost.

During the Second World War, the economic and political values of the world were completely ruined and the importance of Europe decreased. The United States has become a dominant economy. With the effort to regroup post-war economic relations, the convergence of solidarity between countries began to increase and economic integration movements emerged.

In the 1960s, after the increasing merger movements, with the developing technology from the beginning of the 1980s, with the increasing tendency of globalization, liberalization in the world trade and competition in the industry became important elements.

The liberation movement we have called globalization has developed in two ways as "Universal Approach" and "Regional Approach".

The GATT (General Agreement on Tariffs and Trade), which is often referred to as the "universal approach" at the beginning of the 1990s and which requires the reduction or elimination of customs tariffs and other barriers between as many countries as possible, is the "Regional Economic Approach" aimed at liberalizing other flows.

For the first time in the theory of economic integration, Economic Integration Theory is a separate issue. It is the work of Viner, published in 1950, entitle "Customs Union Issue". Before Viner’s, classical economists made a limited analysis of economic integration. The general view accepted before the Viner’s is that customs unions are reducing tariffs and promoting world welfare because of a move towards

free trade. J. Viner has objected to this claim by using the concepts of trade, creativity, and commerce.

The concept of integration is defined by many economists in different ways. To give a few examples from these definitions, according to J. Tinbergen, integration means free trade. According to G. Myrdal, integration is factor-price equality. According to Bela Balassa, integration is the case of non-governmental discrimination. Lipsey, on the other hand, advocates different definitions for different scopes. Lipsey argues that trade and factor integration should be the main objective of market economies such as the US and Canada, that policy integration should be included in mixed economies such as France and the UK, and political integration should be the basis of integration among socialist countries.

1.4 Regional Economic Integration Pact

Regional economic integration can be interpreted as an agreement between the best groups. It is aimed to reduce tariffs and non-tariffs and ultimately eliminate them, to ensure the circulation of the goods, services and production factors between each other, to remove the obstacles. (Cole, Kati, 1999)

Regional economic integration has become a new branch of economy, product differentiation and incomplete competition. In this process, attention has focused on the results of the gains from the strategic behavior trade; this is an act that aims to increase or defend market power and to take into account and take into account the reaction of other initiatives. Second, from an industrial organization perspective, an enlightening framework was developed to analyze the logic and operation of FDI and TNC activity. The investigation of reduced transaction costs lies at the heart of the

FDI explanation, but the strategic evaluation of market control has always been accepted here. (Peter, Robson, 1993)

1.4.1 Free Trade Agreements and Free Trade Zones

The Free Trade Agreement (FTA) is an economic union in which Member States should remove customs tax and restrictions between them, but not create a common customs tariff for third countries, and allow each Member State to apply its national customs tariff to third countries outside the agreement. Unlike the customs union, FTA does not apply a common custom tariff to third countries. In addition, while the free movement principle is valid in the customs union, the rules of origin are applied in the FTA.

The slowdown in the multilateral trading system, especially in recent years, has put preferential trade agreements (PTA) in the countries' trade policies. Not only in the developed countries, but also in the north-south and south-south trade and economic relations, the PTAs show increasing statistics.

As of December 2008, the WTO / GATT has been notified of the 421 Regional Trade Agreement (RTA). 90 percent of the 421 RTAs constitute Free Trade Agreements (FTAs) and Partial Framework Agreements (WTO, RTA Gateway).

A free zone is a territory where a part of a state's territory, but the goods entering this territory, import duties and taxes, are generally outside that customs territory and where such goods are not subject to normal customs control (International Convention on The Simplification and Harmonization of Customs Procedures: Brussels, September 1976, pp. 20.)

In the Free Trade Zones, unlike the customs union, there is no common customs tariff applied to third countries. In addition, while there is a free movement

item in the Customs Union, the rules of origin in FTA apply. For example, an exporter that will export goods from countries outside the union to countries with high customs duties, will first send the goods to the lowest customs territory in the union. In this way, low tariffs. The goods then re-export to the originally intended high customs territory. In order to prevent this, rules of origin apply.

A specific international definition of origin is not available, but it can be generally defined as the cost of a "source" commodity. Origin Rules are; Regulations and general practice applicable to the determination of the origin of goods by members, provided that they do not relate to the current and autonomous trade regimes that lead to the introduction of tariff preferences "in the Rules of Origin Agreement. The acceleration of the globalization trends in the world has increased the importance of the rules of origin.

From the beginning to the end of the production phase, the number of countries realized in a single country is very small. For this reason, the terms "country of origin" and "country of origin" of a good are different. For example, when Tunisia manufactured goods exported to Switzerland from Turkey to Tunisia, the country of origin, came as the country is Switzerland. Rules of origin are based on preference or preference. Unfavorable rules of origin; According to the "Most Registered Country Rule", the rules of the World Trade Organization (WTO) are based on the principle of enforcing a concessional tax on the countries. Preferential rules of origin are; as a deviation from the "Most Registered Country Rule", it can be defined as a set of rules establishing special agreements that can give special possibilities to certain countries or groups of countries.

Republic of Turkey 4458 Customs Law Article 22 of paragraph (b) pursuant to, the generalized system of preferences ministers on the scope of the determination of the origin of goods that benefit from the preferential regime for imports to be made and decisions to regulate administrative cooperation procedures concerning the regulations and principles of 15.12.2014 entered into force by the decision of the board.

1.4.2 Customs Union

The member countries that form a union at this stage of economic integration apply a common customs tariff to the third countries as they have removed all the barriers between them.

Although the main development was seen in the late 1950s, the North and South regions of the United States before the First World War had different obstacles, although they were different countries. By providing a free market environment, the obstacle has been removed and the US economy has become the country with the highest competitiveness. The second important example was the German Customs Union, which was established in 1834, bringing German states together. Germany has also achieved a genuine political integrity. Finally, we can exemplify the Benelux Customs Union, where Belgium, the Netherlands and Luxembourg are established. This unity has become an important step for the establishment of the European Economic Community. (Ertürk, 2006)

J. Viner, who accepted as the Founder of the Customs Union Theory, attributed the formation of the Customs Union to the provision of three main conditions. These terms:

I. Removal of tariffs and barriers between member countries.

II. A common customs tariff on countries outside the union in imports.
III. Collection of customs revenues in one hand and allocation according to predetermined criteria.

There are a number of differences between the Customs Union and free trade agreements. The first is that countries included in free trade agreements do not have a common tariff obligation to third countries, while they provide free trade area by removing tax and non-tariff barriers that interfere with trade among themselves. This is the most obvious difference between the two integrations. Another difference is; whereas in the Customs Union the free movement principle of goods is valid, the rules of origin apply in free trade agreements.

Analyzes in the literature have focused on FTAs and Customs Unions in economic integration. The establishment of the Customs Union affects the trade, production, consumption and income distribution of the economies. These effects are static effects. There are also dynamic effects of CU. These effects will be discussed in detail in the second chapter, "Zollverein", which was established among the German states in "The First Customs Union 1834". Another example of the Customs Union is the "Benelux" association of Belgium, the Netherlands and Luxembourg in 1832. The Benelux Customs Union later joined the EEC with the establishment of the European Economic Community.

1.4.3 Common Market

The third stage of economic integration is common market. In the practice, the common market term took place in the Spaak Report for the first time in 1965 and was frequently used with the entry into force of the Treaty of Rome (Karluk, 1994: 4). In the common market, free trade of production factors such as labor and capital circulation is also provided. Often, after the common market stage, the transition to

the economic and monetary union phase, in which economic, financial and social policies are harmonized, is aimed at (Ay, 2005: 3). Common market formation process;

I. Removing physical boundaries (for people and goods)
II. Removal of technical boundaries (norms, capital movements, service circulation, etc.)
III. Removal of financial borders.

The reduction of the cost of the theory of the common market, the supply-demand balance to create the necessary price policy, the firm's supply chain during the bilateral relations can positively affect negatively.

1.4.4 Economic and Monetary Union

The Economic Union, the fourth stage of economic integration, is the full union of member economies. In other words, in addition to the conditions of the common market, economic and monetary policies and their integration in the institutions. It comprises a single monetary system and a common foreign trade policy with a financial system combined with the central bank. Thus the monetary union is also covered. At this stage, the central bank and the policies to be harmonized by the created financial system can be summarized as follows:

I. Removal of customs barriers or liberalization of capital and labor circulation is not enough for integration to be achieved in the financial and factor markets. However, Member States should go to sleep in standards, taxation and incentives.
II. The environmental policy issues that are reflected in the international arena should be adopted as a common policy.
III. A common policy should be followed in projects that are technologically and scientifically investigated at an international level that an individual cannot solve by itself.

IV. Cooperation in politics to prevent practices within the Union that prevent competition and create monopolization.

There are different views on whether the concepts of economic union and monetary union will often be considered coordinated. From the point of Paul Reuter's "monetary policy is the instrument of economic policy," we can say that monetary integration is a precondition for economic integration. In other words, monetary integration is the most important element of economic and monetary union. Monetary integration includes two main components: the exchange rate union and the capital market union.

1.4.5 Political Integration

Political Integration; it is important not to be the main aim of integration but to make political convergence in full economic coherence and to place it in common interests at international level.

To reach the stage of political unity, the countries have to provide some conditions. These;

I. The existence of common political and legal values
II. Common culture
III. Collaboration starting from a simple level
IV. A common goal for the future
V. To believe that the benefit of the majority of the cooperation period and the benefit from the partnership are equal and reciprocal
VI. The existence of a mechanism that mutually agreed on transparency principle in all activities and events
VII. The existence of serious economic and political crises in the international environment

The pace of the formation of the political union is directly proportional to the process of regulating the economy. In other words, harmonization of legislation

between countries, elimination of differences between public, industry, finance and agriculture policies is decisive in the process of formation of the union.

1.5 Success Conditions of Economic Integration

Sustainability of regional integration is a tough process among the thinkers of economics. The fact that most regional integration movements are dispersed without reaching the customs union stage is a supporting factor. Thus, in order for economic integration to be successful, the characteristics that must be possessed can be listed as follows.

I. Economic Development Level
II. Geographical proximity
III. Economic Structure Similarity
IV. Complementary and Competitive
V. Military and Political Proximity
VI. Infrastructure Facilities
VII. Socio-Cultural, Historical and Religious Proximity
VIII. Balance of Payments and Exchange Rate Policy
IX. Compensation Principles of Differentiation
X. Understanding of National Sovereignty
XI. Regional Investment Policies

1.6 Economic Integration Trends in the World

As we have pointed out in the Customs Union Phase under the title of Economic Integration Steps, the first economic integration movements in the world began with the Zollverein Customs Union, which was organized in 1834 between German states.

After World War II, the establishment of the GATT in 1948 and the institutionalization of the WTO into the WTO have increased the global economic

integration movements. As a result, countries have begun to abandon external, autonomous, autonomous politics, and their interdependence has increased.

Although there are many economic integration movements in the world, these movements seem to polarize in three main centers. Beginning in Western Europe, the EU, which covers all of Europe, forms its head from these poles. The other pole is the APEC, which has expanded from the US to China and Russia and dominated the Asia-Pacific region. The last pole covering North America is NAFTA. The common point of these integrations is; it is the integration of countries that have been established or led by developed countries.

1.6.1 European Union (EU)

The European Union is an example of the most advanced integration on the world today, laid by the Treaty of Rome, which established the European Economic Community, the basis of which was signed in 1957. The economic integration of the EU started with the customs union. It then deepened with the Single Market, which was completed in 1993. The most advanced stage of the integration of the EU is the "Economic and Monetary Union", which was completed on 1 January 2002.The European Communities, consisting of 6 (six) members in the year of foundation, became a union of 28 (twenty-eight) countries with the participation of different new members.

1.6.2 Asia and the Pacific Economic Cooperation (APEC)

APEC, headquartered in Singapore, was established in 1989. Members; Australia, Brunei Darussalam, Canada, Chile, PRC, Hong Kong Special Administration (in the name of Hong Kong China), Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russian

Federation, Singapore, Taiwan (In the name of Chinese Taipei), Thailand, USA and Vietnam. The purpose of the establishment is to liberalize trade and investment in the Asia-Pacific region, to provide commercial and technical cooperation for the integration of economies and to facilitate business links.

1.6.3 North American Free Trade Agreement (NAFTA)

The foundations of NAFTA were laid by the Auto Pact agreement signed between Canada and the United States in 1965. Afterwards, the US-Canada trade relationship increased. NAFTA, a regional economic integration based on a free trade agreement, offers member countries the possibility to move out of the region.

NAFTA, unlike the EU, does not include freedom of movement of workers and does not include political and economic integration.

1.6.4 Black Sea Economic Cooperation Region (BSEC)

Black Sea to the coast of Turkey, Russia, Ukraine, Moldova, Georgia, Romania and Bulgaria, the Black Sea coast without Albania, Greece, Armenia, in Azerbaijan the Black Sea agreement signed in Istanbul on June 25, 1992 was established the Economic Cooperation. The Black Sea basin is intended to be a region of peace, stability and prosperity. It seeks to diversify and further develop bilateral and multilateral economic, technological and social relations between member states by exploiting the potentials, geographical proximity, and complementary characteristics of economies.

1.6.5 The Latin American Free Trade Area (LAFTA)

On 18 February 1960, the Montevideo Agreement was signed by Argentina, Brazil, Chile, Uruguay, Mexico, Paraguay and Peru to establish the Latin American Free Trade Area (LAFTA). The Agreement entered into force on June 2, 1961.

Colombia and Ecuador joined the Region in 1961, Venezuela in 1966 and Bolivia in 1967. With the LAFTA Agreement, it is envisaged to remove commercial barriers between members within a maximum of twelve years. In addition, coordination of agricultural development and industrial policies and complementarity principle in industry are aimed at establishing industrial plants in the most suitable places to meet the region needs. Within the twenty years since its establishment, LAFTA, EFTA, etc. have failed to achieve a full liberalization in domestic trade. With the agreement signed in Montevideo on August 12, 1980, the Latin American Integration Association was established instead of LAFTA. ALADI, which aims to create a preferential economic zone among the target countries in the short term, has long aimed to establish the Latin American Common Market.

1.6.6 America-European Union Free Trade Agreement-Free Trade Area (Negotiation Process)

President Barack Obama on behalf of the United States (USA) and Commission President Jose Manuel Barroso on behalf of the European Union (EU) Herman Van Rompuy, President of the EU Summit, made a joint statement on February 13, 2013 and said that a very comprehensive Transatlantic Trade and Investment Announced their decision to start negotiations for the establishment of the Transatlantic Trade and Investment Partnership (TTIP).

The free trade agreement, which will integrate European and EU economies in many fields, is of great importance both economically and politically. The EU and the United States accounted for approximately half of the world economy (46.7%) and about one third of world trade (30.4%); and the value of mutual investments is estimated to be 3.7 trillion dollars, it is understood that the dimensions of the trade and

investment relationship between the two sides are quite large in terms of the world economy.

The Customs Union is therefore a special relationship with the EU, Turkey, said that inclusion in the agreement will appreciate deeply impressed by this new policy. Because, according to the Customs Union, the EU has to comply with agreements it has made with third countries outside the Union. In addition to Turkey, his legislation and policies that are created without the participation has undertaken the obligation to reflect their own arrangements. Disturbingly, Turkey is in the EU's preferential trade agreement with his country or make similar agreements with other countries. However, many countries had already signed with the EU in SA is to sign FTA with Turkey. This is in the process of creating a balance between unfair and unfair competition in customs duties.

The report issued by the CBRT on 26 November 2013; Turkey's EU-US GDP fails to make the stadium the party could suffer losses up to $ 4 billion; if it is a party to the agreement, it can achieve an increase of about $ 31 billion in GDP.

To sum up, Turkey should be included in the agreement to be signed between America and the EU. Otherwise, the consequences can negatively affect Turkey Customs Union between Turkey and the EU would lead to the vibration.

2. THE CUSTOMS UNION THEORY

The theory of economic integration begins with an examination of the economic effects of customs unions. The first serious work on the customs union belongs to Jacob Viner. Viner examined the customs union in all its aspects through his work "Customs Union Problem" published in 1950. Viner's work was followed by J. E. Meade's 1955 "Theory of Customs Unions" (Dura and Atik, 2007: 10).

Nothing can be more absurd than the doctrine of trade balance, on which all trade regulations are based. This doctrine suggests that if the trade balance is zero when two places trade with each other, what is a gain or loss on the two sides, and if this balance goes away, the other side loses while someone gains. Both propositions are wrong. A trade driven by incentives and coercive force may, as well as often, even bring harm to the country of which it is established, as I will explain from now on. However, trade between the two sides, carried out on a regular basis from natural routes, without any constraints or constraints, is always beneficial to both sides, even if they are not always equal. I understand the increase in the annual value of the exchange value of the annual crop of the land and labor of the country, that is, the increase in the annual income of its people, rather than the increase in the amount of gold and silver. (Adam Smith, 1776)

La Haye International Permanent Court of Justice: "The customs union is the only way to ensure that all the contracting parties are entitled to a single tariff, to a single common customs barrage for non-member states, to the removal of customs duties applied in the exchange of goods between members in the union, is a type of economic integration in which the taxes received are shared among the members. (Uyar, 2000).

The effects created by the Customs Union are first divided into static and dynamic effects. Static effects, changes in foreign trade volume and prosperity are examined through the removal of tariffs on the assumption that technological and economic structure remain constant. Static effects are one-off effects, while dynamic effects are continuous impacts that lead to changes in member states' economic structures, production capacities and resource efficiency. (Seyidoğlu, 2003)

2.1 Static Effects

Under the assumption that the post-union technology and economic structure remain constant, the effects resulting from the redistribution of production factors are called static effects. (Uyar, 2000) These effects are called static effects because they occur only once and do not show continuity. Static welfare effects of integration are two components: potential welfare effects arising from changes in efficiency in production and consumption, and welfare effects arising from redistribution of income. (Gökdere, 1989)

Table 1 Literature on theoretical infrastructure

LITERATURE ON THE THEORETICAL INFRASTRUCTURE	
STATIC EFFECTS OF CUSTOMS UNION	THE EFFECTS OF THE CU ON THE FOREIGN TRADE
Viner(1950), Meade(1955), Lipsey(1960), Summers(1991), Wonnacott Luts(1989), Krugman(1991), Panagariya(1997), Frankel (1996) Krishna(2003), Makover-Morton(1953)	Mundell(1964), Petith(1977)

Source: Nart, CU "The Effects of Turkey's Foreign Trade: Panel Data and Analysis, Journal of Law University, 2875

2.1.1 Production Impact

The production of the customs union member countries is different from the production before union (Kılıç, 2002: 26). When a customs union is established, some industries in the union may be able to get some inputs cheaper due to the removal of

customs tariffs. Thus, production can increase. On the other hand, during the lifetime of customs tariffs among union members, costs will increase because some commodities previously bought at low cost from third countries will be taken from union members at a higher cost; which leads to production decline (İyibozkurt, 1996: 6-7). The effect created by the decrease of the customs union on production and the result of increase is called net production effect. This effect is also determined by the resource efficiency and welfare of member countries. In the context of customs union theory, the nature of these effects was first discussed by Viner. In Viner analysis' he first deals with the effects of the "customs union" and "trade diversion" of the customs union. While explaining the emergence of these effects, he admits that there are some simplifying features in the markets. These features are specified as assumptions of trade-inducing and trade-defeating effects, and are as follows:

- Conditions of full competition in commodity and factor markets apply.
- All the factors in the economy are fully employed.
- Factors of production are fully mobile within the country and stationary among countries.
- Prices are determined by costs.
- Three countries are considered in the analysis. The first is the host country and the second is the other member of the customs union. The third is the country outside the members of the customs union.
- Production should be made at fixed costs.
- Transportation costs are zero.
- "Ad valorem" (from the value of the sale of goods) customs duties are applied (Dura and Atik, 2007: 13).

2.1.2 Commercial Creative Impact

The commercial creative effect is the positive trade effects created by the customs union. The commercial creative effect is defined as the replacement of expensive domestic production with cheap imports from other members. This effect

ensures that the resources used in expensive domestic production are transferred to more productive areas (Viner, 1950, Clean, 2009: 118). If this effect is shifted to more productive areas, it will lead to increased prosperity in countries where the customs union is seen to be effective. If a policy based on free trade is adopted instead of an export trade regime, the income of the domestic economy can be increased. Here is a gain from free trade. This also increases prosperity for all trading partners (McDonald, 1999: 46).

2.1.3 Trade Deflector Influence

Less costly imports from the third country are replaced by imports made from an in-country country, with the customs tariff being removed and the union being established. A commodity that is cheaper than the third country before joining the Union will provide the commodity from the third countries with the effect of the common customs tariff, even though it is more expensive in the member countries after joining the union and will end the trade with them. (Ahmet Çimen, 1996)

Because of the economic integration, if the trade has changed only in the direction of trade, in other words, the cost of production at the beginning will be negatively impacted by the fact that the lowest cost country imports have gone to another country because of lack of customs advantages. (Kumbaracıbaşı, 1976)

If the trade creative effect is greater than the trade deflector effect, the union will increase average resource efficiency and contribute to the increase of world prosperity. In cases where the trade deflector effect is greater than the trade-inducing effect, the average productivity of the world's resources and world welfare will decrease. (Uyar, 2000)

2.1.4 Impact of Consumption

Removal of customs tariffs as a result of the countries going to the customs union causes the prices in the domestic market to decrease and the application of a customs tax on the goods causes the actual price of the goods to increase by the amount of the customs tax. Customs, which are lifted due to the union, increase the mobility of goods within the union and change the consumption pattern in the economy. Due to the reduced customs duties, the foreign commodities which are relatively inexpensive relative to each other (common member commodities) are demanded more and in this way the consumption effects of the customs unions arise (Karluk, 2003: 265).

If the integration of the customs unions constitutes an integration of the members' economic structures, it is considered that the union will be in favor of all the members and that the member countries will increase the incomes of the citizens, claim the increase of the income and demand more funds. The fact that commodity prices in the Union are influencing this situation, as well as the increase in the incomes due to the production effect of the citizens of the member states has an effect on this situation. (Doğan, 2004)

Another important point here is the demand elasticity of the goods that are subject to trade. The first condition for the consumption effect to occur is that the demand elasticity is greater than zero, that is, the demand for goods with reduced prices is increased. This will cause consumption to be made from goods imported from the country in the union instead of goods imported from countries outside the country or the customs union. As a result of this situation, imports will increase in the union. Increasing imports within the Union trigger changes in the consumption structure in the economy. The consequences of the removal of customs, depending on the

decreasing prices, are up to the point where the consumption structure changes. However, the same situation is not affected by production. While the production effects are observed, a number of basic assumptions are made to ensure that the production conditions do not change (Yücel, 2006).

2.1.5 Foreign Trade Impact

Foreign trade rates indicate the ratio of unit export prices to unit import prices. Depending on the changes in the export or import price index as a result of international trade, the terms of trade may improve or deteriorate. The terms of trade have been introduced by Mundell into the Customs Union Theory with the aid of an offer curve analysis. Mundell has created a theoretical model with three goods, three goods. In case of establishing CU between the two countries, it is concluded that the terms of trade of both countries will be positively affected unanimously according to the countries which are not in the union. Nevertheless, the trade-offs of the partner with a lower pre-merger tariff rate are more likely to be affected positively than this merger. (Yıldırım, Dura, 2007)

How the customs union affects the prosperity of member countries and the whole world is closely linked to changes in terms of trade as well as changes in activity in production and consumption. The effects of the customs union on foreign trade merits can be gathered under four headings. (Karluk, -)

I. Increase in Productivity in the Union: Increases in the level of productivity within the association lead to a decrease in the production cost of the association. Productivity increase in the internal commodities produced by the member countries of the Union results in the benefit of the member countries.

II. Changes in the Union's Bargaining Power: The self-sufficiency ratios of merged economies are higher than in the past, and the degrees of commitment

to economies outside of the union are less. In the event of an increase in bargaining power, the terms of trade are likely to change in favor of the union and against those outside. In this case, if the customs union covers a significant part of the world market, it is possible for the Union to increase the bargaining power and thus to reverse the terms of trade.

III. Economic Size of the Union: The purpose of the economic size of the Union is the total volume of production. In other words, it is the sum of the gross national product of the countries included in the Union. The union with economic size can change the world prices by influencing the supply and demand conditions, and with this change it can convert the terms of trade. However, if the unity is small, the external world encounters infinitely flexible supply curves and therefore cannot favor the terms of trade. In this respect, the units have the opportunity to convert the terms of trade into their own proportions to the extent of the economic fields they cover.

IV. Return of Trade from the Union to the Union through the Establishment of the Union: As far as the customs union is concerned, the foreign trade obligations of the members of the Union may be returned to the union. If the unity of foreign demand and supply are unity, then the terms of trade can turn out to be largely united. Because in this case there is a reduction in the imports of foreign countries, but exports of these countries maintain their old levels at a lower price.

In terms of a country, the improvement of the terms of trade leads to welfare increase, and worsening leads to welfare loss.

2.1.6 Industry Trade

Intra-industry trade is a tradition given to a country in which both the import and export of goods belonging to the same industry are carried out. The formation of international trade may be in the form of intra-industry trade or intra-industry trade. Intra-industry trade is the simultaneous export and import of differentiated products within a given industry. This leads to reciprocal bilateral trade between the

industrialized countries. In addition to trade between industries, the increasing import and export of similar goods has brought the concept of intra-industry trade to the agenda. (Küçükahmetoğlu, 2005)

In order to be able to examine the intra-industry trade effect of the Customs Union, some assumptions in the standard foreign trade theory need to be changed. These:

I. Differentiated products instead of Homogeneous Products.
II. Increased return on a scale instead of a constant return on a scale
III. Different demand structures instead of similar demand structures

The positive relationship between economic integration and intra-industry trade can be explained by the following factors. (Küçükahmetoğlu, 2005)

I. Choice diversity and demand overlap: If countries have similar preferences before integration and produce similar but differentiated products, intra-industry trade based on diversity of preferences increases in case of integration in these countries.
II. Liberalization of trade: The customs union allows trade among member countries to expand trade between these countries by removing trade barriers. Thus, in the countries of the customs union, a specific environment is set up for increasing intra-industry trade.
III. Decrease in production costs: Customs union countries can benefit from cost reductions through scale economies if they produce for a wide range of markets. However, the overlap of demands in the integration countries makes it easier to expand intra-industry trade with decreasing costs in production.
IV. Factor movements and intra-firm trade: The countries within the scope of economic integration increase the production of similar but differentiated products. Thus, intra-industry trade increases in these countries.

2.2 Dynamic Effects

With the creation of a customs union between countries, a number of changes in the economic structures, production capacities and resource efficiency of the

member countries of the union in the long run occur. These effects are called dynamic effects. According to many sources, the most important aspect of the customs union is the dynamic effects. (Seyidoğlu, 2001)

The dynamic effect can be considered in two ways: dynamic advantages and dynamic disadvantages. If we summarize them in terms of materials (Dura and Atik, 2003, p.19, Filiztekin, 2003, p.1-4)

Possible advantages of dynamic effects;

I. Increasing competition and product quality of new firms entering the markets,
II. Increase in national income through the development of foreign trade volume and capital markets,
III. The increase of fund resources for investments with the development of capital markets,
IV. In addition to importing cheaper imports from third countries in parallel to expensive imports from third countries, it also has the effect of increasing the foreign exchange reserves due to the increase in exports,
V. The penetration of new foreign investors into the markets and the technological improvement in domestic investors should accelerate the pace of industrialization,
VI. Effective and efficient planning through the use of advanced technology and new production techniques, internal scale economies will increase the savings of non-firms with the growth of industrial branches, accelerate the flow of information, and enable consumers to produce quality products at lower prices,

Possible disadvantages of dynamic effects;

I. The shift in countries where marginal returns of production factors are relatively higher due to developmental differences between Union members,
II. The formation of new monopolies in some markets due to the advantages provided by GB.

III. Recumbence is a decrease in employment by eliminating small sized companies that are not ready from the markets.

As a result, these dynamic effects, which are closely related to the national income, the speed of development and the economic welfare that are formed over time, emerge in terms of GB's resource supply, production organization, technology and can cause radical changes in the country's economy in the long run. The dynamic effects that will arise as a result of the customs union can be examined under several main headings:

2.2.1 Competition Effect

Before entering the customs union, the countries protect the domestic industries with customs walls against each other and prepare the ground for the bullying of the domestic industry in a sense. This highly protective environment also provides for the emergence of monopolies. However, with the removal of customs walls after the customs union, countries face an external competitive environment in which they have never been before. As a result, some businesses are unable to compete and shift to the field where they can be productive, while those that can provide competition in imports are trying to reduce production costs by working effectively. As a result, after the customs union, the force of the monopolies before the customs union with the competition effect is diminishing. (Dura and Atik, 2007: 23)

2.2.2 Technological Progress

Technological development improves production technology, helps to obtain more products with less cost, improves the economy positively and provides refractory contribution. As a result, economic structure is revitalized by technological development and growth is accelerating. (Çimen, 1996) The increasing competition environment resulting from the establishment of the association leads to technological

progress by increasing the farming investments of firms. Increasing technological progress of the customs union is due to increasing competition, scale growth, increasing foreign investment and technology content. (Yildirim and Dura, 2007)

2.2.3 The Economy of Scale

The result of the Customs Union is thought to be the formation of a large market, leading to increased expertise and lowering costs in production. It is claimed that the dynamic effect of scale economies is especially important for developing countries. (Karluk, 2003)

2.2.4 Impact of Investment Promotion

Along with the customs union, it also brings with it the increase in savings and investment that comes from the national origin. While the customs union is reducing the risk of investments and raising the profitability by providing confidence to businessmen that the tariffs will not rise again; it leads to the expansion of market volume, the collecting of union production in more efficient hands, and the withdrawal of significant foreign capital investment to the region. Because the creation of the customs union causes the investments in the region to increase in order to avoid third country producers' common customs tariff. (Uyar, 2000).

3. THE PROCESS OF CUSTOMS UNION AGREEMENT BETWEEN THE EU-TURKEY

3.1 Overview of the European Union

After the Second World War, Europe suffered major destruction in every area, and was looking for a way out of this situation. As a result, the idea of restoring peace in Europe, bringing European countries together around common values, and initiating a strong co-operation in the economic arena, especially to increase wealth, began to be expressed with a louder voice every day. With the aim of ensuring peace throughout Europe and establishing an economic partnership between European countries, it was aimed at launching bases of a political union in the future. The Treaty of Paris, which established the European Coal and Steel Community in 1951, was signed by Germany, Belgium, France, the Netherlands, Italy and Luxembourg, and the Treaties of Rome, which established the European Economic Community and the European Atomic Energy Community in 1957, were signed. Throughout the period, European states have strengthened their co-operation in the economic, political, social and cultural spheres. The European Communities, which consisted of only 6 members in their founding years, became a Union of 27 members who had joined the new members at different dates. As of today, EU members are France, Germany, Italy, Belgium, Netherlands, Luxembourg, England, Ireland, Denmark, Greece, Spain, Portugal, Austria, Finland, Sweden, Czech Republic, Hungary, Poland, Slovenia, Slovakia, , Lithuania, Greek Cypriot Administration, Malta, Bulgaria and Romania.

The European Union was founded on the basis of the common principles and experiences that Europe has gained over the centuries. The prosperity and ideals of the common experiences of the European states are the foundations of this new integration movement, namely the provision of lasting peace, social welfare, solidarity, freedom,

democracy, human rights, Rule of law, market economy and freedom of enterprise. In the European Union, the aim is not to dissolve the national, cultural, linguistic and religious diversity of the member states and citizens but to transform the dynamism brought about by this diversity into a gentle one. The values of the EU are contained in Article 2 of the EU Treaty. According to this article, "The Union is founded on principles of respect for human rights, including human dignity, freedom, democracy, equality, rule of law and rights of persons belonging to minorities. These values are common to member states in a society where pluralism, non-discrimination, tolerance, justice, solidarity and gender equality prevail. "These values can be a member of the EU every European state that can serve as an ideal and ideal for development. The European Union is a supranational structure formed by European states and citizens, who foresaw the fusion of European peoples in economic, political, social and cultural fields. This structure was established with international treaties signed between the member states, and in some areas with the same treaties, decision-making authority was given to the EU by member states. Thus, a system of law was brought to bear in the world, which has no equivalent, connecting all the member states and citizens at the same time, in the same way and at the same level. In addition, an internal market was set up to facilitate the circulation of people, goods, services and capital within the borders of the European Union.

The European Union based on the establishment of an internal market based on the spread of economic integration to other political and social spheres and based on the establishment of a common law regime, today the free circulation to the common currency and coordinated economic policies, education to social politics, food safety transport, and in the form of cooperation and integration in which many of

the members of the territorial units, from technology to energy, from intelligent property to foreign policy to visa, immigration and asylum policies, and from common crimes to cross-border crime, The EU develops policies to fulfill its goal of becoming a world actor while at the same time striving to realize the goal of providing a wealth of freedom, security and justice to people living in European countries and to provide increased prosperity within an effectively functioning and competitive social market economy. One of the priority objectives is the European Union, which aims to provide economic development for the member states of the Union, from the years of its foundation until today, to the development and growth of the member state economies through trade between the member states, the strengthening of economic cooperation among the member states and the creation of employment opportunities for the citizens of the European Union. He took this fruit of the effort to a great extent, despite the distress that we have experienced today. Indeed, with nearly 500 million citizens and gross national product of 18 trillion dollars, the European Union is the world's largest economy. Even though it is very badly affected by the global economic crisis, it still maintains comparative success in terms of the level of economic prosperity and the sharing of this wealth, when compared with many regions of the world. At the same time, as of today, officially used by the 17 member States of the European Union, the euro is the most used currency with the dollar in the world.

In addition to its aim of economic development and solidarity, the European Union is a political and social cohesion and solidarity project. The European Union strives to ensure that member states are in solidarity with each other, with respect to the protection of human rights and the social, political, cultural cohesion and further

development of the member states. Among the main objectives and policies of the European Union are;

I. Being a strong and effective foreign policy actor,

II. To guarantee and spread the values of freedom, democracy, human rights and rule of law within and outside the EU,

III. To fight against all kinds of discrimination; in particular, to strive for equality between women and men in every area,

IV. To combat climate change,

V. Being able to sustain economic growth while preserving the environment at the highest level,

VI. To ensure energy security,

VII. Effective crime such as illegal immigration, international terrorism, human, arms and drug trafficking

VIII. Fighting and being a real freedom, security and justice space,

IX. Contributing to the increase of employment and social protection in EU member states,

X. To promote economic, social and regional harmony among EU member states,

XI. And ensuring that European citizens have the highest standards of living and quality.

It brings together the thoughtful member states that the most effective way of achieving these goals is to act together and keeps them together.

Table 2 European Union Historical Development Process

May 1, 1945	World War II ended.
April 1, 1949	Signed North Atlantic Treaty (NATO)
April 1, 1951	European Coal and Steel Community Treaty (ECSC) signed
July 1, 1952	European Coal and Steel Community Treaty entered into force
March 1, 1957	Signing the Rome Treaty of the European Economic Community (EEC) and the European Atomic Energy Communities (EEA)
January 1, 1958	Rome Treaties Entering the Movement
January 1, 1973	First enlargement (expansion to the north): UK, Ireland and Denmark joined the European Community.
June 1, 1975	Greek membership application made
January 1, 1981	Greece became a full member
January 1, 1986	Spain, Portugal became full member
July 1, 1987	The first serious revision was made to the Treaties of the European Community. The Single European Senate on revision entered into force. The legal infrastructure of the Internal Market has been
November 3, 1990	East Germany joins West Germany
Soviet 1991, 1991	Soviet Union dissolved
February 1, 1992	Treaty of Maastricht - Treaty of the European Union signed,
November 1, 1993	Maastricht Treaty entered into force
On 1, 15	The number of EU members increased to 15. Austria, Sweden and Finland. Norway has chosen to stay outside the EU again
June 22, 1993	The Copenhagen Criteria of the Summit was held
March 26, 1995	Schengen Agreement Entered into action
October 2, 1997	Amsterdam Treaty signed
December 1, 1997	The Luxembourg Summit was held, where the enlargement process was adopted
May 1, 1999	Amsterdam Treaty entered into force
December 1, 1999	Confirmed that the Helsinki Summit was held on Turkey's membership
December 1, 2000	Nice Summit was held. In the institutional structure of the European Union, the Treaty of Nice was signed, which resulted in the enlargement of arrangements for the representation of member states
December 1, 2001	Laeken Summit
January 1, 2002	European Union Single Currency Unit Euro entered with the action
February 28, 2002	National Securities EU member countries, including the euro, remained free from the crisis
July 25, 2002	European Coal and Steel Community final
February 1, 2003	Nice Treaty entered into force
May 1, 2004	The Union carried out its fifth and largest enlargement with the participation of the Czech Republic, Estonia, GREECE, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia and Slovenia.
November 1, 2005	Enactment of the Constitution adopted by the European Parliament on 12 January 2005
January 1, 23	Bulgaria and Romania became members of the European Union. Thus, the number of EU members increased to 27. At the same time, the number of official languages used by the Union was 23.
January 1, 15	Malta and GKRY have moved to Euro. Thus, the number of countries including the Euro Area in the 27 EU member countries has increased to 15.
December 25, 2008	Switzerland participated in Schengen Field. The Schengen Area, which aims to remove internal border controls among the member states, has expanded to 25 countries
January 1, 2009	Slovakia participated in the Euro Zone
July 1, 2013	The membership of Croatia has taken place and the number of EU members has reached 28.

3.2 Institutions of the European Union

The European Union uses its competent authorities through its non-national institutions at national and international levels. The main institutions of the European Union are:

3.2.1 The European Parliament

The European Parliament is a publicly elected body within the EU institutions. European citizens who are citizens of EU member states can vote in the European Parliament elections held every five years. The last parliamentary election was held in 2009. Today, the Parliament consists of 736 representatives from 27 member states of the European Union. This number was set at 751 to include 750 members and a President after the 2014 elections. The number of parliamentarians to be represented by which member state is determined by the influence of the member states.

The European Parliament is a body representing the democratic interests and political views of the citizens of the member states. Therefore, they form a group in the European Parliament according to their political views, not the members' countries. Parliamentarians represent the political views of the European citizens who voted for them, not the countries. Today, there are 7 political party groups and independent members in the European Parliament. Parliamentary General Assembly convenes as a rule in Strasbourg. The political groups and committees of Parliament meet in Brussels and their secretariat is in Luxembourg. The issues coming to the parliament are debated in 24 committees with different fields of duty and the results are presented to the General Assembly with a report. Negotiations at the General Assembly are also held in this framework. The European Parliament shares legislative power with the Council.

Acceptance of legal arrangements to bind Member States is generally possible with the approval of both the European Parliament and the Council. In some cases, it is only an advisory body, and opinions are not binding. The most important of these areas are foreign policy issues. The European Parliament, which together with the Council of the European Union budget, has political control over other European Union institutions. The Parliament can ask the Commission a verbal and written question, establish investigative committees, accept complaints, and force the Commission to vote by insecurity and with a two-thirds majority. Confidence is also sought in the appointment of the Commission's chairman and the Commission's delegation. It can also exercise the supervisory authority over the institutions of the Union through the appointments and reports of the European Ombudsman.

3.2.2 European Union Summit

The European Union Summit takes place with the participation of prime ministers or presidents of the member states of the European Union, the President of the European Union Summit and the President of the European Commission. The Summit, convened four times a year, takes decisions that set priorities and key policies in the direction of the Union's development and European integration. The European Union Summit has no legislative power. Nevertheless, the EU membership is politically weighted and guiding, as it is the institution where the highest authorities of all states come together and set the basic policies. In most cases, the decision is made by consent, with the exception of the qualified majority. The Summit is chaired by the Head of the EU Summit, which is appointed by the member states for 2.5 years and whose term of office can be extended once. The President of the Summit is obliged to represent the Union in the international arena, with the exception of the authority of

the High Representative of the Union Foreign and Security Policy. The President of the Summit cannot be in any national duty at the same time.

3.2.3 The Council ("Council of Ministers" or "Council of the EU")

The Council is a body composed of ministers serving in the governments of the states of the member states of the European Union. The Council is the body in which the national interests of the member states are represented within the European Union. The relevant ministers represent the member states in the direction of the matter to be decided upon at the Council meetings. For example, if the issue of the meeting is related to the economy or monetary policy, ministers of economies and finance of the member states attend the meeting. The presidency of the council is run by teams for consistency and consistency of 3 member states to serve for 18 months. Thus, the Presidency changes hands between member states for six months. To assist the Council in its work, there are several committees and working groups, mainly the Committee of Permanent Representatives (COREPER), which consists of the Ambassadors of the member states in the Union. In many respects, the Council, which shares with the European Parliament the power to accept legal regulations binding all member states, approves the budget together with the European Parliament. The Council is deciding on three different procedural frameworks; unanimity, majority vote and qualified majority. After the Treaty of Lisbon, the main voting procedure in the Council was organized as qualified majority; unanimity and simplicity of the majority of the exceptional nature of the demonstration. The Common Foreign and Security Policy is still today constitutes the most important exceptional area for which a large number of member states have unanimously decided. Participation of new members it is again a field of unanimity in the Council. Within the framework of the regulation before the Treaty of Lisbon, the qualified majority method is based on the principle of system

weighted voting according to the population, physical and economic size of each member state. In order to be able to make a decision based on the qualified majority method, 255 of the total 345 votes should be positive, and more than half of the member states should report a positive opinion. When a decision is taken by a qualified majority in the Council, any member state may request that the vote be affirmative, if it is deemed necessary, to prove that 62% of the Union's population does not meet. If 62% is not attained in this case, the decision is considered unacceptable.

The implementation of the method for the qualified majority brought by the Lisbon Treaty was delayed until 2014. A transitional process is anticipated for the period up to 2017. Therefore, until 1 November 2014, the system based on weighted voting will be implemented. From 1 November 2014 onwards, in order to be able to make a decision by qualified majority method, the positive votes must represent 55% of the member states, 65% of the total population of the Union and must come from at least 15 member states. The blocking minority was identified as at least 4 member states, taking into account the population base. The Council ensures alignment between the economic policies of the member states. It is in particular with the EU Summit, in which the policies of the member states towards the Common Foreign and Security policy of the Union are determined. The Council, on the other hand, sign international agreements on behalf of the European Union with third countries and international organizations.

3.2.4 The European Commission

The European Commission is the institution that initiates the legislative process and is responsible for the implementation of the EU acquis, budget and programs as an executive body of the Union, and for administrative supervision. The

European Commission is composed of 27 members, one of whom is from each member state. These people are called "commissaries". Every commissioner is responsible for the conduct of one or more EU policies. The committee operates almost like a Council of Ministers. In addition to commissars, the Commission also has an administrative organization of 25.000 people, consisting of officials from the European Union. Within the Commission there are General Directorates, which are administrative units on which administrative arrangements are made. Each Directorate General is governed by a General Manager who is responsible to the Commissioner, who undertakes the political and administrative responsibilities of his work. General Directorates are divided into directorships, directorships by departments or units, departments or units are divided into table chiefs. At each desk, there are a number of specialists for the topic of the table. The head of the Commission is determined by the European Union Summit and its appointment is made with the approval of the European Parliament. One of the Commission's deputies is the High Representative of the Union's Foreign and Security Policy, which is responsible for running the EU's foreign policy. The President of the Commission shall be elected by the Summit by the qualified majority through the consideration of the European Parliament's elections and consultation, and shall be proposed to the Parliament, and the presidential candidate shall be elected by the majority of the members of the Parliament. The Chairman of the Commission, together with the High Representative of the Foreign and Security Policy and all other commissioners, must be presented to the Parliament's approval in a delegation and appointed by the Summit with qualified majority. The Commission shall be elected by the President of the Commission from among the candidates nominated by the Member States and shall be elected by the Summit with qualified majority and the High Representative of the Union's Foreign and Security

Policy appointed with the approval of the Commission President in the presence of the European Parliament will be submitted for approval. Following the provision of the necessary confidence, the Commission shall be appointed by the Summit by qualified majority. The commissioner's term of office is 5 years and this period can be renewed. The Commissioners have to protect the general interests of the Union, not the interests of their own countries, even though they are citizens of the states of the European Union and are appointed by them. The Commission shall act independently in fulfillment of its responsibilities and shall not receive instructions from member states or from any institution or authority. The Commission may not be employed by the member state governments during their term of office. The Commissioner of the European Parliament may not have the authority to take individual positions, but may elect the Commission as a committee with a vote of insecurity. The headquarters of the Commission is in Brussels. The Commission, which is independent of the member states of the European Union, is the executive body of the Union. In this respect, the Commission, which implements the Union's budget and policies, has also undertaken the task of supervising the implementation of the EU law from the administrative point of view. Member states may file lawsuits in front of the European Court of Justice on the grounds that they have violated EU law. Another important task of the Commission is to initiate legislative proposals and legislative proposals to the European Parliament and the Council, which form the legislature.

3.2.5 European Court of Justice

The Court of Justice of the European Union, the judicial body of the European Union, consists of a triple structure, the General Court and the courts of expertise. The main aim of the Court of Justice is to ensure that the European Union law is interpreted and implemented everywhere in the European Union. The Court performs the

functions of providing respect for the law in the interpretation and application of the Union law, regulation of relations between the national legal order and the EU legal order, legal supervision, interpretation, dispute resolution, law creation and filling of the gaps.

The Court shall consist of a judge from each member state and the General Court shall be composed of 27 judges, including at least one judge from each member state. 8 Legal Words to the Divan and the General Court help by preparing opinions on the cases. Judges may be appointed and reassigned for six years with the consent of the member state governments. The independence of the Judges of the Court is guaranteed by means of various provisions regulating the statutes. In addition, Divan negotiations are confidential and unspecified, decisions are taken by majority vote, and all judges sign it and the counter votes are not disclosed. The Court of Justice of the European Union is authorized to look at a number of cases arising from EU law. These are in general cases involving the examination of the compliance of member states and EU institutions with EU law and the interpretation of EU law where necessary in order to tackle the cases in national courts. The European Court of Justice operates in Luxembourg.

3.2.6 The European Court of Auditors

The European Court of Auditors examines all the revenues and expenditures of the Union and ensures that their transactions are lawful and procedural.

The Court of Accounts is responsible for ensuring legal compliance and regularity of revenues and expenses and good financial management. The European Court of Auditors consists of 27 members, one member from each member state.

Members shall be appointed for a period of six years after consultation with the Parliament by the Council. These members are elected from among those who have auditing qualifications in their own country. The independence and impartiality of members of the Court of Accounts are guaranteed.

3.2.7 The European Central Bank

The European Central Bank is an independent EU body with legal personality. The mission is to maintain price stability in the Eurozone, which is the EU member states that use the euro as its currency. It fulfills this task within the Member States' central banks and the European Central Bank System of the European Central Bank. In this framework, the EU's monetary policy determination and enforcement, the execution of foreign exchange transactions, the holding and management of official foreign exchange reserves of member states, and the proper functioning of payment systems. The European Central Bank is the sole authority in the printing of currency notes within the Eurozone. The decision-making bodies, the Executive Board, the Management Council and the General Assembly of the Bank, headquartered in Frankfurt, Germany.

3.3 Turkey-EU Relations

EEC-Turkey relations, which began with the entry into force of the Treaty of Rome, Greece's EEC 'by resorting to July 15, 1959 in partnership Turkey has felt the need to take the initiative. After this, two weeks after Greece, on 31 July 1959 he applied to establish close and permanent links with the Community. It is a "partnership" as set forth in Article 238 of the Rome Treaty, as envisaged by this application. Turkey's application on September 12, 1963, has found its final form with

the Ankara Agreement. These procedures deal with the Turkey-EEC relations and institutional framework is drawn.

Ankara Agreement envisaged three stages in Turkey-Community relations: preparatory period, the transition period and the last period.

3.3.1 Preparation Period

During this period, Turkey has undertaken obligations will fall to him in other periods, to strengthen its economy with the help of the community are provided. The assistance that the group will make is determined by the Temporary and Financial Protocols added to the Ankara Agreement. The duration of this period is normally estimated to be five years, except for the possibility of any extension. The period began on January 1, 1964, and negotiations for the transition period began in 1969, but these negotiations ended in 1973.

3.3.2 Transition Period

This period is based on mutual and balanced obligations of the parties and the details will be shaped by the Additional Protocol. While the duration of this period was foreseen as maximum 12 years in the Agreement, the Additional Protocol was extended to 22 years so that the necessary balancing could be achieved in certain areas. The aim of this period is to try to gradual completion of the customs union to be entered in the last period. With the introduction of the transitional period Additional Protocol, which began in January 1973, it came to an end only in 1995 with the reductions. Immediately reset customs against certain Turkish industrial products without waiting for the Community Additional Protocol to enter into force.

3.3.3 Latest Period

This period is based on the customs union. Purpose is to strengthen economic policy coordination between the EEC and Turkey. During this period, March 6, 1995 in the EU-Turkey Association Council Decision on 1 January 1996, begins with the entry into force has not been determined but a certain amount of time to complete.

Considering the objectives of the prescribed period, the aim of the EC-Turkey partnership, improvement of the economic situation of Turkey and Turkish people's living standards, and in this context it is observed that the provision of economic coordination between the Community and Turkey.

Ankara Agreement to be executed relations between Turkey and the EC Association Council it is hereby established. This council shall be obliged to follow the operation of the agreement. This council is composed of government representatives of EC countries, EC Council and Commission countries and representatives of Turkish Government. The Council is competent in resolving decisions on the functioning of the partnership, supervision, as well as disputes to be raised. It is decided unanimously.

The Ankara Agreement also foresaw cooperation between the TGNA and the European Parliamentary Assembly. In order to serve this purpose, a Parliamentary Commission has been established as a democratic supervisory body. It consists of 18 members elected from the members of the TGNA and the European Parliament. They usually have the task of discussing common problems with customs issues, examining the Council's annual reports and exchanging ideas. However, their decisions are advisory.

3.3.4 Additional Protocol

Turkey, two years before the normal time of the preparatory period, in May 1967 to begin the transition period for Community negotiations' have been found in the application. However, in the transitional period negotiations, when the preparatory period in which the framework of the Ankara Agreement is determined is completed, that is, it started in January 1969. These negotiations concluded with the Additional Protocol signed on November 20, 1970, but found the protocol to be effective except some commercial provisions on 1 January 1973. The mentioned commercial provisions came into force on 1 September 1971 with a provisional agreement (Provisional Commercial Protocol).

The purpose of the Additional Protocol is to enforce the provisions of the Ankara Agreement. The protocol specifies the details of the transition period and extends the period of 12 years in the Ankara Agreement to 25 years for applications in some specific areas.

In the Additional Protocol, not only the free movement of goods within the framework of the customs union but also the facilitation of free movement of labor and services and capital movements is envisaged.

The most important obligations undertaken by Turkey in accordance with the Protocol, the Community's industrial products applied to all customs duties and quantitative restrictions, is gradually lifting 12 years. However, Turkey, for some sectors with low competitiveness, this practice has spread to 22 years. The Community Transient Commercial entry into force of the Protocol has abolished customs duties and quantitative restrictions imposed on imports of industrial products from Turkey.

Additional Protocol, Turkey in case of difficulties encountered in the fulfillment of these obligations and the Community are expressed can take the necessary protective measures.

3.3.5 Development of Relationships to the Customs Union

After the Additional Protocol's entry into force, the EC-Turkey relations has not proceeded as expected. In that period of economic stagnation and political instability in Turkey, where it has been found in the world's main reasons. 1980 military coup as a result of community relations with Turkey has given every 6 years. In 1986, relations with the civil administration came to power again. In 1987, he was granted full membership to the EC. Positive response necessarily be taken, instead, the EC Commission for Turkey to improve its relations with the community 'Matute's Package' as referred to a plan has been developed. With this plan, provision of customs union up to 1995, reorganization of industrial and technological cooperation in this framework and development of political cooperation is envisaged.

Customs Union Harmonization Studies:

1991 within the framework of developing relations after the European Commission and Turkey's authorities, since 1993, under the umbrella of the Customs Union Steering Committee has carried out work on the harmonization of the customs union. In these studies, it outlines some of Turkey needed to adapt the Community legislation was drawn up. Accordingly, the following must be done:

I. Studies on Free Movement of Goods,
II. EU harmonization studies on foreign trade policy,
III. Work on Customs Legislation (OGT and TARIC),
IV. Full liberalization of imports and adaptation of laws giving import privileges to public institutions to EU legislation,

V. Preparation of legislation and a timetable for the resetting of the protection shares applied to processed agricultural products in accordance with the EU definitions,

VI. Competition policy alignment and state aid arrangements,

VII. Identification of priority sectors for Turkey and ensuring compliance with the transition in these sectors,

VIII. The complete removal of the Mass Housing Fund,

IX. Harmonization of standard and technical legislation,

X. Liberalization of services and public procurement,

XI. Arrangements for the protection of intellectual and industrial property rights,

XII. The removal of the national monopoly of commercial nature,

XIII. Adopted the necessary legislation for the protection of consumers

Turkey, until the end of 1995, has abolished all customs duties and quantitative restrictions need to be reset. Partnership Council regarding the Customs Union gathered in Brussels on 6 March 1995, the EU-Turkey Customs Union is connected to a final decision, January 1 entered into force in 1996.

Table 3 Historical Process of Turkey-EU Relations

July 31, 1959	Turkey has applied to join the EEC partnership.
September 12,1963	The Customs Union with the EEC and Turkey will take to ensure full membership of the Association Agreement (Ankara Agreement) was signed.
December 1, 1964	Turkey-EEC Treaty came into force. The First Association Council meeting was held.
May 17, 1966	First in the EEC-Turkey Joint Parliamentary Committee met in Brussels.
December 9, 1968	The Additional Protocol talks began.
September 1, 1971	The Additional provisions of the Additional Protocol to the Treaty were put into effect by the Provisional Agreement ".
June 30, 1973	The Significance of Enlargement (Complementary Protocol) was signed in Ankara.
May 12,1977	The Financial Protocol was signed in Brussels.
July 1, 1977	Put into effect new agricultural concessions granted to Turkey by the Community
October 30, 1978	Approval of the Financial Protocol has been completed.
January 22, 1982	European Community has decided to freeze its relations with Turkey.
September 30, 1991	The Association Council was convened for the first time after 1986.
January 21, 1992	Also signed a technical cooperation program between Turkey and the EC.
November 9, 1992	Made at the 33th EC-Turkey Association Council meeting period
October 30, 1995	Association Council, 1 / Within the framework of the Customs Union Decision No. 95, for the good functioning of the Customs Union, which Turkey has fulfilled the necessary conditions identified 37 held its meeting.
December 13, 1995	Turkey-EU Association Council Decision No 1/95 was approved by the European Parliament. (343 accepted, 149 rejected, 36 abstentions)
December 21, 1995	EU and Turkey, including the Free Trade Agreement was initialed on ECSC products.
January 1, 1996	Turkey-EU integration in the 22 years of" transition period "of completing at December 31, 1995 As of 01.01.1996, the full membership process" Last Period ", the Customs Union provided in the industrial products and processed agricultural products .
February 19, 1996	1st Period Meeting of the Joint Committee of the Customs Union was held.
July 25, 1996	Turkey-EU ECSC Treaty was signed in Brussels and August 1, 1996" published in the official gazette came into force.
March 3, 1998	"As well as for the development of EU-Turkey relations prepared by the EU Commission" European Strategy for Turkey "document titled announced.
May 7, 1998	"Turkey-EU ECSC Contact Group were also collected a second time.
November 4, 1998	"Prepared by the EU Commission and EU membership which the Commission determined for opinions concerning the progress made in the light of the Copenhagen criteria" Progress Report "was released.
October 13, 1999	Including the views of the Commission on developments in the light of the Copenhagen criteria prepared by the EU Commission for membership in the EU.
December 12, 2006	The actual negotiation of "Science and Research", the first chapter in which the screening process was completed, started. The European Commission Manuel Barroso said Turkey's membership process will continue up to a maximum of 2021.
November 9, 2007	Negotiations are ongoing.

4. THE EFFECTS OF THE CUSTOMS UNION AGREEMENT ON TURKISH FOREIGN TRADE LEGISLATION

1/95 In accordance with the Association Council Decision, arrangements were made in Turkish foreign trade legislation within the scope of compliance with the Customs Union. Thus, the Community has tried to ensure compliance with customs legislation between the across Turkey.

4.1 Import Regime Resolution

General provisions

Article 1- The objective of the decision is to ensure that imports are organized in accordance with the requirements of the international trade and the interests of the country's economy. Imports shall be carried out within the framework of the provisions of this Decision and the regulations, communiqués, instructions to be given to the relevant institutions, multilateral or bilateral agreements to be issued based on this Decision.

Article 2- The amendment, inspection, control and renewal of the matters contained in this decision are carried out by the Prime Ministry Under secretariat of Foreign Trade.

Article 3 - Necessary measures shall be taken in accordance with the international agreements to which we are party to the countries, establishments and companies implementing the discriminatory procedures which are incompatible with the general principles of our import regime.

Article 6- The payment of import fees is subject to the provisions of foreign exchange legislation.

Principles of Import

Article 8- Real persons and legal entities given tax number in accordance with the Tax Procedure Law within the framework of the procedures and principles specified in the Import Regulations may import.

Article 15- This decision shall enter into force on 01.01.1996.

4.2 Import Regulation

Article 5- In import applications other than FOB delivery, the prices of goods, freight and insurance are separately specified in the proforma invoices. Transactions related to freight and insurance fees and their differences are subject to foreign exchange legislation.

Article 6 - Importation of materials left to certain institutions and institutions by importation laws can only be done by these institutions and organizations.

4.3 Export Regime Decision

Goal

Article 1- The objective of this Decision is to specify the competent authority and the principles to be applied in order to ensure that exports are regulated, supported and developed for the benefit of the country's economy.

Scope

Article 2- All kinds of export-related transactions, this Decision shall be carried out within the framework of other legislation related to exports, bilateral and multilateral agreements and regulations, communiqués and instructions to be issued thereon.

Authority

Article 3 - The competent authority in exportation is the Ministry to which the under secretariat of Foreign Trade is affiliated. Ministry;

a) Supervision, inspection, direction and execution at every stage of export,
b) To restrict and prohibit export,
c) To allow exports and apply quantity restriction,
d) To determine the procedures and principles of mutual trade practices on sector and country basis,
e) To organize exports to be carried out by contractors who are engaged in construction, installation and installation work abroad,
f) To coordinate activities and resources for export,
g) To abolish the export restriction measures of the recipient countries, to fulfill the provisions arising out of the agreement,
h) To determine and implement the principles of preparation and evaluation for supporting the products subject to export,
i) Determination of promotion and marketing principles, including fairs to be held abroad,
j) To carry out studies and regulations that will give competitive products to the exported products,
k) To jointly identify exports-related programs to be realized by Exim bank in the framework of general export policy,
l) To give exporting companies the right to export, to withdraw, and to determine their rights, authorities and responsibilities in accordance with export models,
m) Do not serve in relation to the status and activities of the international surveillance company It is authorized.

Export Liberation and Export Coordination

Article 4- Exports of all goods, except for goods forbidden to be exported by international agreements and laws, decrees and international agreements shall be prohibited for the purpose of protecting the animals, plants or the environment by means of unusual development in the markets, inadequacy of property subject to export, public safety, public morality, human health, except for the restrictions imposed on the protection of artistic, historical and archaeological commodities, and prohibited goods.

Public institutions and organizations shall take the opinion of the Ministry of Foreign Trade to which the under secretariat of Foreign Trade is affiliated in the preparation of laws and decrees for the restriction and ban of exports in terms of quantity or period.

Export prohibited and unconsolidated goods

Article 5 - The group of commodities forbidden to export by laws, decrees and international agreements or attached to the preliminary authorization of a particular authority is stated in the Annex to the Decision.

Applicable Regulators

Article 6 - Exporters; refrain from giving information and documents to be requested within the framework of export legislation, failing to fulfill their commitments against buyers unfairly, falsifying documents related to exports; Decisions can be made such as the warnings of companies, the cancellation of the allocations given in the export of the goods subject to the quantity restriction or the allocation of the goods for a period of 1 year and the prohibition of the company from 3 months to 3 years according to the weight of the act.

Effective

Article 8- This decision shall enter into force on the date of publication.

Executive

Article 9- This Decision shall be executed by the Ministry to which the under secretariat of Foreign Trade is affiliated.

4.4 Export Regulations

Part 1

General Applications and Definitions

Article 1- This Regulation has been prepared on the basis of the Export Regime Decision entered into force by the Decree of the Council of Ministers dated 22.12.1995 and numbered 95/7623.

Article 2- Export transactions to be made in accordance with the export regime decision shall be carried out within the scope of this Regulation and the notices to be published by the under secretariat of Foreign Trade and the instructions to be given to them.

Article 3- In the export of goods subject to the preliminary authorization of a certain authority in accordance with the exporting laws, decrees and international agreements, the export provisions of the relevant authorities shall apply after the preliminary authorization has been obtained from the relevant authorities.

Part 2

Forms and principles of export

Article 5 - Exporters who do not provide special features the exporters shall apply with customs declaration to the customs authorities to be exported.

Article 6 - Exports subject to customs declarations, together with export customs declarations. They then apply to the relevant customs authorities together with the declaration of registration.

Article 7- It is 90 days before the expiry date of the customs declarations of customs declarations approved by the Exporter Associations with the registration authority omitted.

Article 8- Exports to be made under the scope of clearing, transit trade, consignment export, export of imported goods, free export, commercial lease, export

to be made within the scope of foreign contracting services, export to be made through clearing, , which is a special export.

Article 9- Applications related to credit export requests shall be made to the exporting union together with the original and Turkish translation of the sales contract including the goods type, payment plan and payment period.

If the credit export request is deemed appropriate, it is approved by deducting the credit export declaration on the customs declaration. The credit extended period starting at the actual export date cannot exceed two years in the non-durable consumer goods and five years in the other goods.

Article 10 - Consular export requests shall be made to the relevant exporting union. If the consignment is permitted, the consignee shall be authorized to export the consignment on the customs declaration for the exporter's unions. Customs declarations approved by deduction of the consignment export declaration must apply to the customs administrations for ninety days.

Exporters shall notify the exporting unions and the bank of the exact sales invoice and other necessary documents issued by them within thirty days following the final sale of the goods sent as consignment. The goods sold as a consent must be sold within 1 year of the actual export date. After the expiry of this period, it may be extended by a maximum of 1 year by the Authorizing Authority for justified and compulsory reasons.

4.5 Treatment Regime Decision on Handling

Article 1 of this Decision, the products imported inputs used in the production, export to third countries with Turkey to determine export sales mentioned

in the Customs Territory and regulation of measures in this regard has been prepared and conducted.

Article 3 - In-Process Measures: The Conditional Exemption System at Imports is designated as the System for the Repayment of Taxes Received at Imports.

Article 4 to non-resident companies in Turkey Customs Territory of raw materials required for the production of exported committed processed products with the Inward Processing Permits, auxiliary materials, semi-finished products, while imports within the Inward Processing Regime of finished goods and packaging materials should be taken without being subjected to the Trade Policy Measures all kinds of tax exemption are allowed.

Article 5 - The import guarantee to be made within the scope of this decision depends on the supply.

Article 6 - Goods for free circulation may be used as equivalent goods instead of imported goods for the production of processed goods. After the export is realized, all kinds of customs duties are allowed to be imported within the scope of the Processing Permission Documents.

Article 7 - In the case of processing documents in the underwriting, the processing activity to be performed outside the customs territory may be granted under the scope of the external processing regime. In this context, the products that are traded in this scope are accepted by taking the supply of all kinds of imports, which must be taken during importation.

Article 9- Companies must apply to the under secretariat of Foreign Trade in order to obtain a certificate of permission to work.

Article 10- The maximum duration of processing permits in the forage is 12 months.

4.6 Decision on Outside Processing Regime

Article 1- This Decision; it has been prepared to determine the principles of the Outward Processing Regime and to regulate and carry out these important measures.

Outward Article 3 Processing Regime, the goods in free circulation, to be processed, Turkey Customs temporarily be exported to third countries from the region and the activities of the customs duties of the products obtained as a result, includes activities related to the entry into free circulation again by applying full or partial exemption.

Article 4- For Permission to Exclude Processing; the Under secretariat is informed to the Under secretariat of Customs for processing of the raw materials, semi-finished products, finished products and packaging materials to the Under secretariat in accordance with the provisions of the Guarantee for Repair and Mineral Exporters' Unions for the disposal and processing of mineral ores and concentrates.

Article 6 - The leave periods of permit processing permit documents are maximum 12 months.

Article 10- The Under secretariat is authorized to make any kind of inspections and arrangements regarding the implementation of the measures mentioned in this Decision and to request information and documents from public institutions and banks and banks.

4.7 Decree No. 32 on the Protection of the Value of Turkish Currency

Article 1- In order to protect the value of the Turkish currency, all transactions relating to the documents representing the foreign currency and the foreign currency, the import and export of the documents representing the Turkish currency and the Turkish currency to the savings and administration of the foreign currencies, precious metals, regulatory restrictive principles of foreign exchange transactions related to imports, imports, invisible transactions, capital movements, which are import, export, import, free of charge, import licenses for premium transactions are determined and determined by this decision.

Foreign trade

Article 8- Exporters shall be brought home by the exporters within a maximum of 180 days from the date of actual deportation, except for the delays arising from the special cases provided for in this Decision and from force majeure events deemed appropriate by the Ministry, in case the value of the goods exported for commercial purposes is brought to the borrowing or special finance institutions it is necessary to sell it in foreign currency.

If at least 70% of the export currencies are brought within 90 days of the actual export date and sold to the bank or private financial institutions, the exporter can be freely saved on the part corresponding to 30% of the balance.

Article 9- Import prices shall be paid in Turkish currency or in foreign currency in accordance with the agreements between the foreign exchange accounts of the concerned banks and the buyer and the seller within the procedures to be determined by the Ministry of Internal Affairs and the private sources of the banks and the special finance institutions which are intermediated by imports.

Ministry; It is the authority to determine the procedures.

4.8 Customs Code

The aim of the Customs Act, entering the Customs Territory of the Republic of Turkey and will be applied to the goods and vehicles to determine the customs rules. Statement to the Customs Territory of the Republic of Turkey, Turkey territorial waters, internal waters and airspace are included in the Customs Territory.

Customs administrations and administrations shall mean hierarchical administrative units in the central or provincial organization where the transactions specified in the customs legislation are partially or fully fulfilled. 'Customs surveillance' is carried out by the customs authorities to ensure compliance with customs legislation and, where necessary, other provisions applicable to the member under customs supervision.

The article statement in free circulation, Turkey regardless of whether it is a party which prejudice to the provisions of the international agreement subjecting the free circulation regime is the Republic of Turkey and domestic inputs used in the production of the goods entering the customs territory is full of Turkish origin enumerated items. Free circulation input of the contour; trade policy precautions, completion of the other transactions foreseen and payment of the taxes to be paid.

Country of Origin

An article obtained or produced entirely in one country originates in that country.

From the product statement, which is obtained entirely in one country and produced; fishing and hunting products that are kept and hunted from live animals

raised and raised from the harvested crops, harvested crops and products produced in that country shall be exempted from the exclusively produced products under that land in the territorial waters of that country, waste and wastes and goods obtained at any stage of production of the counterpart in the counted dentures and goods obtained from their derivatives.

According to the provisions of the international and bilateral agreements, if you wish to make use of the reduced rate on the basis of the Certificate of Origin, it is imperative that the Certificate of Origin declaring that the originator is the originating country of the agreement or that it is deemed to have been so due to the changes and transactions it has seen in that country.

Customs Duty

Goods entering or leaving the customs territory of the Republic of Turkey, in accordance with the provisions in force 'duty' is what is needed. Import and export taxes are; customs duties imposed on the importation and exportation of goods, and import and export duties on the basis of special regulations on agricultural policy or unprocessed agricultural products.

Customs Tariff

Customs duties shall be calculated according to the customs tariff in effect at the date of the customs obligation.

Other measures specified by special provisions on the commodity trade shall be applied, where appropriate, in accordance with the tariff position of the said counterpart.

Customs tariff; The Turkish Customs Tariff Schedule covers customs tariffs, import tariffs on agricultural products processed agricultural products, preferential tariffs according to agreements made with certain countries.

Acceptance, Declaration and Payment of Customs Duties

Customs duties accrued using the necessary information by the customs administration are recorded in the custom duties accrual tracking book or on the computer. In case of computer recording, the computer output replaces Customs Taxes Obligation Monitoring Book. The procedures for keeping this book with the form of the book are determined by the under secretariat.

The customs duties shall be accrued and recorded in the book so as not to exceed 30 days provided that the customs guarantee is provided. Customs duties shall be notified immediately after the accrual, with a declaration or substitute document.

In case the amount of tax shown in the customs declaration by the obligor is equal to the amount of tax calculated in Customs administration, delivery of the customs by the customs administrations shall be replaced with notification of the obligations of the customs tax.

Customs duties may also be collected through authorized banks.

End of the Customs Obligation

Customs liability; the cancellation of the customs declaration and the seizure and confiscation or destruction, destruction or abandonment of the goods before the delivery of the goods under a customs regime shall be terminated in the event of loss or waste due to force majeure.

4.9 Payment Forms

4.9.1 Documentary Collections

In this payment form, the exporter sells the goods or services and sends them to the importer company for payment or acceptance, usually via a bank. The banks here only mediate the collection of the documents. Unlike letter of credit, the bank does not assume any responsibility unless the importer fulfills the payment commitment.

The collection and proceedings are carried out under the name brochure of the 1995 revision of the International Chamber of Commerce, No. 522 "Uniform Rules for Vouchers", effective from January 1, 1996.

Parties to Documentary Processing

• Exporter (Drawer): Documents related to the goods to be paid are given to the bank together with collection instructions. The letter of credit is also the supervisor and the exporter is the supervisor in charge of collection.

• Remitting Bank: The bank that the exporter has selected and sends the documents to a bank in the country of the importer. Send documents in the form of their own instruction letter. This letter is called a remittance letter or cover letter. It acts according to the instructions of the exporter and monitors the payment until collection and payment. It does not assume any risk.

• Collecting or Presenting Bank: It is the bank that gives the importer the importer for payment or acceptance. It collects and transfers the document fee. In case of policy transactions, according to the order received from the delivery bank, the policy is protested if the policy is not paid.

The document may be sent to the bank by the exporter or by the exporter's representative, as well as by the importer directly outside the delivery bank.

• Drawee: A party that pays the price of documents notified to it by the collection or subdivision bank or accepts the policy in the course of the policy transactions.

Brochure No. 522 is divided into 2 (b) documents, and the subject documents are divided into two.

1) Financial Documents: Policies, bills, checks and other similar documents used for the payment of money.

2) Commercial Documents: means documents such as invoices, shipping documents, documents giving power to save, or any other non-financial documents.

Brochure No. 522; on the instructions they receive, the banks should treat the above mentioned financial and commercial documents for payment or acceptance (art. 6), and the collection divides into two divisions.

- Clean Collection: means the collection of financial documents that are not accompanied by business documents.

- Documentary Collection: refers to the collection of financial documents accompanied by commercial documents and commercial documents that are not accompanied by financial documents.

Delivery of the package to the customer takes place in two ways:

Documents Against Payment (D / P): Here, the collection bank delivers to the importer for the payment according to the order received. There is no policy like this.

Documents Against Acceptance (D / A): Documents Against Acceptance (D / A): In accordance with the instructions received by the Collection Bank or the Bank of Obligations, the importer may submit the receipt to the applicant for acceptance of the policy, This means that, in cases where the exporter does not trust the importer, the importer may require the acceptance of the policy as well as the reimbursement bank to ensure that the price of the policy is paid. In this case, acceptance credit should be established in favor of the importer company risks for the exporter for the collection of documents: The goods are not accepted by the importing company; not paying the policy that the importer has accepted in the policy collection document; the exchange restrictions in the country of the importer and the importer's commercial morality.

Advantages of the exporter for the exporter: The importer cannot collect the goods without paying the expense of the importer or accepting the expired certificate, not keeping the goods, thus protecting the property of the exporter on the goods; because of the banks in between, the seller feels more secure than collecting the cost of goods; and also on the request, the policy of the bank to give a bounty, the exporter is to guarantee the cost of the goods sold.

Risks incurred by the collecting body for the importer: In collecting the payment, you may have to pay before the goods arrive and you can see that the goods after the payment do not fit the order and you cannot be sure about the exporter's good intentions.

Advantages of the collection agent in terms of the importer: Payment after the arrival of the goods provides a sense of financing and it is favorable that, even if not always, it can be examined before the payment or acceptance.

4.9.2 Documentary Credit (Letter of Credit)

The Letter of Credit is the commitment of the buyer and the seller to agree on payment between the buyer and the seller, in accordance with the request of the buyer, on the terms and conditions of the delivery of the documents relating to the goods, services or services. In general terms; conditional.

The letter of credit is the most preferred form of payment due to its reliability in international trade. This reliable relief; the seller collects the money he has sent the goods and the buyer is to pay after the goods are shipped in accordance with the order.

Letter of credit transactions; The MTO, 1993 Revision, is carried out on the basis of the brochure No 500, titled "Uniform Executives and Practices for Certified Loans", effective from January 1, 1994.

Parties to the letter of credit:

Letter of Credit Amir (Applicant, principal, importer): The party that issued the order to open the letter of credit for the exporter in order to make an import.

Opening Bank (issuing bank): The issuing bank is a party that gives payment, participation, acceptance authority to the correspondent bank and fulfills the letter of credit in accordance with the terms of the letter of credit in order to fulfill the conditions of letter of credit for the exporter in accordance with the instructions of the importer.

Advising Bank: This is the bank that notifies the beneficiary or its bank of the accreditation opened in accordance with the instructions of the bank.

Confirming Bank: The accredited bank is the party that enters into payment, participation or acceptance by taking the risk of the supervisor bank against the presentation of the appropriate document.

Negotiating Bank: It is a bank that checks whether the letter of credit is in line with the requirements of the required documents, and if so, participates in the letter of credit, that is, it is worthy of against documents. In practice, denunciation, confirmation and the bank of an affiliate are usually the same. However, sometimes denunciation and confirmation / participation banks can be different.

Reimbursing Bank: This bank is authorized to pay the bank which will demand the letter of credit, commission, interest and expenses in return for the instructions of the bank.

Beneficiary: Beneficiary is a party that issues a letter of credit and issues the letter of credit in accordance with the terms of the letter of credit, and submits it to the relevant bank.

4.9.2.1 Types of Letter of Credit

4.9.2.1.1 (Revocable L / C)

The benefit is an accreditation which can be canceled by the supervisor's supervisor or the conditions can be changed by the supervisor's bank without any prior notice. If the beneficiary's bank has received a letter of credit before the letter of credit is canceled, and if the beneficiary has been paid, the cancellation is not valid.

4.9.2.1.2 Irrevocable L/C

Such letter of credit cannot be canceled without the approval of the supervisor bank, the beneficiary and, if confirmed, the confirmation bank, the conditions cannot be changed.

4.9.2.1.3 Confirmed L/C

The bank of the importer may ask that the accreditation opened should include the confirmation of the bank in another country. Thus, the confirming bank assumes the risk of the supervisor bank and guarantees the benefit. It should be noted that irrevocable letters of credit will be confirmed. No bank status confirms an uncertain accreditation. Irrevocable and confirmed letter of credit is the best choice for the exporter.

4.9.2.1.4 Unconfirmed L/C

If the letter of credit is notified only to the exporter, it is an unconfirmed letter of credit. The exporter's bank does not assume any liability and the exporters value only the trust of the supervisor bank.

4.9.2.1.5 Transferable L/C

An exporter who has issued a letter of credit on behalf of, this accreditation may be transferred to someone else. However, this requires a transferable record in the letter of credit. Transferable letters of credit can only be transferred once. If the letter of credit is granted, partial lettering is allowed, the letter of credit beneficiary may transfer more than one second benefit, not exceeding the amount of the letter of credit. If partial loading is prohibited, the letter of credit may be handed over to only one second beneficiary. Only non-convertible letters of credit can be transferred.

4.9.2.1.6 Revolving L/C

It is a type of letter of credit which is automatically renewed and re-usable according to the conditions it carries. The renewal of the letter of credit relates to the amount and the period of use. If the renewal condition is related to the hand; For example, DEM. 50,000- letters of credit have been issued and according to the terms DEM. If the limit of 250.000 is determined, the exporter is DEM. A second DEM when the goods are shipped to a limited amount of 50,000 and the goods are collected from the confirmation bank. It has the right to dispatch 50,000 items and withdraw money from the letter of credit. It can ship in this way.

4.9.2.1.7 Back to Back L/C

The first letter of credit, consisting of two separate letter of credit transactions, is the operation of the second letter of credit of the beneficiary and the payment of the second letter of credit. In this process, the party that opened the letter of credit opens the import letter of credit by showing it as a collateral. The export and import letters of credit are the same goods or services.

4.9.2.1.8 Stand by L/C

Such letters of credit are a guarantee letter. In stand-by letters of credit, there are no goods or services subject to other letters of credit. If the entered commitment is not fulfilled, it is essential to pay on this letter of credit. The Bank makes payment on the beneficiary stand by letter of credit which certifies in writing that the undertaking has not been fulfilled. These letters of credit are mostly used in contracting works.

4.9.2.1.9 Red Clause, Down Payment L/C

In this type of letter of credit, all or part of the letter of credit is issued to the exporter without goods shipment. If the exporter cannot ship the goods within the L / C, he will refund the amount with the interest paid.

4.9.2.2 Letters of Credit According to Payment Forms

4.9.2.2.1 Sight L/C

In this letter of credit, the exporter collects the document fee in exchange for submission to the confirmation bank in accordance with the terms of the letter of credit.

4.9.2.2.2 Deferred L/C

A letter of credit is a letter of credit to which the buyer is entitled to finance the purchase of the goods. The maturity is usually determined from the date of shipment or the date of submission of the document to the bank.

4.9.2.2.3 Acceptance L / C

The term accreditation is very similar, but the difference is in the form of this type of payment.

Considerations in Letter of Credit

- The names and addresses of the importer and exporter companies must be correct and complete.

- The definition of metal must be made exactly.

- The letter of credit and the currency must be specified exactly. If the price is not specified exactly, a 10% deposit can be placed.

-The desired documents should be described in detail.

- The letter of credit should clearly indicate how the goods are to be loaded, unloaded and transported.

- The nature of the letter of credit, the form of payment, the valley and the time of submission of the document must be indicated.

4.9.3 Acceptance Credits

Nowadays, acceptance credit payment has found wide usage area. The main reason for this is that exporters cannot always find buyers in advance in international markets, but they can sell the goods with a certain amount of cash. Representing futures sales, the main instrument of the acceptance credit payment scheme is the - police.

The policy is defined as follows in Article 583 of the Turkish Commercial Code. " As determined by the law is prepared against the banker by the drawer. Policy and unconditional surrender of the money for the order and the deposits containing the precious documents devoted to turnover. "

4.9.4 Open Account

The most risky for the exporter is the most ideal form of payment for the importer. Once the exporter has shipped the merchandise, it either sends it directly to the buyer or sends it to the buyer's bank. The buyer takes the documents, pulls the goods from the customs and then makes the payment on the specified date. Therefore, until the exporter importer is paid, the credit facility is granted. The exporter assumes all risk. In this form of payment, the buyer and the seller must have confidence in each other. According to the new import legislation, effective from 01.01.1996, banks do not have any follow-up responsibility for the manner of payment of goods.

4.9.5 Prepayment, Advanced Payment

It is a form of payment sent by the buyer in advance in order to prepare the goods to be exported. Although it is an advantageous method in terms of the seller, it

is risky for the buyer. Because, the exporter may not do the loading or make it conform to the terms of the contract in case the expense of the goods is paid in advance. The buyer needs to know the seller well in order to accept this form of payment. Exports should be carried out within 1 year.

4.9.6 Pre-financing

It is the same as the advance currency by overseas buyers and makes loans to exporters or foreign exchange earning activities in Turkey. Exports should be carried out within 1 year.

4.10 Incoterms

4.10.1 EXW (Ex Works)

'On-the-job' refers to the end of the seller's obligations when the seller prepares the goods for the buyer in the seller's own establishment. More specifically, if there is no contrary provision, the seller does not have to load the goods provided by the buyer or fulfill the customs exit procedures. All costs and risks related to the removal of the seller from the establishment of the goods to the place of purchase belong to the buyer. From this point of view, this term has a minimum liability in terms of the seller. The same term should not be used when the buyer does not have the ability to directly or indirectly realize the necessary customs exit procedures.

4.10.2 FCA (Free Carrier)

'Delivery to Carrier' means that the seller has fulfilled the goods delivery obligation with the delivery of the goods to the carrier specified by the buyer, at the place specified by him, after the customs exit procedures have been completed. If a specific point for delivery is not specified by the buyer, the seller may in this case

choose the point at which the goods will transfer to the bearer within the previously bounded area or place. If, in accordance with the present commercial practice, the seller needs the assistance of the seller in order to make the carriage contract, the seller may act in such a case, with the risk and expenses being at the buyer's own responsibility.

This term can be used for any transport operation, including those that are very mediocre.

'Carrier' defines any person who undertakes to undertake the carriage of goods on carriage by rail, road, sea, airway, river, or some combination of them within the framework of a carriage contract.

If the buyer has placed an order to the seller to deliver the goods to a person, for example, a person who is not the carrier himself, but who provides the transportation services, the seller is deemed to have fulfilled the seller's delivery obligation as soon as the goods are passed.

The 'transport terminal' may be any railway or freight station, a container terminal or park, a multipurpose freight terminal, or any other such point of reception.

'Container' is used to describe any kind of vehicle that the load is united with. For example, any type of container or freight wagon, trailer, swap, ro-ro vehicle, igloo is covered by this term and applies to all modes of transport.

4.10.3 FAS (Free Alongside Ship)

The term 'delivery on the board' means that the seller has fulfilled the obligation to deliver the goods at the designated loading port by placing the goods in

the ship's berth or in the barge. In this case, all costs and risks of any loss or damage to the goods from this moment on belong to the buyer.

The FAS requires the buyer to complete the issuance of the goods. This term should not be used when the receiver is unable to indirectly complete such transactions directly or by means of an intermediary.

This term can also be used only for marine or river transport purposes.

4.10.4 FOB (Free on Board)

The term 'on board' means that the seller's delivery obligation is fulfilled by transferring the goods at the specified loading port on the ship's board. In this case, all costs and risks of any loss or damage to the goods from this moment on belong to the buyer.

The FOB term foresees the issuance of goods by the seller.

This term can only be used for sea or river transport. If there is no practical meaning in the shipping process, for example in the case of roll-on / roll-off or container traffic, the term FCA will be used in this case.

4.10.5 CFR (Cost and Freight)

'Cost of goods and freight' means the payment of the costs and freight charges required by the seller to move the goods subject to processing to the specified destination. However, with the loss and damage risk associated with the goods, all additional costs arising from events that may arise after the goods have been transferred to the shipboard are transferred from the seller to the buyer as soon as they pass to the shipboard at the goods loading port.

The CFR term foresees the issuance of goods by the seller. This term can only be used for sea or river transport. If there is no practical meaning of the shipboard, such as in roll-on / roll-off or container traffic, the use of the term CPT will be more appropriate in this case.

4.10.6 CIF (Cost, Insurance and Freight)

In the case of property, insurance and freight, the seller assumes the same obligations as the CFR, but also includes the obligation to provide marine insurance against the loss and damage risk of the goods during carriage. It is up to the merchant to sign the insurance contract here and pay the insurance premium.

What the buyer should consider is that in the CIF term, the seller is expected to only provide a minimum insurance coverage.

The CIF term foresees the issuance of goods by the seller. This term can only be used for sea or river transport. If there is no practical meaning in the shipping process, such as on a roll-on or container traffic, then the term CIP will be more appropriate in this case.

4.10.7 CPT (Carriage Paid To)

The term 'carriage paid ...' means that the freight is paid by the seller for the carriage of the goods to the designated destination. After the goods are transferred to the carrier, there is a risk of loss and damage to the goods, as well as all additional costs incurred by the events that may occur after the delivery, from the seller to the buyer.

'Carrier' defines any person who, on the basis of a carriage contract, undertakes to undertake, or undertake to undertake, the carriage of goods on the carriage by rail, road, sea, air, river or some of them together.

They define any person who is in his undertaking. If goods are used one after the other to deliver the goods to the specified destination, the risk is transferred as the goods are transferred to the first carrier. CPT foresees the completion of customs clearance of goods by the seller. This term can be used for all kinds of transports, including those that are very mediocre.

4.10.8 CIP (Carriage and Insurance Paid To)

The term 'delivery and delivery with paid insurance' means that the seller has the same obligations as the CPT term but in addition he has to provide the buyer with cargo insurance against the risk of loss and damage during the carriage of the goods. The seller concludes the insurance contract and pays the insurance premium.

What the buyer should consider is that in the CIP term, the seller is expected to provide only a minimum insurance coverage.

The CIP term stipulates that the goods shall be exported and processed by the seller. This term can be used for any type of transport, including those that are very mediocre.

4.10.9 DAF (Delivered at Frontier)

Border delivery means the seller is obliged to complete the customs clearance procedures, but the seller's obligations will be terminated when the adjacent country is made ready for delivery at the designated place and point before the customs border. Here, the border term can be used to identify any type of border, including the country of export. Therefore, it is of utmost importance to make sure that the stated limit is specified in the term by specifying the place and the point of the name in the ATIF. In fact, although this term is specifically considered for rail and road transport, it can be used in any form of transport.

4.10.10 DES (Delivered Ex Ship)

Delivery by ship means that the delivery obligation of the seller has been fulfilled by bringing the goods which have not been entered into customs clearance to be ready for delivery to the buyer on the ship's board at the specified destination port.

Any risks and expenses related to the transactions of bringing the goods to the specified port of destination shall be borne by the seller. This term can only be used for sea and river transport.

4.10.11 DEQ (Delivered Ex Quay) –Duty Paid-

The delivery term on the berth means that the seller's obligation to deliver the goods ends with the goods being delivered to the buyer at the berth on the berth at the named port of destination, with customs clearance procedures completed. All risks and expenses up to this stage, including taxes, duties and other charges prior to the delivery of the goods to the buyer, belong to the seller.

This term should not be used when the buyer cannot obtain an import license either directly or indirectly.

If the two parties have agreed that the customs procedures for import should be completed by the buyer and that the customs formal shall be paid by him, then the words without customs formal payment should be used instead of the customs formal payment. If the parties wish to deduct certain payments made in their import transactions, such as VAT, from the seller's obligation, this request may be met with the following words, which clarify the issue; 'VAT on the dock is used without payment.

This delivery can only be used for sea and river transport.

4.10.12 DDU (Delivered Duty Unpaid)

Delivery without payment of customs duty means that the seller has fulfilled the delivery obligation of the seller by having the goods available at the place specified in the importing country. The seller must cover all costs and risks incurred in bringing the goods to this point, as well as the costs incurred from the customs entry procedures. Additional costs and risks arising from the customs entry of the goods on time do not belong to the buyer. If the parties want the customs procedures to be completed by the seller and the risks and costs incurred therefrom, this situation should be clarified by making additions in this sense.

If the parties wish to have the seller make certain payments for their import transactions, this request may be made with the following words that clarify the issue: VAT is about to be paid without delivery of the customs formalities.

This format can be used whatever the format is.

4.10.13 DDP (Delivered Duty Paid)

The delivery as a customs formal payment means that the seller has fulfilled the delivery obligation by keeping the goods in the designated place in the importing country. Here, the seller undertakes all risks and costs, including taxes and other charges, including customs formalities, when delivering the goods with completed customs entry procedures. While the EXW term implies a minimum obligation for the seller, the DDP term, on the contrary, includes the maximum obligation.

If the seller cannot obtain an import license either directly or indirectly, the term should not be used in this case.

If the parties wish the customs entry of the goods to be carried out by the buyer and the customs officer shall be paid by him, the DDU term shall be used in this case.

If the parties wish to deduct certain payments for import transactions from the seller's obligations, this request may be provided by the following additional words: 'Customs formal paid, except VAT.'

This term should not be used regardless of the mode of transport.

5. POSITIVE EFFECTS OF CUSTOMS UNION ON TURKISH FOREIGN TRADE

The information used in this section is taken from TURKSTAT database. Statements selecting Turkey and the EU 15 countries, BEC has been prepared on the basis of classification.

5.1 Industrial Supplies Not Elsewhere Specified

5.1.1 Primary İndustrial Supplies Not Elsewhere Specified

Table 4 gives the import and export figures for untreated raw materials for industry from EU countries made with Turkey.

Table 4 Primary industrial supplies not elsewhere specified

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	70.476	74.160	86.487	135.358	96.328	123.084	110.342	171.606	141.140	155.086
Austria	14.674	14.848	17.115	25.111	37.650	29.908	29.203	53.523	55.710	55.782
Belgium-Luxembourg	14.471	12.154	15.767	19.306	25.511	20.910	93.567	194.903	138.985	313.706
Denmark	3.364	2.898	4.202	14.663	16.980	11.795	9.715	5.208	7.506	6.149
Finland	508	3.126	4.213	3.698	8.220	13.765	24.603	43.730	15.330	2.190
France	23.418	34.513	40.713	32.990	39.160	15.549	55.682	27.621	27.474	33.146
Netherlands	7.891	23.785	28.695	37.824	35.672	63.486	103.632	187.074	124.284	129.488
Britain	38.690	39.606	25.989	28.794	30.829	25.926	47.479	70.626	43.664	49.675
Ireland	513	0	0	413	1.542	1.081	981	8.243	6.610	3.514
Spain	12.492	18.473	24.939	26.300	47.152	67.264	108.796	77.173	136.510	174.125
Swedish	8.430	4.224	5.533	5.945	5.962	2.438	28.467	54.210	95.799	92.549
Italy	38.283	63.163	62.964	97.714	72.586	86.399	123.786	120.861	149.081	158.198
Portugal	10.185	19.564	13.844	17.100	3.299	9.202	9.325	12.517	15.647	16.613
Greece	114	2.443	5.681	10.407	8.036	20.700	29.272	32.770	29.400	24.701
TOTAL	**243.510**	**312.958**	**336.141**	**455.625**	**428.927**	**491.507**	**774.851**	**1.060.065**	**987.139**	**1.214.922**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	8.035	24.084	10.105	30.235	260.358	57.362	211.898	412.156	166.566	258.609
Austria	6.979	2.324	3.271	3.757	2.903	2.369	2.106	14.286	7.202	2.490
Belgium-Luxembourg	1.511	16.586	3.195	27.969	118.347	41.108	146.150	593.106	363.172	620.912
Denmark	109	50	1.140	893	10.160	5.178	9.531	164.674	105.498	207.125
Finland	5.891	5	20.277	3.106	18.812	2.821	13.351	18.521	25.627	28.599
France	11.985	7.264	7.429	37.264	63.973	39.146	51.972	143.826	112.312	283.667
Netherlands	2.211	4.084	8.312	84.951	271.093	134.060	235.437	728.334	384.259	917.686
Britain	5.039	2.511	19.948	35.891	178.289	93.878	269.145	638.723	684.619	979.839
Ireland	0		302	2.293	17.308	10.948	12.321	9.262	5.348	12.671
Spain	56	3.789	2.108	1.254	23.997	29.850	89.927	89.024	57.012	72.224
Swedish	408	1.734	6.040	3.977	19.768	27.290	119.017	332.562	212.146	288.784
Italy	2.136	2.687	6.072	11.119	19.340	38.861	62.106	148.583	131.830	142.895
Portugal	446	61	143	418	7.509	588	4.956	3.199	8.930	18.390
Greece	0	0	6.316	30.877	81.884	164.556	197.903	396.903	219.017	215.945
TOTAL	**44.804**	**65.179**	**94.659**	**274.004**	**1.093.740**	**648.014**	**1.425.821**	**3.693.159**	**2.483.536**	**4.049.836**

Turkey's exports to the EU have made to 15 countries between the years 1975-2017 five-fold growth, while imports increased 90-fold. While the country we export most to in 1975 is Germany, it is seen that countries such as Belgium, Spain and Italy passed Germany in 2017. The total volume of imports made between 1975 and 2017

showed remarkable growth as a percentage. Between 1995 and 2017, exports to Belgium rose by 12 times, exports to the UK increased by 1.5, while imports from Belgium grew by 6 times and Britain by 5 times. Based on the beginning of 1995, exports to Denmark and Finland have declined. Figure 1 shows comparative export and import quotations between 1995 and 2017.

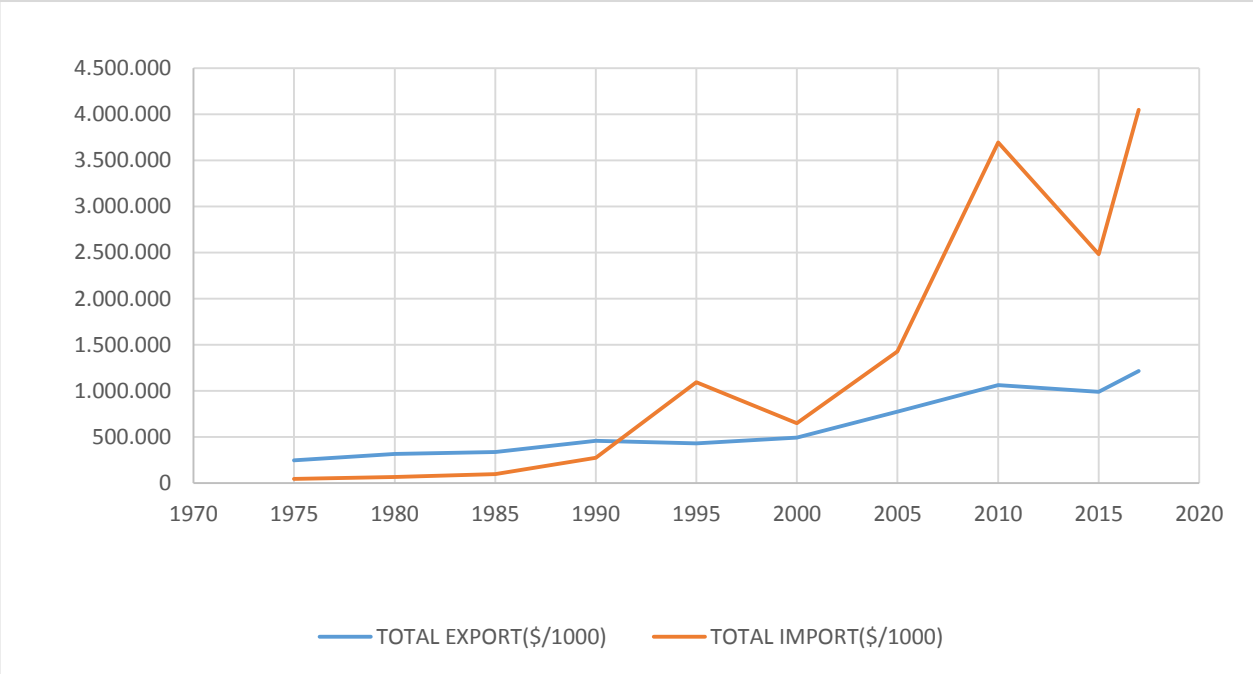

Figure 1 Primary industrial supplies not elsewhere specified

Figure 1 shows the location as shown in the exporting country, Turkey has passed the position of the importing country after 1995. While the total exports made in 1975-2017 showed a steady rise without showing fluctuations, periodic decreases in imports are observed.

5.1.2 Processed İndustrial Supplies Not Elsewhere Specified

Table 5 shows the processed raw material foreign trade figures for the industry made between 1975-2017.

Table 5 Processed industrial supplies not elsewhere specified

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	36.950	91.476	208.707	330.652	599.294	721.351	1.199.592	2.222.263	2.597.544	2.958.615
Austria	1.026	535	15.352	15.806	25.390	42.241	122.808	202.797	238.499	267.340
Belgium-Luxembourg	8.408	25.945	60.287	160.569	170.841	195.344	296.134	458.921	553.036	726.297
Denmark	6.078	263	5.361	9.577	19.956	33.737	70.547	83.180	113.740	134.244
Finland	38	1.326	820	7.359	7.188	19.886	43.006	65.716	77.428	111.080
France	5.766	23.912	28.506	106.452	199.551	303.765	467.877	843.538	979.700	1.087.368
Netherlands	12.818	14.054	42.362	92.989	129.128	153.446	306.980	490.864	685.241	868.072
Britain	6.179	12.996	126.502	206.334	379.397	501.226	871.610	1.516.917	3.080.082	2.328.984
Ireland	19	189	1.653	8.364	24.185	48.888	101.398	102.457	118.191	144.844
Spain	4.659	1.359	6.891	108.252	131.313	291.400	868.203	773.352	911.749	1.308.738
Swedish	1.136	282	12.425	8.435	17.513	28.440	72.765	123.605	189.903	236.312
Italy	22.808	77.751	165.119	528.490	562.697	838.984	1.398.738	1.942.906	2.127.816	2.625.687
Portugal	67	443	71	9.603	21.115	95.170	216.463	184.421	294.459	389.353
Greece	323	4.782	13.974	66.337	90.353	240.693	459.417	586.843	505.769	662.904
TOTAL	**106.274**	**255.312**	**688.032**	**1.659.217**	**2.377.919**	**3.514.570**	**6.495.537**	**9.597.781**	**12.473.156**	**13.849.837**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	459.445	384.532	514.704	1.257.970	1.915.666	2.334.103	4.305.756	5.406.576	6.112.827	6.739.198
Austria	34.676	41.013	77.067	119.488	164.424	288.851	464.293	732.552	718.033	754.309
Belgium-Luxembourg	92.557	84.576	157.235	260.634	479.948	654.459	1.359.879	1.756.684	1.905.083	2.153.346
Denmark	7.925	2.994	6.280	18.486	43.996	53.548	105.281	117.224	169.345	170.373
Finland	3.704	3.320	14.302	61.453	148.685	200.027	438.453	571.789	640.250	607.240
France	91.909	108.607	139.482	380.831	758.978	934.283	1.805.045	2.424.749	2.332.793	2.641.223
Netherlands	80.944	91.858	153.818	292.931	486.811	661.478	1.117.213	1.256.832	1.423.671	1.674.476
Britain	82.164	107.787	153.295	383.353	558.080	662.255	1.215.231	1.171.364	1.506.032	1.409.920
Ireland	1.164	675	3.093	12.875	60.377	180.777	292.527	378.981	402.290	398.944
Spain	12.614	27.190	239.362	163.293	328.287	604.588	1.283.474	1.907.421	2.241.091	2.443.693
Swedish	12.866	18.989	54.135	95.013	115.450	171.889	456.072	613.360	564.736	731.678
Italy	135.970	135.583	333.123	729.846	1.324.297	1.527.436	2.745.779	3.414.523	3.301.177	3.418.116
Portugal	1.752	4.733	8.666	11.946	33.235	54.232	180.818	267.051	287.698	391.598
Greece	390	3.242	33.725	41.226	77.706	88.881	259.499	413.786	497.230	481.457
TOTAL	**1.018.078**	**1.015.098**	**1.888.286**	**3.829.348**	**6.495.940**	**8.416.808**	**16.029.321**	**20.432.890**	**22.102.256**	**24.015.571**

Between 1995 and 2017 exports grew by about 6 times while imports grew by 4 times. From 1975 to 1917, the country where we exports and imports the most was Germany. Italy is following Germany. In Figure 2, total exports and imports between 1975 and 2017 are shown graphically according to years.

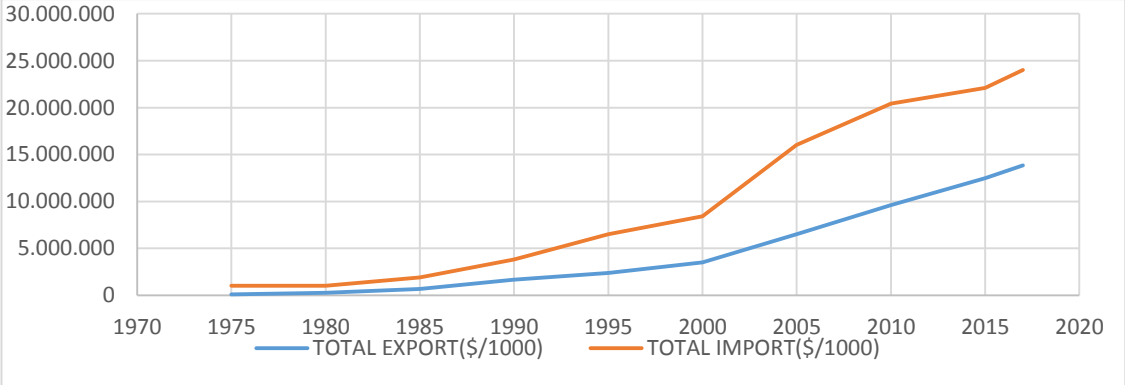

Figure 2 Processed industrial supplies not elsewhere specified

Figure 2 shows that there is a foreign trade deficit between 1975 and 2017. However, our exports and imports have been growing steadily over the years.

5.2 Transport Equipment And Parts And Accessories

This product group includes passenger cars, industrial transport vehicles and equipment, non-industrial transport vehicles and equipment, and transport equipment and components.

5.2.1 Transport Equipment And Parts And Accessories Thereof İndustrial

Table 6 Transport equipment and parts and accessories thereof industrial

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	6	0	2	23	43.402	81.755	601.053	544.177	657.138	898.378
Austria	0	0	0	0	3.830	4.037	50.497	40.500	57.366	54.268
Belgium-Luxembourg	0	133	0	40	21.335	4.814	65.821	126.672	356.875	394.138
Denmark	0	0	0	0	1.738	7.361	47.170	33.553	77.018	146.605
Finland	0	0	0	0	500	131	22.218	32.467	2.934	2.518
France	10	2	0	220	6.478	6.278	273.273	748.711	633.484	838.397
Netherlands	0	0	36	3.676	10.971	8.314	166.502	147.359	193.983	359.584
Britain	0	11	6.901	2.993	9.535	4.649	630.422	742.536	1.360.221	1.332.862
Ireland	0	0	0	0	0	90.619	64.724	20.627	69.946	66.483
Spain	0	0	0	0	2.506	2.235	334.616	186.264	269.723	363.789
Swedish	0	0	171	0	616	3.305	33.399	48.435	78.677	78.383
Italy	11	0	21	179	39.291	45.555	608.029	879.292	600.508	871.264
Portugal	0	0	0	0	659	35.253	38.757	44.985	43.292	63.554
Greece	0	7	2	0	340	42.201	28.108	12.306	18.812	61.093
TOTAL	**26**	**153**	**7.132**	**7.131**	**141.200**	**336.507**	**2.964.587**	**3.607.884**	**4.419.977**	**5.531.316**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	10.668	20.077	63.393	36.010	114.768	452.610	858.582	683.425	1.365.589	682.562
Austria	533	393	815	377	100	5.545	31.507	24.062	28.794	33.883
Belgium-Luxembourg	0	67	1.920	2.695	49.415	30.422	54.739	72.010	168.372	71.531
Denmark	3.750	36	502	25.138	48.803	12	427	5.089	487	241
Finland	0	0	583	3	13.235	1.418	3.737	2.964	3.935	18.823
France	592	1.107	193.743	72.088	177.333	185.354	468.626	819.460	1.302.302	951.564
Netherlands	2.602	1.145	2.414	7.728	66.051	65.215	201.807	262.635	292.847	106.759
Britain	3.468	2.161	13.257	19.616	64.218	6.157	5.075	29.928	12.929	4.605
Ireland	1.093	0	0	16.557	62.525	99.704	104	2.394	0	0
Spain	47	0	1.213	966	18.710	73.457	173.321	235.227	210.942	519.811
Swedish	17	1.961	24.063	10.412	89.906	61.345	29.892	30.836	19.870	25.925
Italy	6.528	557	4.525	3.190	24.820	70.576	123.793	283.022	377.272	233.711
Portugal	0	0	0	0	9.401	0	28.147	3.825	11.397	8.432
Greece	0	0	1.190	861	1.930	75	103	960	5.400	11.386
TOTAL	**29.298**	**27.506**	**307.617**	**195.641**	**741.215**	**1.051.887**	**1.979.862**	**2.455.837**	**3.800.137**	**2.669.232**

Between 1995 and 2017, the total volume of exports grew by 40 times, while the volume of imports grew by 4 times. The highest export volume is in the UK and imports are in Germany. Between 1975 and 1995, export figures are very low. Figure 3 shows the total export and import figures of industrial transport equipment and equipment by years.

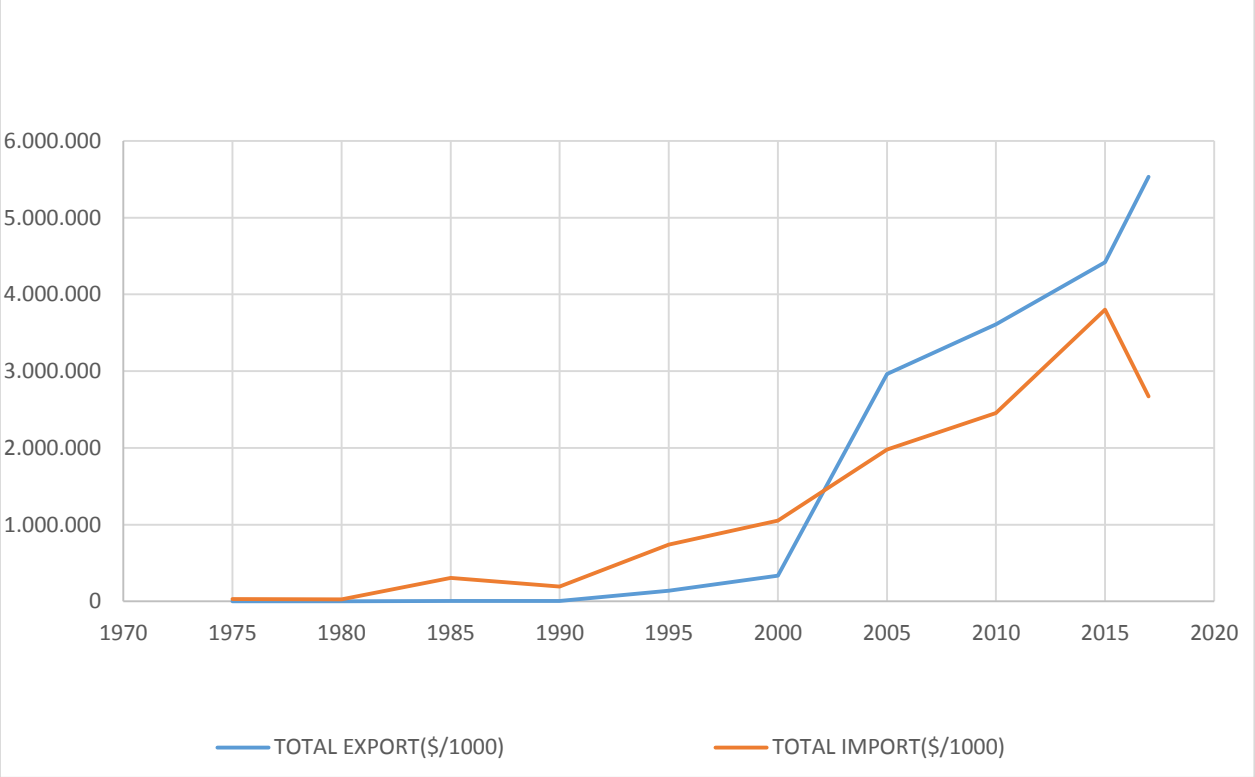

Figure 3 Transport equipment and parts and accessories thereof industrial

Figure 3 which is also located in the importing country until 2005, is seen in Turkey as seen exporter between 2005 and 2017.

5.2.2 Transport Equipment And Parts And Accessories Thereof Non-İndustrial

Table 7 shows the import and export figures of non-industrial transport equipment between 1975 and 2017.

Table 7 Transport equipment and parts and accessories thereof non-industrial

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	0	1	0	8	2.448	1.365	5.317	1.821	1.699	3.098
Austria	0	0	0	33	94	39	412	409	985	711
Belgium-Luxembourg	0	0	0	36	693	57	410	702	1.620	1.261
Denmark	0	0	0	0	331	66	350	54	230	332
Finland	0	0	0	2	205	4.105	4.805	4.199	6.274	4.704
France	0	0	0	897	369	493	5.149	1.753	8.851	7.863
Netherlands	0	0	0	140	626	3.821	18.659	15.996	24.135	13.850
Britain	0	0	25	1.336	173	1.795	32.084	14.093	8.359	17.038
Ireland	0	0	0	0	77	0	108	1	30	64
Spain	0	0	0	1	142	212	1.547	1.633	3.650	1.364
Swedish	0	0	0	0	414	6	809	355	3.206	62
Italy	0	0	0	493	3.615	1.999	19.141	37.730	8.284	13.076
Portugal	0	0	0	0	37	0	0	128	1	169
Greece	0	0	2	214	1.258	761	4.519	17.530	12.527	1.812
TOTAL	**0**	**1**	**27**	**3.160**	**10.481**	**14.718**	**93.310**	**96.402**	**79.850**	**65.404**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	86	97	327	2.933	2.657	6.784	12.211	6.076	15.443	114.290
Austria	0	0	0	45	305	55	851	1.095	5.786	3.544
Belgium-Luxembourg	228	55	400	1.201	1.520	1.368	221	18	116	345
Denmark	0	0	0	334	245	439	253	158	310	1.494
Finland	0	0	0	7	0	227	316	944	15	5.552
France	57	0	193	2.960	2.897	9.828	10.103	6.820	19.844	355.476
Netherlands	0	0	1	45	135	217	421	409	489	17.102
Britain	48	23	771	6.669	558	9.512	2.713	4.038	1.613	274.684
Ireland	0	0	0	0	19	10	16	0	144	26
Spain	8		1	45	106	653	1.087	445	262	6.195
Swedish	11	7	55	8	52	221	479	533	228	5.330
Italy	2	18	275	1.322	1.944	5.256	7.645	9.895	11.338	502.508
Portugal	0	0	0	0	54	188	76	280	1.993	4.500
Greece	0	0	0	0	357	108	207	101	342	3.642
TOTAL	**440**	**200**	**2.024**	**15.569**	**10.850**	**34.867**	**36.597**	**30.812**	**57.923**	**1.294.688**

The volume of foreign trade between 1975 and 1995 seems to be low. In 1995, export imports almost met one another, but it was observed that the numbers changed in the following years. It is noteworthy that the exports made in 2015 are more than imports, while the imports made in 2017 are 20 times more exports. It is observed that imports made in Italy, England and France are high in 2017.

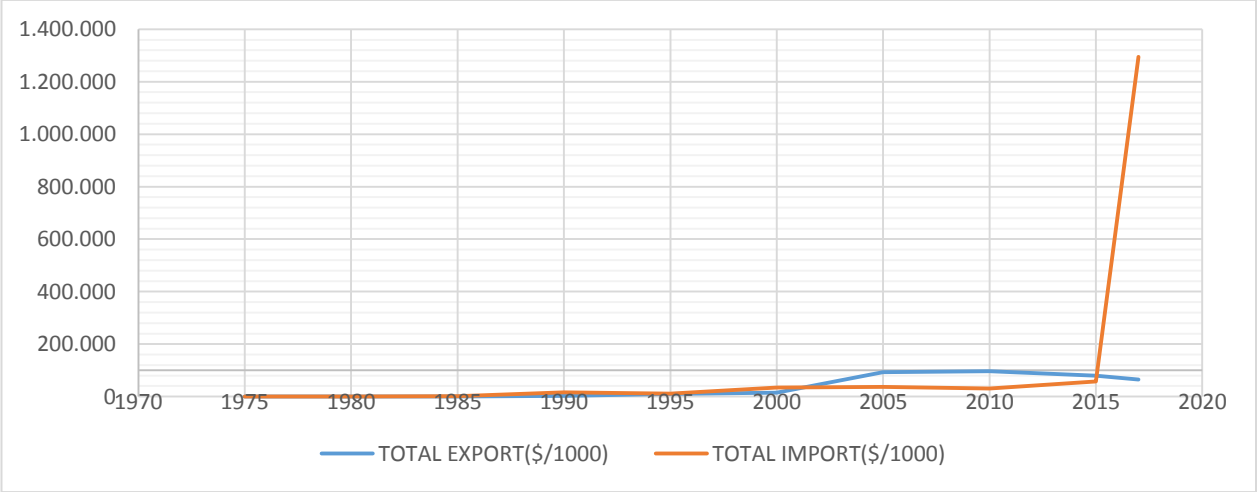

Figure 4 Transport equipment and parts and accessories thereof non-industrial

As seen in Figure 4, it can be seen that export and import figures are moving in a fluctuating but numerical way. Imports made in 2017 compared to the previous years have led to an uptrend.

5.2.3 Passenger Motor Vehicles

Customs union agreement had no impact on Turkey's economy before the automotive industry, post-1995, it has become the leading sector of the industry. Table 8 shows the total export and import figures of passenger cars between 1975 and 2017 on a country basis.

Between 1975 and 1995, the total export figures are low and the import figures are higher than the export figures. While the increase in export and import figures between 2000 and 2017 is observed, the decrease in imports made in 2017 is observed. Between 1975 and 2017, the countries with the biggest share in exports were France and Italy. It can be said that Germany has the largest share in imports.

Table 8 Passenger motor vehicles

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	0	4	20	35	84	171.741	426.903	568.374	629.166	1.149.870
Austria	0	0	0	0	0	280	67.230	76.496	111.597	181.385
Belgium-Luxembourg	0	0	93	30	145	744	115.727	151.467	310.035	477.675
Denmark				0		0	75.872	27.030	132.244	138.245
Finland	0					29	106.414	14.688	32.310	45.542
France	0	9.003	6.736	14.012	635	243.045	623.486	1.197.812	880.140	1.472.844
Netherlands	0	0	0	0		212	111.542	87.187	153.446	287.497
Britain	0	0	15	31	95	147	186.744	194.734	824.110	978.935
Ireland							68.363	54.426	112.992	132.130
Spain		0	4	0	0	1.705	260.009	403.651	493.883	904.954
Swedish	0	0	0	0	11	0	53.625	127.029	146.307	314.710
Italy	0	0	0	6	135.694	95.350	546.972	841.062	778.020	1.718.691
Portugal						582	28.918	84.861	81.931	178.402
Greece				94	22	422	33.028	65.408	48.090	92.602
TOTAL	**0**	**9.006**	**6.868**	**14.208**	**136.685**	**514.257**	**2.704.832**	**3.894.225**	**4.734.270**	**8.073.484**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	35.138	21.430	32.127	233.465	137.291	738.013	1.076.663	2.385.555	3.609.208	2.961.080
Austria	16	21	18	43	2.385	17.121	23.427	33.849	23.891	5.721
Belgium-Luxembourg	31	59	75	3.174	8.578	458.521	106.476	114.538	109.386	44.296
Denmark				20		66	87	0	0	0
Finland	4					4	0	0	57.992	8
France	4.005	2.365	1.612	29.514	23.301	419.303	610.555	491.673	299.238	406.443
Netherlands	93	49	463	1.547		67.609	15.908	4.760	2.970	15.773
Britain	258	218	946	2.616	23.220	121.935	402.079	432.363	701.187	684.275
Ireland							0	0	0	484
Spain		63	24	965	5.438	397.901	796.782	1.069.246	1.276.667	1.272.026
Swedish	141	33	185	2.072	5.839	19.767	25.840	19.644	25.074	52.137
Italy	380	595	610	34.238	7.168	108.859	53.973	169.140	109.310	68.013
Portugal						20	49.703	18.054	21.281	939
Greece				16	15	0	178	0	0	0
TOTAL	**40.066**	**24.834**	**36.061**	**307.670**	**213.236**	**2.349.119**	**3.161.672**	**4.738.823**	**6.236.204**	**5.511.194**

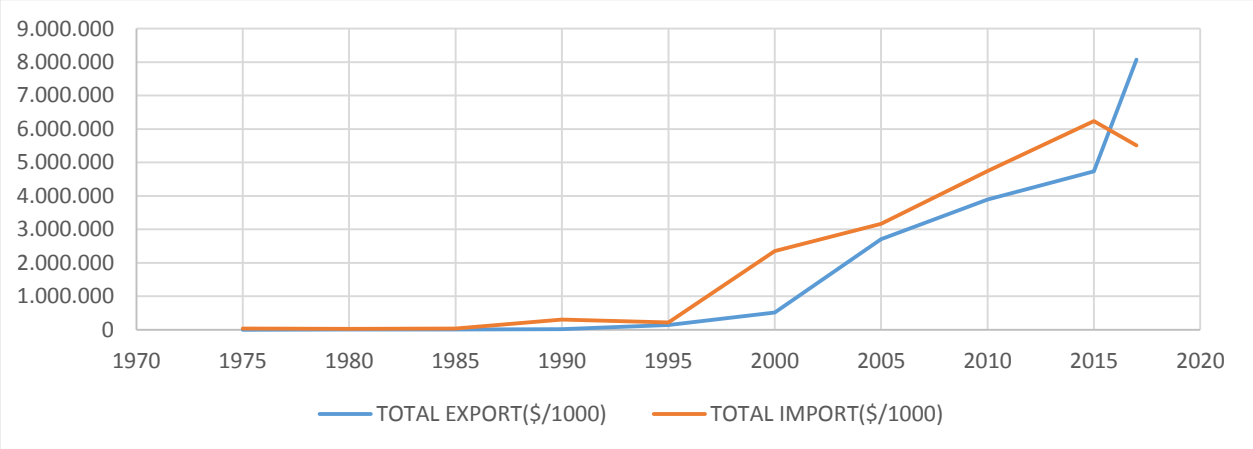

Figure 5 Passenger motor vehicles

As seen in Figure 5, export and import figures after 1995 showed a steady growth. However, considering the year 2017, total imports are also seen to decrease. Turkey has been in the passenger car exporter in the product group in 2017.

5.2.4 Parts And Accessories

Table 9 shows the import and export figures for the parts and components of transportation vehicles between 1975 and 2017. Between 1995 and 2017, total export figures increased 14 times, while total imports increased 7 times. Germany is seen as the country with the highest import and export volume between 1975 and 2017. It is seen that export volume made in 1975 and 1995 is low compared to imports.

Table 9 Parts and accessories

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	1.216	2.334	21.908	32.672	166.947	299.348	854.824	1.269.159	2.082.832	2.498.846
Austria	0	0	522	3.360	14.297	21.256	41.542	57.473	71.333	71.342
Belgium-Luxembourg	62	0	7.753	3.669	14.673	51.070	112.241	211.584	329.952	322.959
Denmark	0	0	169	196	2.272	4.413	6.382	15.145	15.112	20.801
Finland	3	0	0	333	1.511	1.364	4.757	29.764	26.685	28.703
France	100	2.350	588	23.881	40.711	121.782	347.046	509.658	624.725	605.188
Netherlands	16	17	1.147	918	3.408	11.763	45.603	87.385	105.529	172.562
Britain	36	197	7.375	19.156	53.770	75.613	343.148	434.621	481.366	487.954
Ireland	0	18	269	926	1.689	1.223	9.526	8.180	11.152	13.774
Spain	0	0	70	933	9.251	35.724	94.071	195.988	353.801	340.883
Swedish	0	152	5.696	474	4.122	6.460	29.676	69.736	87.868	65.559
Italy	127	1.883	1.212	15.879	49.085	102.305	324.762	465.340	618.138	647.627
Portugal	0	0	0	257	2.435	4.786	8.104	22.419	16.096	15.788
Greece	5	42	176	2.640	9.329	10.383	21.914	30.087	28.612	30.420
TOTAL	**1.565**	**6.993**	**46.885**	**105.293**	**373.500**	**747.491**	**2.243.598**	**3.406.539**	**4.853.200**	**5.322.404**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	34.331	22.721	35.586	227.475	392.210	558.184	1.567.577	1.837.255	2.367.656	2.402.200
Austria	496	316	5.486	8.893	7.752	16.479	21.929	24.010	54.598	64.192
Belgium-Luxembourg	3.275	1.608	6.765	6.262	7.816	34.599	78.891	38.887	51.204	55.791
Denmark	130	106	186	846	5.301	11.378	41.690	9.900	8.986	9.121
Finland	0	0	95	58	4.073	2.773	20.839	20.067	17.324	11.358
France	27.430	18.617	32.991	161.023	174.637	653.785	1.073.929	1.684.805	1.094.506	1.103.866
Netherlands	4.072	347	263	2.677	3.928	18.127	51.501	51.931	34.758	36.655
Britain	43.560	24.092	31.864	129.788	207.675	258.224	1.166.027	932.233	1.080.124	1.551.407
Ireland		0	0	515	81	1.517	7.249	533	2.587	10.229
Spain	7.336	34	157	5.027	19.710	133.995	496.381	469.312	554.346	533.951
Swedish	1.239	812	4.816	7.094	9.089	18.498	27.047	28.455	42.585	33.724
Italy	29.481	11.311	29.943	98.011	273.811	375.130	646.900	896.571	952.023	1.554.785
Portugal	3			51	284	3.960	29.445	72.111	94.088	88.460
Greece	36	0	20	1.163	134	374	1.656	5.603	5.037	3.034
TOTAL	**151.387**	**79.964**	**148.170**	**648.883**	**1.106.501**	**2.087.023**	**5.231.060**	**6.071.674**	**6.359.822**	**7.458.775**

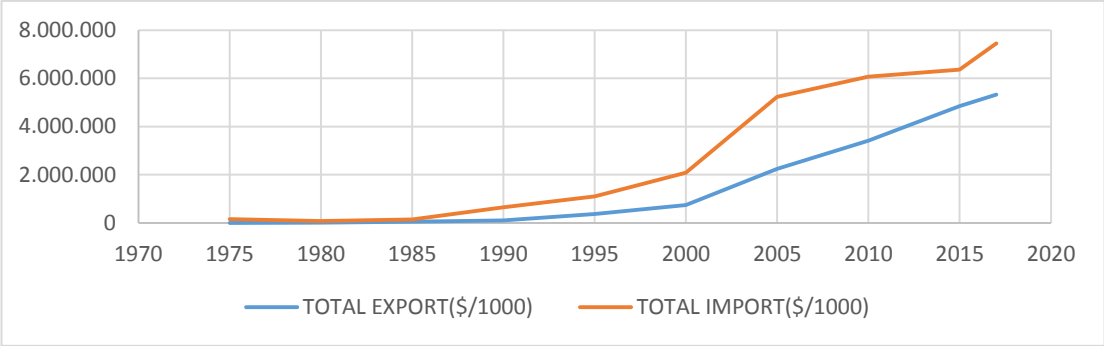

Figure 6 Parts and accessories

As can be seen in Figure 6, exports and imports remained stable until 1980 and increased after 1980. It is seen that the exports made after 2000 have increased steadily.

5.3 Consumer Goods Not Elsewhere Specified

5.3.1 Durable Consumer Goods Not Elsewhere Specified

In Table 10, export and import figures of durable goods are given according to years.

Table 10 Durable consumer goods not elsewhere specified

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	7.516	34.504	27.954	149.604	154.453	289.022	957.778	823.069	1.102.386	1.218.283
Austria	371	1.517	2.424	11.495	9.124	31.837	65.535	65.019	71.268	94.471
Belgium-Luxembourg	571	1.383	12.106	6.550	12.593	32.726	93.041	87.025	161.013	232.196
Denmark	68	125	217	937	10.794	23.216	70.107	39.713	33.420	54.209
Finland	68	155	121	277	695	8.470	15.858	25.528	14.290	20.606
France	963	3.473	10.875	57.883	79.739	194.966	412.573	646.678	676.210	651.871
Netherlands	270	766	606	21.701	33.817	40.364	334.097	87.109	126.734	159.576
Britain	1.516	2.724	4.425	47.564	66.165	264.892	823.076	1.040.909	1.220.490	1.162.461
Ireland	0	0	2	189	3.281	24.594	40.030	39.298	33.945	34.223
Spain	1	87	323	7.405	14.442	93.297	387.258	437.618	323.971	364.196
Swedish	124	365	678	1.898	5.514	21.008	104.765	127.123	178.454	194.599
Italy	637	7.646	2.126	31.048	17.530	82.560	417.196	398.365	438.137	496.219
Portugal		0	0	4.531	10.943	18.912	48.738	57.396	35.819	41.338
Greece	0	33	1.136	2.914	16.561	24.177	144.815	122.879	102.715	137.645
TOTAL	**12.104**	**52.779**	**62.992**	**343.996**	**435.650**	**1.150.041**	**3.914.866**	**3.997.728**	**4.518.852**	**4.861.892**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	11.672	2.813	16.771	46.338	46.115	139.231	162.255	323.093	275.179	271.991
Austria	231	31	742	1.188	1.509	14.533	15.161	18.865	12.469	11.095
Belgium-Luxembourg	190	35	685	2.713	2.284	63.250	30.356	18.831	18.775	13.313
Denmark	279	39	813	1.767	1.767	3.768	8.438	11.839	12.852	14.276
Finland	0	0	2	118	348	242	745	3.221	4.653	2.631
France	361	106	3.949	9.391	12.873	83.968	63.545	72.048	70.085	58.199
Netherlands	843	753	1.384	5.551	12.305	116.935	21.465	14.928	22.617	23.877
Britain	601	1.235	3.488	6.655	11.489	26.265	26.761	29.510	25.332	48.649
Ireland	52	1	51	284	957	1.449	20.449	23.354	46.512	50.178
Spain	19	0	696	6.358	5.734	53.735	52.542	48.358	59.884	60.010
Swedish	217	63	164	484	2.921	4.218	5.006	15.179	19.595	16.174
Italy	1.149	493	3.692	21.099	61.537	160.526	214.808	330.920	359.528	374.574
Portugal		3	77	49	197	2.136	1.783	5.196	5.551	8.870
Greece	2	0	163	123	3.350	3.832	4.661	7.187	4.186	9.384
TOTAL	**15.615**	**5.572**	**32.677**	**102.118**	**163.386**	**674.088**	**627.975**	**922.529**	**937.220**	**963.223**

In 1975, the import and export figures seen close together in time to 1995, Turkey has passed 3 times more than the exporting country location with commercial volumes. Between 1975 and 2017, the total volume of exports increased about 14 times, while the volume of imports increased about 5 times. Italy and Germany are the most exported countries, while Italy is the country where we import the most.

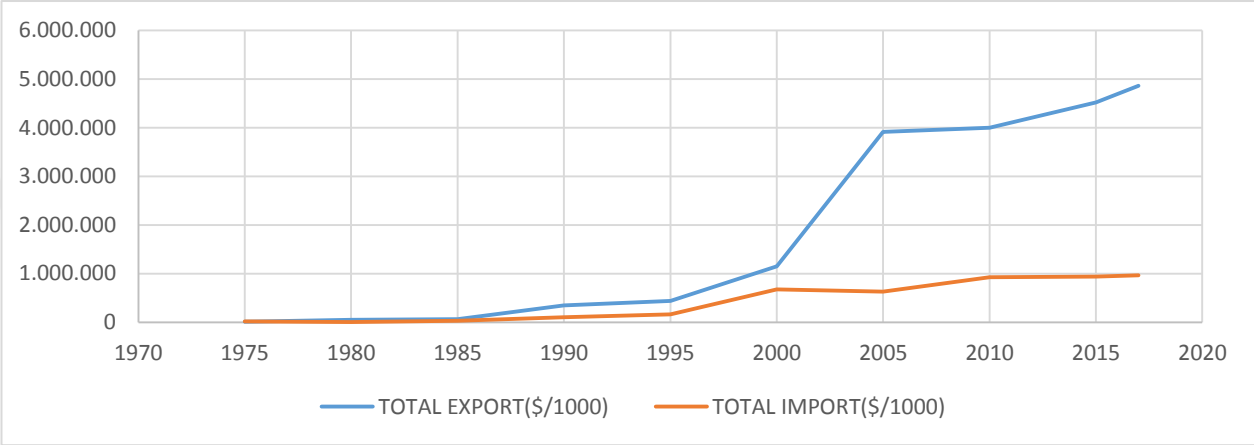

Figure 7 Durable consumer goods not elsewhere specified

Figure 7 is realized also made import and export growth as seen, after 1980 it is seen that Turkey's position in the exporting country. With the upwards trend caught after 2000, it is seen that export volume has gained momentum compared to imports.

5.3.2 Semi-Durable Consumer Goods Not Elsewhere Specified

Table 11 shows export and import figures of semi-durable goods according to years.

Table 11 Semi-durable consumer goods not elsewhere specified

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	65.034	70.229	555.789	1.562.774	2.471.034	2.012.800	2.464.072	2.482.708	2.262.873	2.392.590
Austria	2.136	964	18.614	51.847	88.288	68.782	96.520	99.552	91.846	87.037
Belgium-Luxembourg	2.315	3.551	15.985	63.102	78.533	175.533	161.842	276.783	194.460	189.873
Denmark	899	1.000	9.603	26.718	51.805	83.518	266.073	299.061	315.861	317.671
Finland	26	17	369	7.746	7.015	10.977	39.811	24.030	35.750	32.149
France	4.556	11.015	52.422	289.443	339.083	380.354	711.564	865.169	658.351	644.600
Netherlands	4.432	10.795	60.626	147.289	282.261	283.406	615.550	551.373	615.909	644.405
Britain	1.446	3.909	190.188	190.592	248.351	576.189	1.404.609	1.372.028	1.528.330	1.366.496
Ireland	68	8	4.079	5.819	5.927	10.106	41.170	35.275	26.384	42.675
Spain	25	44	168	10.862	16.295	84.044	433.328	868.819	1.449.596	1.784.686
Swedish	1.022	522	12.810	33.016	34.112	71.177	163.849	174.483	168.469	182.051
Italy	1.409	1.657	17.357	83.525	102.404	132.140	386.087	638.118	559.213	528.085
Portugal	44		0	1.798	3.486	7.587	12.139	19.506	18.393	18.138
Greece	6	6	2.043	3.440	15.719	26.949	145.129	134.976	107.210	132.672
TOTAL	**83.418**	**103.716**	**940.052**	**2.477.969**	**3.744.312**	**3.923.562**	**6.941.742**	**7.841.880**	**8.032.645**	**8.363.127**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	13.726	7.791	22.983	31.338	72.650	109.479	124.562	152.513	184.522	177.122
Austria	4.170	1.081	4.527	1.426	7.203	11.134	16.546	7.566	28.712	16.887
Belgium-Luxembourg	1.198	2.384	1.297	2.837	5.635	19.633	24.208	18.684	26.013	19.265
Denmark	1.896	105	446	2.248	2.146	2.372	6.451	8.615	15.679	13.836
Finland	5	1.260	39	440	582	699	1.501	2.585	2.245	4.080
France	3.577	5.008	4.339	16.446	51.240	80.867	115.644	132.050	106.655	90.596
Netherlands	220	3.665	613	3.121	5.494	21.987	17.849	15.292	27.205	19.571
Britain	1.619	2.880	6.957	8.262	21.234	52.690	53.303	48.127	62.444	51.390
Ireland	0	0	201	417	8.706	29.193	15.465	8.032	38.989	11.333
Spain	7	587	330	2.215	7.777	38.531	50.436	79.324	106.489	115.560
Swedish	378	287	1.749	1.597	1.476	2.763	6.102	9.793	52.751	7.025
Italy	5.547	941	13.609	21.752	83.155	145.305	249.445	321.775	459.482	436.127
Portugal	0		0	54	645	3.763	14.877	25.707	51.189	52.996
Greece	0	0	50	751	882	4.341	10.630	13.316	8.447	8.740
TOTAL	**32.342**	**25.988**	**57.139**	**92.905**	**268.824**	**522.755**	**707.018**	**843.380**	**1.170.822**	**1.024.528**

Between 1975 and 2017, total annual exports increased by 100 times, while total imports grew by 32 times. From 1975 to 2017, while exports were from Germany, Italy was the country with the most imports.

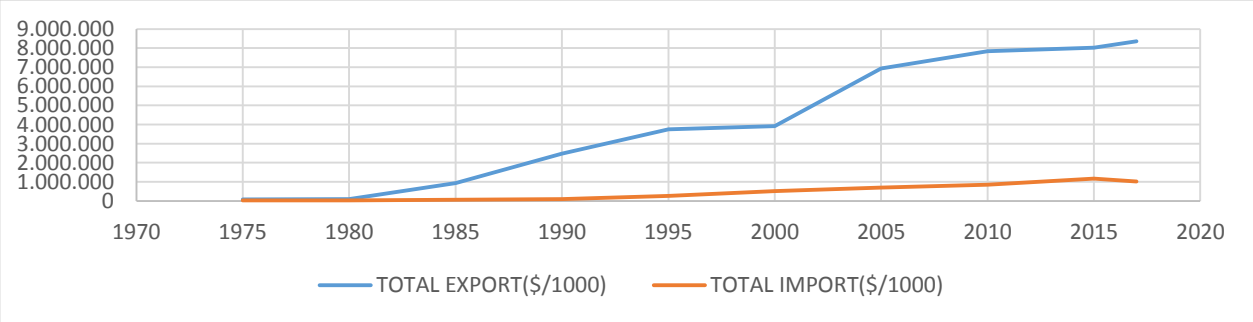

Figure 8 Semi-durable consumer goods not elsewhere specified

As seen in Figure 8, there is a large increase in exports as compared to imports after 1980. Despite the upward trend in exports and imports, there is a decrease in imports figures in 2017.

5.3.3 Non-Durable Consumer Goods Not Elsewhere Specified

In Table 12, export and import figures of non-durable consumption goods are given according to years.

Table 12 Non-durable consumer goods not elsewhere specified

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	969	5.657	187.093	322.415	693.694	795.539	1.358.712	1.339.953	1.218.847	1.155.363
Austria	1	6	17.390	17.628	29.228	30.865	48.165	58.412	49.970	53.322
Belgium-Luxembourg	49	342	7.719	15.462	43.515	63.786	136.052	182.157	154.308	145.818
Denmark	97	1	1.140	25.908	14.437	32.425	132.411	162.651	114.285	102.655
Finland	0	0	7	533	8.952	5.867	17.958	14.559	16.852	15.203
France	18	1.081	13.306	62.226	137.087	177.971	354.323	414.691	340.306	341.358
Netherlands	624	1.851	14.161	39.357	75.258	124.190	316.488	231.720	282.154	347.350
Britain	261	366	34.011	90.583	143.832	336.599	910.516	823.873	927.831	851.378
Ireland	0	0	1.161	999	1.486	8.844	41.155	36.040	17.645	32.755
Spain	0	0	16	1.102	7.576	24.990	144.248	308.335	300.204	395.419
Swedish	40	7	3.108	9.699	10.843	39.203	82.978	113.232	80.473	94.285
Italy	12	1.394	6.138	27.594	33.850	58.326	211.883	213.910	180.534	181.980
Portugal	0	0	0	395	669	1.165	3.542	2.954	3.658	7.015
Greece	2	25	2.398	1.133	4.535	10.435	34.617	71.690	41.349	44.604
TOTAL	**2.074**	**10.730**	**287.647**	**615.035**	**1.204.962**	**1.710.204**	**3.793.048**	**3.974.176**	**3.728.416**	**3.768.505**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	34.466	26.521	58.791	51.604	100.269	218.730	578.073	908.209	817.629	856.197
Austria	429	9.990	6.634	2.279	5.237	8.861	39.223	46.902	40.357	31.819
Belgium-Luxembourg	2.629	1.996	1.851	4.617	15.183	38.278	91.400	116.728	174.984	196.444
Denmark	261	433	873	3.302	6.092	29.840	73.808	89.900	146.033	139.921
Finland	67	68	264	894	1.919	2.501	18.149	39.822	11.714	10.162
France	20.769	18.202	28.766	21.985	60.076	173.545	422.124	655.508	494.129	446.586
Netherlands	1.010	1.598	2.558	7.871	22.303	46.780	66.307	68.386	69.454	88.110
Britain	67.010	42.857	66.688	39.253	95.254	207.476	395.540	464.440	400.075	426.397
Ireland	57	32	275	3.255	16.139	33.433	107.874	264.608	159.062	252.598
Spain	2.928	749	1.190	1.591	5.587	25.074	99.347	152.412	154.079	199.231
Swedish	326	155	655	4.000	11.456	31.177	128.231	163.837	104.290	109.107
Italy	31.653	21.089	31.758	16.584	33.155	87.052	291.496	364.314	342.244	350.276
Portugal	1	200	8	31	479	1.301	4.211	14.211	14.035	15.453
Greece	1	0	227	5.897	1.159	6.759	17.376	29.763	16.761	18.323
TOTAL	**161.606**	**123.890**	**200.536**	**163.162**	**374.307**	**910.807**	**2.333.158**	**3.379.039**	**2.944.847**	**3.140.625**

Between 1995 and 2017, exports increased by about 3 times, while imports grew by 8 times. Germany ranks first in total exports and imports.

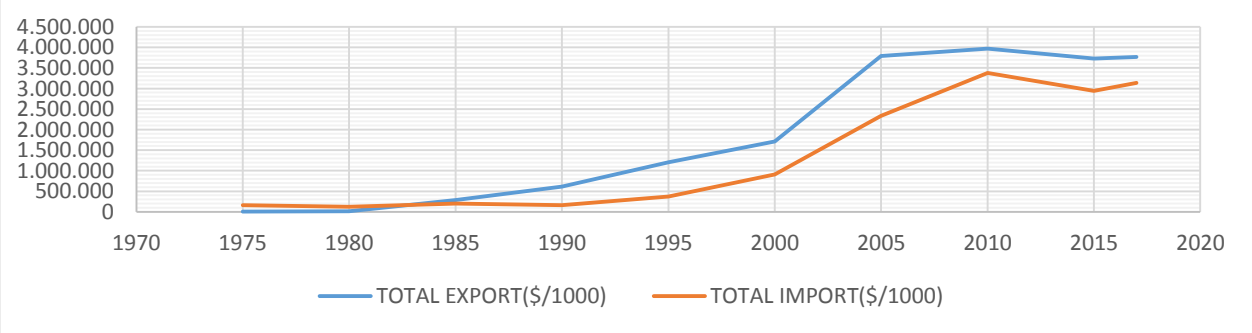

Figure 9 Non-durable consumer goods not elsewhere specified

As seen in Figure 9 until 1985 Turkey importing country, position, position in 1985 was transferred to the exporting country. Until 2010, growth in total export

and import figures is observed. Despite a generally consider in 2015 the import and export figures Turkey has maintained its position of exporting countries.

5.4 Capital Goods

5.4.1 Capital Goods (Except Transport Equipment)

In Table 13, export and import figures of capital goods are given according to years.

Table 13 Capital goods (except transport equipment)

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	178	568	7.697	31.687	80.782	105.280	274.218	351.128	584.560	646.109
Austria	24	178	455	2.181	4.622	7.004	24.701	34.646	51.242	51.587
Belgium-Luxembourg	18	5	4.008	4.391	3.907	8.262	31.199	55.745	73.351	87.959
Denmark	0	0	0	1.055	3.438	4.959	13.188	15.662	25.437	34.719
Finland	104	0	23	685	514	1.630	5.237	10.276	10.651	13.485
France	0	3	55	8.001	7.026	36.144	127.461	170.525	192.757	201.194
Netherlands	7	20	355	4.717	11.475	21.725	108.350	115.966	156.570	188.832
Britain	0	73	20.182	32.745	16.029	40.281	226.020	332.739	385.327	370.287
Ireland	34	99	2	37	1.018	6.004	20.430	14.133	16.975	18.969
Spain	0	0	0	972	15.800	40.522	89.272	103.266	109.809	158.118
Swedish	0	1	2.998	3.865	902	5.404	17.370	20.247	31.773	38.631
Italy	60	283	2.328	10.643	23.586	55.180	154.478	141.558	259.149	305.907
Portugal	0	0	0	535	3.705	2.440	10.003	18.540	27.253	35.698
Greece	3	0	315	4.171	6.522	15.056	72.866	83.944	65.304	74.546
TOTAL	**427**	**1.229**	**38.416**	**105.685**	**179.327**	**349.889**	**1.174.793**	**1.468.375**	**1.990.157**	**2.226.041**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	322.368	203.664	354.087	997.464	1.587.155	1.600.107	3.209.674	3.379.478	4.213.019	4.335.299
Austria	8.313	31.667	27.895	47.204	63.273	110.683	217.390	351.071	466.343	386.629
Belgium-Luxembourg	19.484	32.909	39.258	81.569	141.623	171.652	346.049	320.748	268.642	279.874
Denmark	12.534	3.670	9.936	36.496	34.901	65.867	141.821	172.698	244.792	174.257
Finland	1.126	38.149	4.796	33.010	39.497	419.188	385.027	379.011	161.864	171.862
France	65.059	94.046	46.394	197.588	289.123	445.293	719.201	967.804	942.621	936.714
Netherlands	14.362	34.819	18.854	73.540	125.928	261.646	200.885	242.952	262.528	291.908
Britain	71.129	55.834	87.420	242.148	470.245	900.376	686.708	584.880	633.419	661.773
Ireland	10	383	976	14.881	20.188	96.517	162.599	86.503	110.004	106.223
Spain	2.269	1.007	13.507	54.768	71.819	123.571	243.918	314.924	449.989	506.466
Swedish	16.918	9.303	32.210	48.068	200.175	924.199	302.610	447.177	321.424	321.351
Italy	102.890	37.380	137.315	535.617	987.073	1.043.741	2.056.074	2.148.774	2.515.963	2.373.137
Portugal	5.890	24	4.172	3.791	3.777	8.576	29.493	24.083	58.937	41.146
Greece	30	93	1.863	1.280	9.482	15.165	14.101	38.563	47.436	19.077
TOTAL	**642.380**	**542.947**	**778.683**	**2.367.425**	**4.044.258**	**6.186.583**	**8.715.548**	**9.458.666**	**10.696.983**	**10.605.716**

In 1995, the total import figure was 22 times of the export figure, whereas it was about 5 times in 2017. Germany is the first country in export and import. It is also seen that Italy has a significant share in imports.

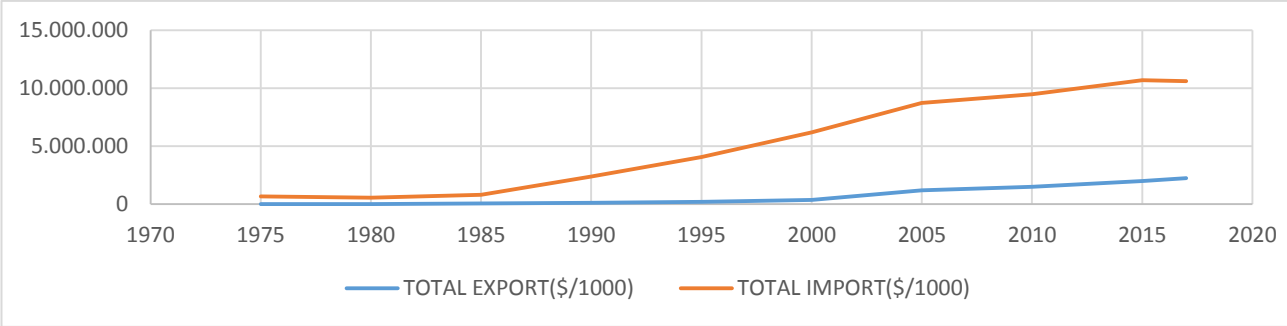

Figure 10 Capital goods (except transport equipment)

Figure 10 shows that exports and imports have gained upward trend after 1980. Until 2000, the export figures, which progressed with small volume, began to decrease in 2005 by increasing the proportional difference.

5.4.2 Parts And Accessories

Total export and import figures are given in Table 14 between 1975 and 2017.

Table 14 Parts and accessories

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	2.643	2.120	38.822	21.134	65.612	93.742	267.178	490.835	569.318	686.175
Austria	13	21	4.976	977	2.297	6.328	17.758	31.146	61.684	65.281
Belgium-Luxembourg	0	0	22.659	1.821	3.426	10.237	39.335	65.954	68.666	64.464
Denmark	10	72	276	19	354	4.104	4.566	10.347	12.500	11.855
Finland	0	0	55	579	354	1.176	1.896	7.724	9.982	9.522
France	6	23	4	1.842	9.930	28.341	93.952	173.409	278.653	290.306
Netherlands	49	104	26.429	853	1.955	7.124	36.756	65.247	99.865	100.171
Britain	67	112	70.969	6.734	14.815	36.264	119.980	135.034	125.461	130.983
Ireland	0	0	0	35	88	1.504	6.349	4.434	6.166	13.298
Spain	38	0	12	307	658	4.624	32.628	38.653	68.210	87.093
Swedish	37	0	8.118	396	1.806	2.169	24.999	23.573	38.329	43.280
Italy	131	219	2.289	4.163	15.035	44.279	144.827	214.171	173.253	204.315
Portugal	0	0	1	95	839	2.162	3.804	6.844	8.049	14.189
Greece	0	9	87	918	2.844	12.613	24.106	29.138	20.704	21.424
TOTAL	**2.993**	**2.681**	**174.697**	**39.873**	**120.014**	**254.667**	**818.133**	**1.296.508**	**1.540.839**	**1.742.356**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	117.934	99.711	227.144	505.900	669.991	811.063	1.217.803	1.625.222	1.865.164	2.106.482
Austria	4.201	38.467	17.587	28.932	27.000	35.922	96.662	134.601	124.213	107.093
Belgium-Luxembourg	5.593	8.010	14.571	59.510	50.514	110.972	71.663	82.283	100.931	96.326
Denmark	1.628	475	2.127	6.051	13.757	14.523	35.625	84.392	70.633	46.333
Finland	182	136	9.282	3.912	4.539	91.932	77.762	63.336	73.530	70.916
France	23.620	38.242	38.265	138.899	206.366	304.587	441.904	598.767	530.085	589.002
Netherlands	7.325	13.447	14.701	44.809	41.608	96.693	121.281	91.770	111.279	100.174
Britain	27.182	27.345	73.389	102.834	146.907	295.669	259.254	207.050	214.150	243.206
Ireland	134	186	829	3.293	3.673	16.162	26.621	61.393	22.201	26.290
Spain	2.858	760	5.779	15.413	29.204	102.116	151.856	290.660	230.410	276.926
Swedish	5.949	6.049	8.588	24.371	52.126	166.954	312.167	205.816	144.665	117.754
Italy	29.220	25.260	65.554	171.690	276.973	509.414	712.444	951.198	879.326	1.007.927
Portugal	30	0	968	641	5.009	6.425	25.799	33.823	57.827	38.148
Greece	2	234	34	337	452	2.475	16.280	21.975	23.010	15.554
TOTAL	**225.857**	**258.323**	**478.818**	**1.106.592**	**1.528.118**	**2.564.906**	**3.567.121**	**4.452.286**	**4.447.424**	**4.842.131**

Between 1995 and 2017, export figures have increased by 14 times, while import figures have increased by 3 times. In the period between 1975 and 1995, there

is a big difference in the ratio of imports to imports. The country with the largest volume of import and export figures is Germany. It is seen that the share of Italy and France in total import volume is significant.

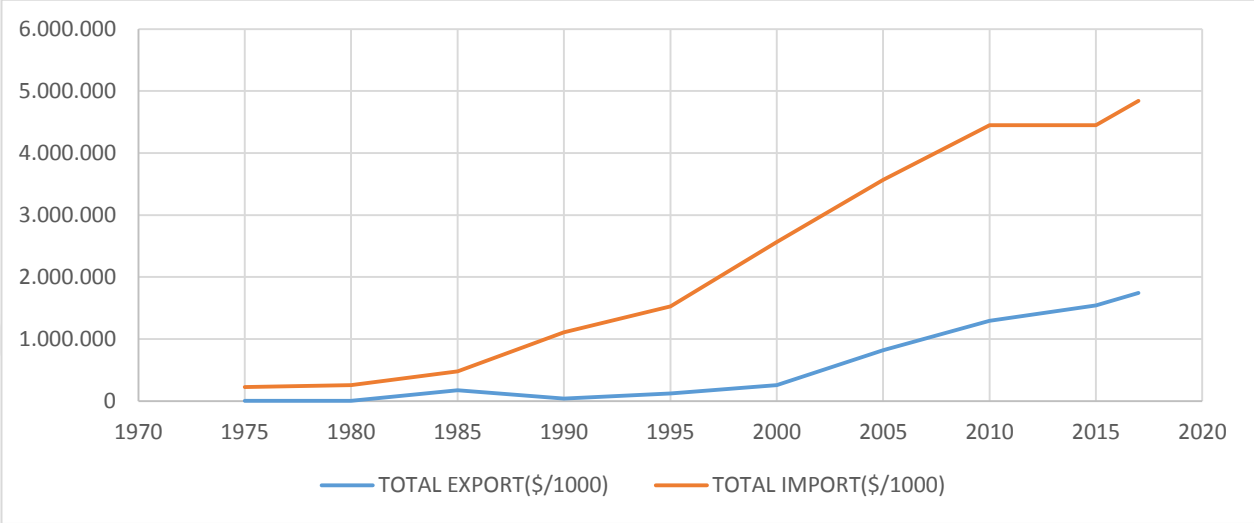

Figure 11 Parts and accessories

Figure 11 shows that exports and imports have steadily grown since 1995. The upward momentum in exports, especially after 2010, shows that imports are on the rise.

5.5 Food And Beverages

5.5.1 Primary Food And Beverages Mainly For İndustry

Table 15 gives the figures of exports and imports of unprocessed foodstuffs and beverages according to years. Between 1975 and 2017, export figures showed a growth of 16 times, while import figures increased by 30 times. Germany has the largest share of the exported countries. After 1995, exports to countries such as Denmark, France, England, Spain and Italy are seen to decrease. After 1995, imports from countries such as Germany, Austria, the Netherlands, the UK and Italy are seen to decrease.

Table 15 Primary food and beverages mainly for industry

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	482	3.194	705	2.983	6.805	7.210	3.631	14.875	9.062	21.882
Austria	3		0	12	29	314	91	4.419	1.348	5.222
Belgium-Luxembourg	60	0	6	265	389	132	247	496	1.669	2.150
Denmark	0		84	498	725	1.525	671	691	608	463
Finland	0	0		3	79	19	184	67	63	163
France	160	937	475	1.698	3.295	3.542	3.009	4.123	4.063	1.911
Netherlands	0	15	8	744	3.679	1.100	999	4.431	5.861	7.877
Britain	51	52	5	688	431	591	614	502	657	238
Ireland				313		0	0	0	27	3
Spain	71	13	113	2.258	4.775	11.182	8.809	5.645	4.896	2.293
Swedish		36	36	73	491	825	2.129	1.728	2.250	1.145
Italy	3.237	2.768	2.818	3.687	7.620	33.828	21.557	53.547	35.239	19.636
Portugal	19	3	72	53	18	4.311	4.112		0	0
Greece		3	105	3.133	1.170	802	6.455	6.207	990	1.764
TOTAL	**4.082**	**7.019**	**4.427**	**16.408**	**29.508**	**65.380**	**52.507**	**96.732**	**66.733**	**64.747**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	216	1.338	437	18.640	126.554	44.139	11.100	24.585	4.879	18.222
Austria	0		0	0	3.973	53	13	10	2.563	2.053
Belgium-Luxembourg	65	209	3.493	3.227	673	311	382	35	640	1.133
Denmark	28		139	4.989	1.394	1.687	41	6	7.123	6.840
Finland	38	769		33	0	0	0	0	0	0
France	309	632	5.539	140.752	25.876	14.979	14.394	16.587	98.624	35.245
Netherlands	3.982	392	1.888	2.853	3.861	1.585	493	5.499	1.169	845
Britain	2.003	212	6.731	7.536	3.135	10.507	3.263	4.341	21.061	3.890
Ireland				1.070		1.145	4	288	916	41.082
Spain	0	0	0	17.210	187	78	550	5.373	19.087	65.077
Swedish		65	0	2.555	0	0	15	61	3.028	5.658
Italy	389	178	893	145	16.924	1.800	670	2.343	31.836	12.911
Portugal	0	0	0	0	0	0	0		7.975	4.601
Greece		0	24	1.777	5.431	12.790	12.594	16.227	3.122	13.078
TOTAL	**7.030**	**3.794**	**19.143**	**200.787**	**188.007**	**89.072**	**43.517**	**75.355**	**202.024**	**210.635**

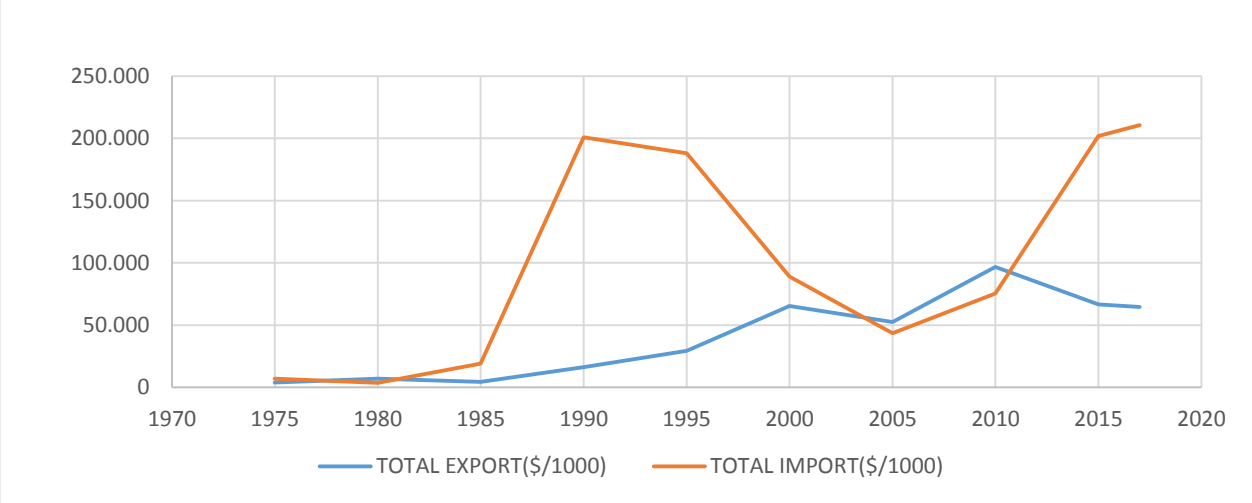

Figure 12 Primary food and beverages mainly for industry

Table 15 shows that export and import figures fluctuated according to years. Between 1975 and 2017, Turkey's position in 2010, 2005 and passed into exporter, decreased exports and imports after 2010's upward momentum seems to fall again by winning the importers position.

5.5.2 Primary Food And Beverages Mainly For Household Consumption

Table 16 gives the import and export figures of unprocessed goods, which are food and beverages.

Table 16 Primary food and beverages mainly for household consumption

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	101.010	275.015	172.594	352.904	439.269	278.788	407.966	516.486	548.216	553.315
Austria	6.220	33.695	34.985	39.603	43.914	36.357	38.765	34.067	40.939	46.825
Belgium-Luxembourg	4.015	11.238	13.228	30.271	60.574	48.606	96.305	81.601	82.814	68.085
Denmark	1.029	1.957	2.360	4.613	6.430	6.924	13.508	17.345	19.220	17.323
Finland	288	364	1.223	3.124	1.704	1.614	1.647	3.257	2.306	1.580
France	21.793	58.272	41.878	76.578	99.977	79.403	194.397	269.666	347.704	244.005
Netherlands	13.748	27.937	24.608	54.993	88.028	71.535	122.305	153.323	206.804	220.750
Britain	16.000	37.113	39.934	84.442	107.639	110.436	180.648	219.496	256.556	230.594
Ireland	2.213	3.320	1.627	7.315	5.828	6.943	7.212	10.319	11.677	8.929
Spain	872	8.056	20.790	35.972	37.918	25.576	81.483	67.310	76.611	76.897
Swedish	3.164	3.687	4.093	9.229	9.151	7.821	16.326	19.588	32.103	26.670
Italy	15.374	50.144	35.864	123.455	163.536	93.545	636.147	371.568	702.830	526.248
Portugal	237	198	115	6.787	7.742	2.859	7.519	3.623	10.041	24.370
Greece	62	1.453	7.009	23.677	28.924	19.493	73.259	56.541	35.001	54.716
TOTAL	**186.026**	**512.448**	**400.308**	**852.962**	**1.100.635**	**789.901**	**1.877.487**	**1.824.190**	**2.372.820**	**2.100.308**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	104	46	1.992	456	654	2.340	12.861	5.264	17.059	9.006
Austria	0	0	2.448	168	5	121	603	1.210	267	498
Belgium-Luxembourg	101	13	74	17	51	300	778	643	2.385	1.126
Denmark	0	0	0	8	8	198	114	0	317	309
Finland	0	0	0	17	0	49	0	104	8	0
France	60	5	152	156	1.233	911	3.301	2.975	5.889	5.931
Netherlands	237	576	2.793	150	3.277	691	904	703	2.460	4.280
Britain	19	52	452	375	867	1.040	5.090	4.305	14.965	18.006
Ireland	0	0	48	0	45	0	14	0	0	0
Spain	0	0	9	260	645	1.100	3.803	3.670	4.148	2.683
Swedish	306	0	3	0	63	34	213	652	639	238
Italy	7	0	23	398	1.244	1.809	3.980	3.023	4.210	3.965
Portugal	0	0	0	0	1	469	264	53	290	915
Greece	0	0	36	869	1.433	1.414	4.585	5.074	4.377	3.567
TOTAL	**835**	**692**	**8.032**	**2.874**	**9.527**	**10.478**	**36.512**	**27.678**	**57.014**	**50.523**

In 1995, the total export figure was 120 times the import figure.

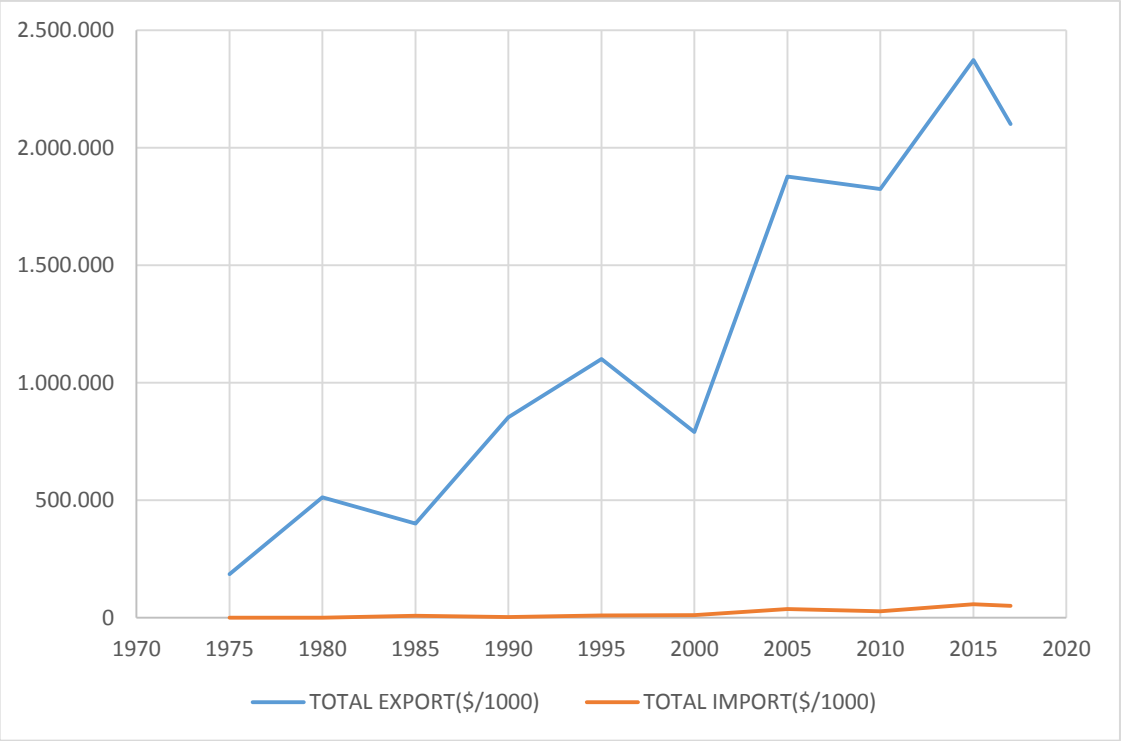

Figure 13 Primary food and beverages mainly for household consumption

As seen in Figure 13 Turkey's exports are growing, showing fluctuations between 1975 and 2017. Though the total import figure is sloping upwards, it is far below the numerical rate of exports.

5.5.3 Processed Food And Beverages Mainly For İndustry

Table 17 gives the export and import figures of processed raw materials, which are food and beverages that are based on years.

Table 17 Processed food and beverages mainly for industry

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	1.400	972	11.829	20.312	19.515	18.786	32.789	34.566	25.990	17.286
Austria	3	5	3.747	1.422	2.717	3.736	3.153	7.831	7.176	6.286
Belgium-Luxembourg	35	46	339	143	3.014	9.798	8.966	15.762	1.028	899
Denmark	5	602	1.353	327	425	283	305	645	1.129	1.099
Finland				19	14	0	157	468	173	399
France	3	2.569	804	3.123	1.933	3.818	4.054	3.922	13.427	11.761
Netherlands	9	973	2.554	586	2.336	4.652	3.664	26.324	18.323	14.740
Britain	599	97	466	3.016	3.130	2.011	8.117	4.761	5.363	3.372
Ireland				255	1.018	918	861	9	842	1.021
Spain	0	0	0	47	169	2.684	4.610	7.554	8.621	8.023
Swedish	0	25	390	226	1.172	408	829	504	873	2.673
Italy	0	0	167	2.449	2.078	3.338	10.108	4.773	9.685	11.140
Portugal		7	0	0	34	141	326	196	347	262
Greece			843	857	698	819	5.375	3.587	4.805	1.729
TOTAL	**2.055**	**5.296**	**22.491**	**32.782**	**38.254**	**51.392**	**83.314**	**110.902**	**97.783**	**80.689**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	7.400	7.884	4.035	8.211	12.711	13.040	9.209	22.969	27.815	39.265
Austria	3	0	1.451	587	272	607	271	726	572	1.786
Belgium-Luxembourg	5	0	178	2.921	7.638	5.036	7.083	20.263	11.832	17.838
Denmark	76	5	4	274	3.974	3.471	2.386	1.596	8.027	9.403
Finland				507	22	688	81	494	1.402	1.408
France	5.438	10.184	8.300	7.581	34.831	8.097	13.302	16.931	20.421	19.595
Netherlands	6.438	610	4.700	7.636	12.522	9.299	16.761	58.864	49.896	80.128
Britain	8.659	2.517	459	2.069	944	3.152	1.928	7.364	6.387	9.977
Ireland				2	326	2.875	3.149	1.334	270	411
Spain	2.964	43.802	30.864	57.874	41.249	25.953	29.045	1.773	12.862	20.456
Swedish	1	0	2	560	1.946	2.419	157	868	4.796	3.136
Italy	2.244	40	94	6.061	3.594	3.602	12.534	9.183	17.484	35.172
Portugal		1.637	12.151	489	6.833	74	14.337	648	0	29
Greece			886	2.118	42	1.577	4.628	2	1.389	1.319
TOTAL	**33.228**	**66.680**	**63.123**	**96.890**	**126.904**	**79.890**	**114.870**	**143.015**	**163.152**	**239.923**

Between 1975 and 2017, total export figures grew by 40 times, while import figures increased by 8 times. Nevertheless, due to the volume of trade it made Turkey is the importing country.

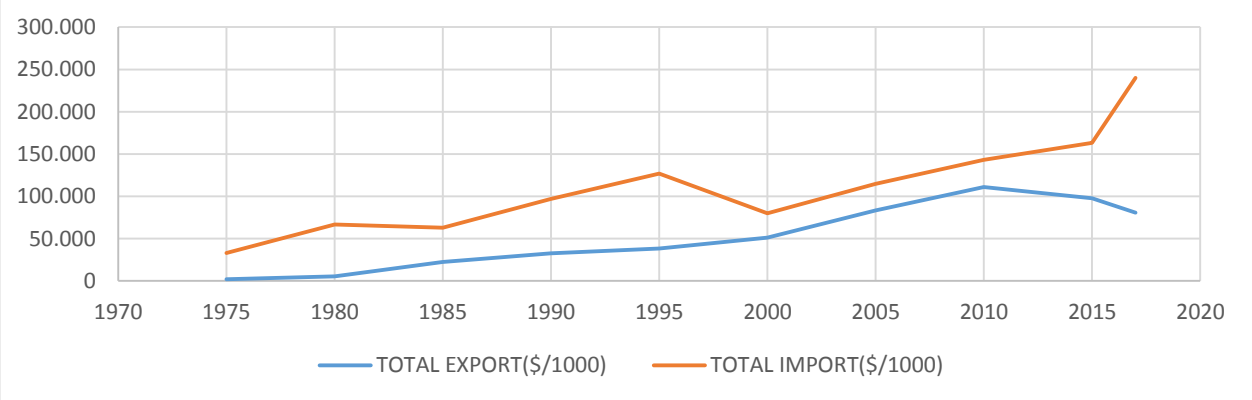

Figure 14 Processed food and beverages mainly for industry

As can be seen in Figure 14, exports grew steadily while exports showed fluctuating growth in 1975 and 2000. After the year 2000, the growth in imports is stabilized, while there is a decline in exports after 2010.

5.5.4 Processed Food And Beverages Mainly For Household Consumption

Table 18 gives export and import figures of processed goods, which are food and beverages, which are basically according to years.

Table 18 Processed food and beverages mainly for household consumption

TOTAL EXPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	8.794	43.725	71.348	100.984	192.640	172.051	468.154	552.054	900.967	719.692
Austria	145	2.083	6.920	8.934	13.814	9.883	50.707	63.380	110.342	72.737
Belgium-Luxembourg	272	708	1.879	6.090	12.613	25.041	67.865	63.180	112.800	100.363
Denmark	532	416	1.143	2.132	3.731	4.697	22.175	30.985	17.226	15.982
Finland	8	48	368	1.072	4.572	6.717	7.301	10.969	12.332	7.869
France	5.142	16.813	14.694	35.751	62.402	50.529	113.198	157.082	142.384	121.151
Netherlands	592	4.064	6.837	22.785	58.135	56.764	131.291	180.812	279.906	274.571
Britain	3.186	7.277	11.738	28.246	53.940	59.697	115.342	122.204	197.444	235.830
Ireland	40	432	225	147	1.518	1.869	2.217	1.542	2.865	2.849
Spain	237	321	3.105	4.690	66.472	18.688	90.910	51.381	67.014	139.634
Swedish	5.351	9.390	8.625	6.991	12.943	10.923	28.661	34.171	45.512	41.870
Italy	30	2.367	3.170	25.339	75.805	23.374	220.743	96.532	142.079	147.671
Portugal	0	0	0	258	2.007	465	2.882	3.244	829	2.290
Greece	5	71	9.135	2.273	9.370	11.467	25.899	36.195	39.429	45.582
TOTAL	**24.335**	**87.713**	**139.187**	**245.692**	**569.961**	**452.164**	**1.347.345**	**1.403.731**	**2.071.129**	**1.928.089**
TOTAL IMPORT($/1000)										
COUNTRY	**1975**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**	**2017**
Germany	259	9.802	20.750	35.826	81.513	43.917	89.698	212.425	198.595	196.241
Austria	0	0	842	2.267	7.264	3.265	7.251	45.638	51.127	48.778
Belgium-Luxembourg	1.497	215	234	48.663	17.576	6.849	9.938	24.266	41.477	41.025
Denmark	99	372	8.555	893	9.712	4.234	8.947	11.656	5.899	9.862
Finland	0	112	125	279	708	574	347	465	2.588	1.346
France	17.337	54.835	2.098	105.570	82.427	37.886	29.327	48.704	56.195	86.779
Netherlands	5.072	3.701	4.060	30.334	24.235	28.969	55.101	112.047	168.523	178.949
Britain	24.742	43.372	1.655	19.902	41.868	22.968	20.790	42.730	109.756	127.070
Ireland	0	0	51	5.961	2.561	3.115	76.454	21.710	51.962	59.825
Spain	0	0	26.941	8.544	17.585	29.028	34.010	36.825	56.050	44.926
Swedish	0	459	0	13.917	1.281	4.716	2.919	8.471	22.613	22.252
Italy	25	4.855	25.547	24.845	16.025	29.426	47.639	89.215	129.762	132.475
Portugal				0	236	103	2.476	9.385	10.064	1.004
Greece	0	0	2.649	3.519	404	611	3.686	13.047	28.910	27.641
TOTAL	**49.030**	**117.724**	**93.506**	**300.519**	**303.395**	**215.662**	**388.580**	**676.585**	**933.519**	**978.174**

Between 1975 and 2017, export figures have increased by 80 times, while import figures have grown by 20 times.

As can be seen in Figure 15, fluctuations in total export and import figures are seen in the period between 1975 and 2000.

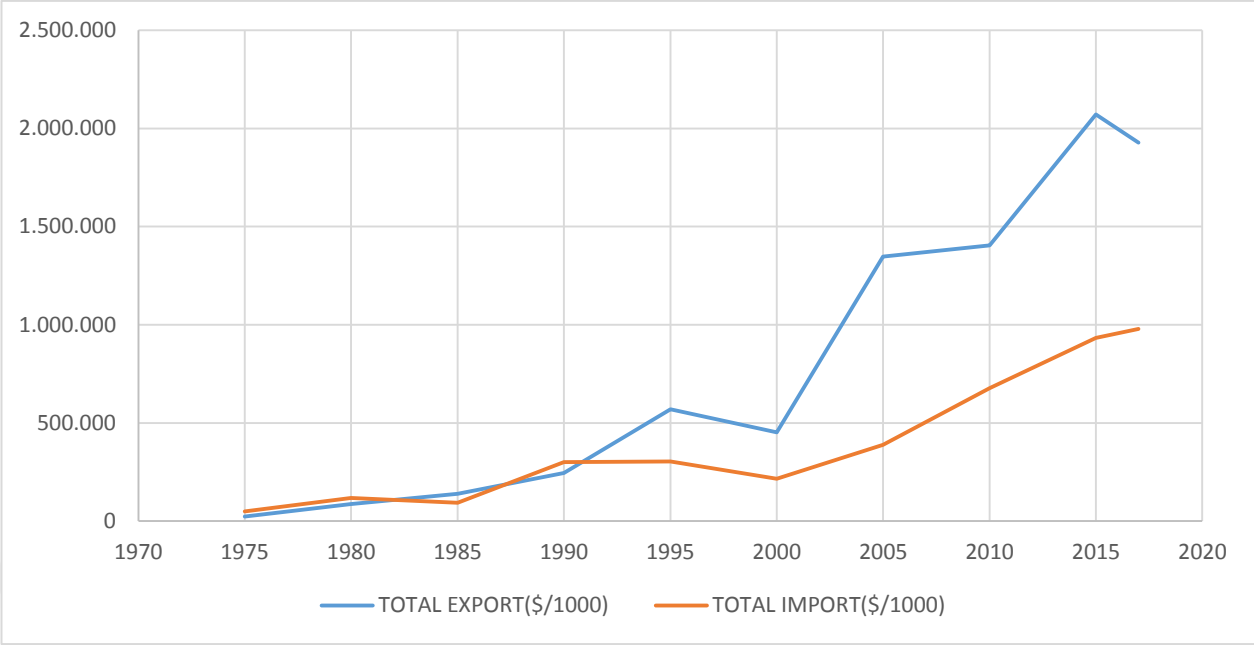

Figure 15 Processed food and beverages mainly for household consumption

While export figures after 1990 showed upward trend, import figures decreased between 1990 and 2000. Between 2000 and 2015, there is a steady increase in export and import figures. Turkey has been involved in the exporting country after 1995.

5.6 Total export-import According to BEC

Turkey's share in the total imports and exports of both product groups after the entry into the Customs Union should change in the total import and export figures have occurred. Turkey between the years 1975 and 2017 made by the EU with 15 countries export and import figures according to BEC classification is given in table 19.

Table 19 Total export-import according to BEC

TOTAL EXPORT (MILLION $)	1975	1980	1985	1990	1995	2000	2005	2010	2015	2017
Goods not elsewhere specified	0	0	0	0	3	8	103	55	80	45
Passenger motor vehicles	0	9	7	14	137	514	2.705	3.894	4.734	8.073
Consumer goods not elsewhere specified-durable	12	53	63	344	436	1.150	3.915	3.998	4.519	4.862
Consumer goods not elsewhere specified-non-durable	2	11	288	615	1.205	1.710	3.793	3.974	3.728	3.769
Food and beverages mainly for industry-primary	4	7	4	16	30	65	53	97	67	65
Food and beverages mainly for household consumption-primary	186	512	400	853	1.101	790	1.877	1.824	2.373	2.100
Food and beverages mainly for industry-processed	2	5	22	33	38	51	83	111	98	81
Food and beverages mainly for household consumption-processed	24	88	139	246	570	452	1.347	1.404	2.071	1.928
Fuels and lubricants-Primary	0	0	0	2	1	5	9	100	168	150
Fuels and lubricants-processed	9	0	133	185	168	67	350	530	592	334
Motor spirit	25	9	110	14	14	65	130	0	197	261
Industrial supplies not elsewhere specified-primary	244	313	336	456	429	492	775	1.060	987	1.215
Industrial supplies not elsewhere specified-processed	106	255	688	1.659	2.378	3.515	6.496	9.598	12.473	13.850
Industrial Transport equipment and parts and accessories thereof	0	0	7	7	141	337	2.965	3.608	4.420	5.531
Non-industrial Transport equipment and parts and accessories thereof	0	0	0	3	10	15	93	96	80	65
Parts and accessories of transport equipment	2	7	47	105	373	747	2.244	3.407	4.853	5.322
Consumer goods not elsewhere specified-semi durable	83	104	940	2.478	3.744	3.924	6.942	7.842	8.033	8.363
Capital goods (except transport equipment)	0	1	38	106	179	350	1.175	1.468	1.990	2.226
Parts and accessories of capital goods	3	3	175	40	120	255	818	1.297	1.541	1.742
TOTAL	**703**	**1.377**	**3.398**	**7.177**	**11.078**	**14.510**	**35.872**	**44.363**	**53.004**	**59.983**

TOTAL IMPORT (MILLION $)	1975	1980	1985	1990	1995	2000	2005	2010	2015	2017
Goods not elsewhere specified	0	1	0	15	27	108	312	150	63	116
Passenger motor vehicles	40	25	36	308	213	2.349	3.162	4.739	6.236	5.511
Consumer goods not elsewhere specified-durable	16	6	33	102	163	674	628	923	937	963
Consumer goods not elsewhere specified-non-durable	162	124	201	163	374	911	2.333	3.379	2.945	3.141
Food and beverages mainly for industry-primary	7	4	19	201	188	89	44	75	202	211
Food and beverages mainly for household consumption-primary	1	1	8	3	10	10	37	28	57	51
Food and beverages mainly for industry-processed	33	67	63	97	127	80	115	143	163	240
Food and beverages mainly for household consumption-processed	49	118	94	301	303	216	389	677	934	978
Fuels and lubricants-Primary	1	2	0	33	3	5	4	5	5	4
Fuels and lubricants-processed	32	219	22	106	121	433	582	1.922	2.533	2.270
Motor spirit	2	6	0	39	41	223	171	463	123	240
Industrial supplies not elsewhere specified-primary	45	65	95	274	1.094	648	1.426	3.693	2.484	4.050
Industrial supplies not elsewhere specified-processed	1.018	1.015	1.888	3.829	6.496	8.417	16.029	20.433	22.102	24.016
Industrial Transport equipment and parts and accessories thereof	29	28	308	196	741	1.052	1.980	2.456	3.800	2.669
Non-industrial Transport equipment and parts and accessories thereof	0	0	2	16	11	35	37	31	58	1.295
Parts and accessories of transport equipment	151	80	148	649	1.107	2.087	5.231	6.072	6.360	7.459
Consumer goods not elsewhere specified-semi durable	32	26	57	93	269	523	707	843	1.171	1.025
Capital goods (except transport equipment)	642	543	779	2.367	4.044	6.187	8.716	9.459	10.697	10.606
Parts and accessories of capital goods	226	258	479	1.107	1.528	2.565	3.567	4.452	4.447	4.842
TOTAL	**2.488**	**2.586**	**4.230**	**9.898**	**16.861**	**26.610**	**45.468**	**59.946**	**65.317**	**69.685**

Between 1995 and 2017, while export figures increased by 5.5 times, import figures increased by 3.7 times. In the years 1975 and 2017, the most product groups of exports have been processed industrial raw materials and semi-durable goods. In 1975 and 2017, most of the product groups imported were processed industrial raw materials and investment goods. Figure 16 Turkey and the EU by 15 countries in total imports coverage ratio of total exports that occur between years are shown proportionately.

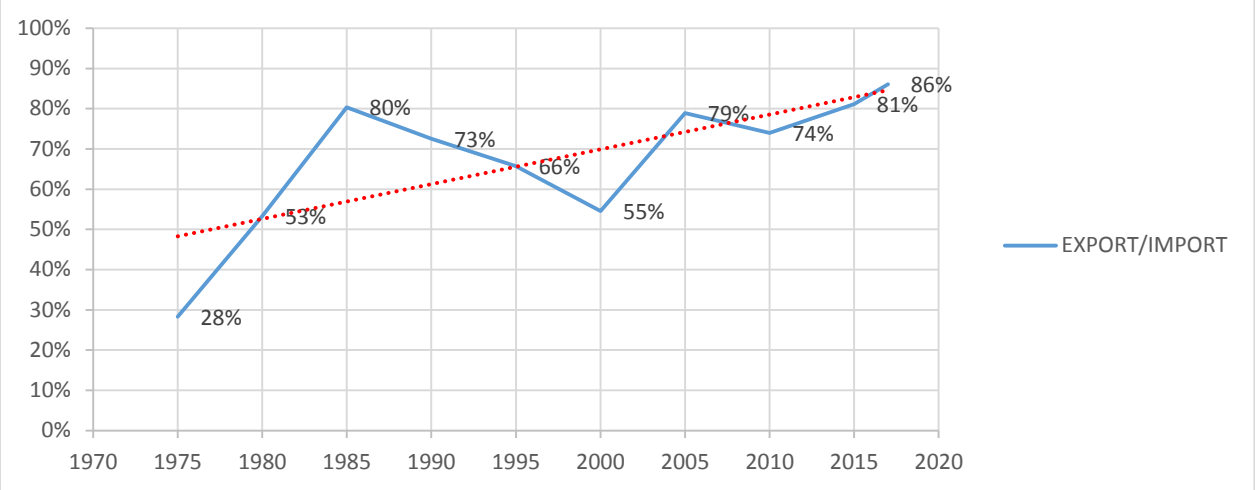

Figure 16 Total export/total import

The import coverage rate, which was 28% in 1975, was 86% when it reached 2017. As seen in the graph, there are changes according to the years. It can be said that the general economic situation of the countries and the world is effective in this. It is observed that the ratio of imports to exports before the Customs Union Agreement has increased up to 80%. However, not only proportionally but numerically, the volume of foreign trade in 2017 is about 17 times that of 1985. Looking at the graph, it is seen that the export / import axis moves upwards.

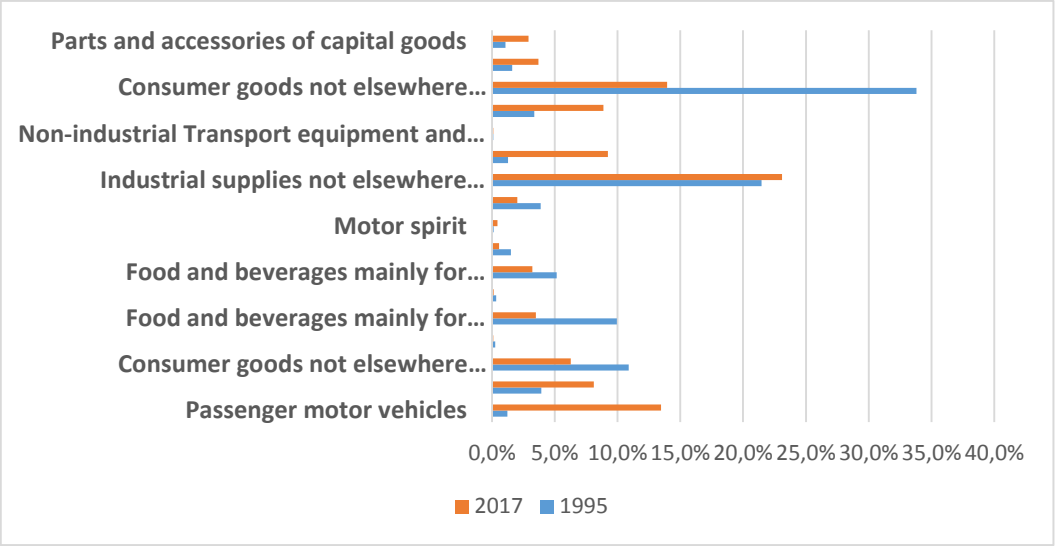

Figure 17 Share of product groups in total exports

According to the BEC classification of the 1995 and 2017 figure 17 percentile are located in Turkey's EU exports to 15 countries. It is seen that the percentage of total exports share of passenger cars, consumer durables, and industrial related transport equipment products groups seems to increase. The share of exports of non-durable goods, processed goods, semi-durables and semi-durables has declined.

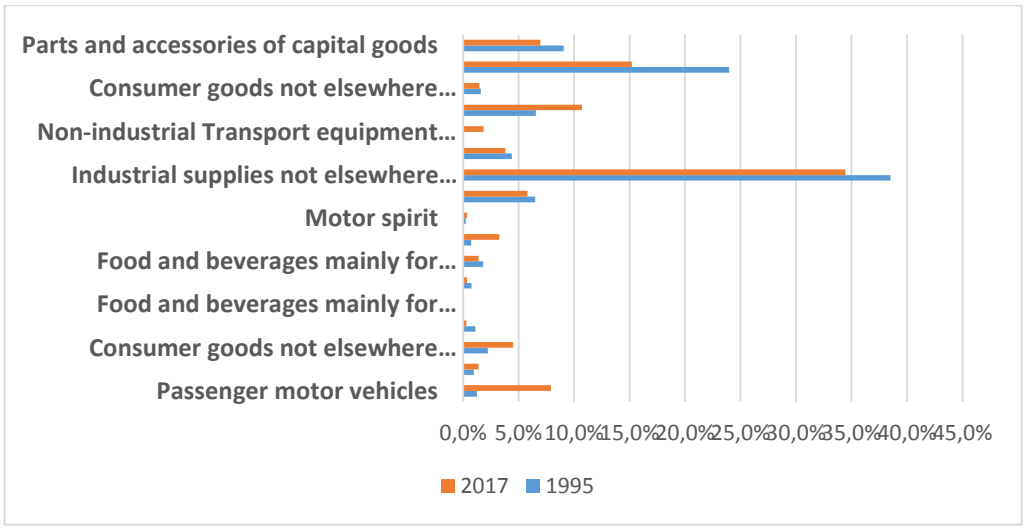

Figure 18 Share of product groups in total imports

According to BEC classification of the 1995 and 2017 figure 18 is located percentile of the imports from Turkey in the EU 15 countries. Proportionally, the biggest change is the change in the passenger car product group. Increase in the share

of imports of non-persistent consumption goods and transport groups is observed. The share of investment and capital goods group in total imports is seen to decrease.

5.7 Foreign Trade by Years

Import-export figures of Turkey which took place between 1923 and 2016, the percentage changes over the years, the trade balance, foreign trade volume of exports and imports to meet the percentage shown in Table 20.

Table 20 Foreign trade by years, 1923-2016

(Value: Millions US $)

	Exports		Imports		Balance of foreign trade	Volume of foreign trade	Proportion of imports covered
	Value	Change	Value	Change	Value	Value	%
Years		(%)		(%)			
1923	51		87		-36	138	58,5
1924	82	62,3	100	15,6	-18	183	82,1
1925	103	24,6	129	28,4	-26	232	79,6
1930	71	-30,5	70	-46,1	2	141	102,6
1935	76	6,8	71	1,6	6	147	107,9
1940	81	6,1	50	-29,2	31	131	161,7
1950	263	225,6	286	470,9	-22	549	92,2
1960	321	21,8	468	63,9	-147	789	68,5
1970	588	83,5	948	102,4	-359	1536	62,1
1980	2910	394,5	7909	734,7	-4999	10819	36,8
1990	12959	345,3	22302	182,0	-9343	35261	58,1
1996	23224	79,2	43627	95,6	-20402	66851	53,2
1997	26261	13,1	48559	11,3	-22298	74820	54,1
1998	26974	2,7	45921	-5,4	-18947	72895	58,7
1999	26587	-1,4	40671	-11,4	-14084	67258	65,4
2000	27775	4,5	54503	34,0	-26728	82278	51,0
2001	31334	12,8	41399	-24,0	-10065	72733	75,7
2002	36059	15,1	51554	24,5	-15495	87613	69,9
2003	47253	31,0	69340	34,5	-22087	116593	68,1
2004	63167	33,7	97540	40,7	-34373	160707	64,8
2005	73476	16,3	116774	19,7	-43298	190251	62,9
2006	85535	16,4	139576	19,5	-54041	225111	61,3
2007	107272	25,4	170063	21,8	-62791	277334	63,1
2008	132027	23,1	201964	18,8	-69936	333991	65,4
2009	102143	-22,6	140928	-30,2	-38786	243071	72,5
2010	113883	11,5	185544	31,7	-71661	299428	61,4
2011	134907	18,5	240842	29,8	-105935	375749	56,0
2012	152462	13,0	236545	-1,8	-84083	389007	64,5
2013	151803	-0,4	251661	6,4	-99859	403464	60,3
2014	157610	3,8	242177	-3,8	-84567	399787	65,1
2015	143839	-8,7	207234	-14,4	-63395	351073	69,4
2016*	142557	-0,9	198610	-4,2	-56053	341168	71,8

TurkStat, Foreign Trade Statistics, January 2017

* Data for 2016 is provisional.

The end of the wars, population growth and the economic structure of the countries have led to an increase in the volume of Turkish foreign trade with world trade. During the Second World War between 1930 and 1940, export of Turkey has

given more than other years gives the budget deficit. After the Custom Union Agreement, The import coverage ratio of export is showing a fluctuation.

Figure 19 between 1975 and 2017, Turkey and the import coverage ratio of exports in trade with EU-15 countries are also given the ratio of the total imports of Turkey's total exports.

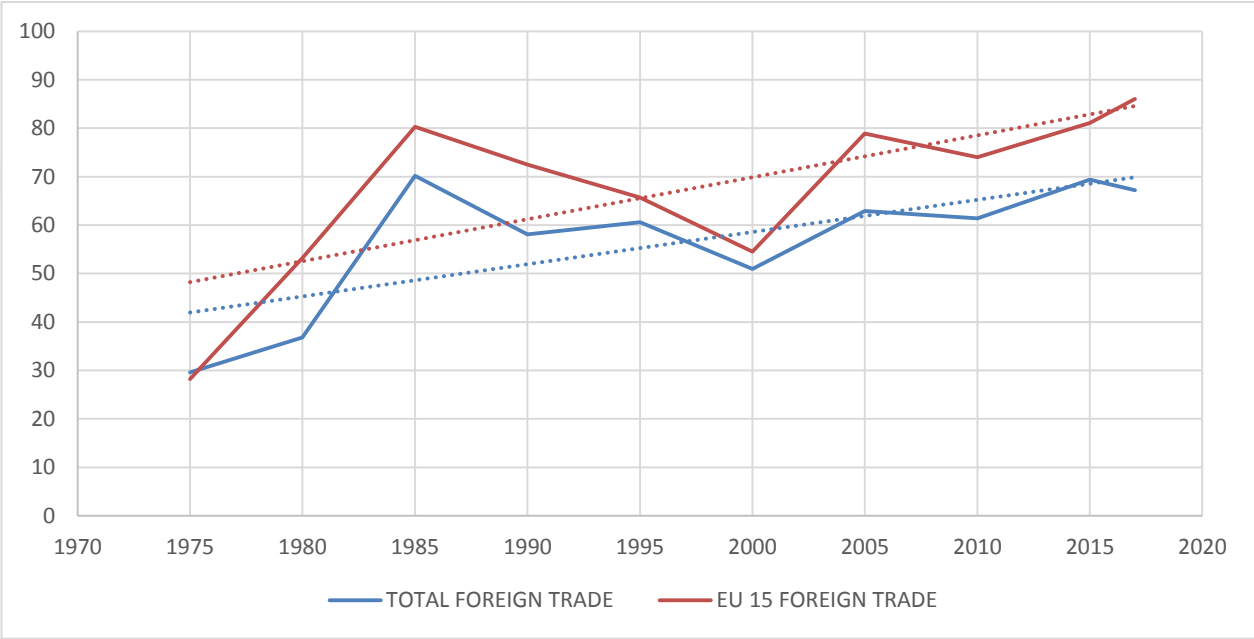

Figure 19 Total export/ımport of EU-15 countries and Turkish Total Foreign Trade

Figure 19 it is seen that the slope gap between the straight lines of the total foreign trade coverage rate and coverage of the EU-15 countries is increasing.

Table 21 GDP of Countries

Country/2016	Ranking on World	Ranking on Europe	Millions of US dollars)
Germany	4	1	3467
United Kingdom	5	2	2619
France	6	3	2465
Italy	8	4	1850
Spain	13	5	1232
Turkey	17	6	858
Netherlands	18	7	771
Switzerland	19	8	660
Sweden	22	9	511
Poland	23	10	470
Belgium	24	11	466
Austria	28	12	386
Norway	29	13	371
Denmark	34	14	306
Ireland	39	15	294
Finland	43	16	237
Portugal	45	17	205
Greece	47	18	195
Czech Republic	48	19	193
Romania	50	20	187
Hungary	56	21	124
Ukraine	61	22	93
Slovak Republic	63	23	90
Luxembourg	73	24	60
Bulgaria	77	25	52
Croatia	78	26	50
Belarus	80	27	47
Slovenia	83	28	44
Lithuania	84	29	43
Azerbaijan	88	30	38
Serbia	89	31	38
Latvia	95	32	28
Estonia	101	33	23
Iceland	105	34	20
Cyprus	107	35	20
Bosnia and Herzegovina	111	36	17
Georgia	116	37	14
Albania	124	38	12
Malta	128	39	11
FYR Macedonia	129	40	11
Armenia	130	41	11
Moldova	144	42	7
Montenegro	156	43	4

Source: Worldbank

In the table, the total gross national product of the countries for 2016 is given. Turkey in terms of total gross domestic product, is the world's largest 17th and 6th largest economy in Europe's. While Spain is in the 5th place in the European rankings,

the difference between the total gross national product is quite obvious, but there is no big difference between the Netherlands which is 7th place.

Table 22 GDP Per Capita

Country	GDP per capita (Nominal) ($)			Rank (Nominal)		GDP per capita (PPP) (Int. $)			Rank (PPP)	
	2015	2016	Change	Europe	World	2015	2016	Change	Europe	World
United Kingdom	43,902	40,412	-3,491	14	21	41,499	42,514	1,015	13	27
Ukraine	2,125	2,052	-74	44	138	7,987	8,23	243	44	116
Turkey	9,186	9,317	130	32	69	20,42	21,147	726	33	63
Switzerland	80,603	79,578	-1,025	2	2	58,647	59,376	729	5	11
Sweden	50,05	51,604	1,554	7	11	48,199	49,678	1,479	7	17
Spain	25,843	27,012	1,169	17	30	34,861	36,451	1,59	17	36
Slovenia	20,747	21,37	623	20	38	30,918	32,028	1,11	21	41
Slovak Republic	15,979	16,648	669	25	46	29,758	31,182	1,425	22	43
Serbia	5,12	5,294	174	36	90	13,699	14,226	527	39	90
San Marino	49,615	49,579	-36	8	13	62,938	64,444	1,505	4	10
Russia	9,243	8,838	-405	33	71	25,965	26,109	144	29	52
Romania	8,956	9,439	483	31	67	20,872	22,319	1,447	32	61
Portugal	19,117	19,759	641	21	40	27,885	28,515	630	25	46
Poland	12,492	12,309	-183	28	59	26,499	27,715	1,216	26	48
Norway	74,598	71,497	-3,101	3	3	68,591	69,296	705	3	8
Netherlands	44,323	45,21	887	9	14	49,624	50,846	1,222	6	15
Montenegro	6,409	6,809	400	35	83	16,016	17,035	1,019	37	75
Moldova	1,822	1,872	50	45	143	5,047	5,218	170	45	136
Malta	22,713	24,298	1,584	18	34	36,042	37,891	1,849	16	33
Luxembourg	102,717	105,829	3,112	1	1	99,506	101,936	2,431	1	2
Lithuania	14,18	14,899	719	26	52	28,413	29,882	1,468	23	44
Latvia	13,573	14,141	568	27	55	24,652	25,74	1,088	30	53
Italy	29,867	30,294	427	16	27	35,781	36,313	532	18	37
Ireland	61,206	65,871	4,664	4	5	65,806	69,375	3,569	2	7
Iceland	50,277	57,889	7,612	5	7	45,666	48,07	2,405	9	20
Hungary	12,24	11,903	-337	29	60	26,275	27,211	935	27	50
Greece	17,989	18,078	89	23	42	26,391	26,809	418	28	51
Germany	40,952	42,326	1,374	12	18	46,974	48,19	1,216	8	19
Georgia	3,754	3,908	153	41	111	9,591	10,1	509	42	108
FYR Macedonia	4,871	5,06	189	38	96	14,048	14,53	483	38	88
France	37,653	38,537	883	15	22	41,476	42,384	908	14	28
Finland	42,414	43,492	1,078	11	16	41,109	41,813	704	15	29
Estonia	17,288	17,896	608	24	43	28,65	29,502	852	24	45
Denmark	52,139	53,243	1,104	6	9	45,723	46,603	879	11	23
Czech Republic	17,57	18,326	756	22	41	32,076	33,223	1,147	20	40
Cyprus	22,822	23,425	603	19	36	33,183	34,387	1,204	19	39
Croatia	11,573	11,858	286	30	61	21,625	22,415	790	31	60
Bulgaria	6,843	7,091	248	34	80	19,169	20,116	947	34	66
Bosnia and Herzegovina	4,14	4,289	149	39	105	10,55	11,034	484	41	107
Belgium	40,529	41,491	962	13	20	44,148	44,881	734	12	25
Belarus	5,749	5,092	-657	37	92	17,715	17,497	-218	36	72
Azerbaijan	5,739	3,759	-1,98	42	115	18,03	17,688	-342	35	71
Austria	43,414	44,561	1,148	10	15	46,986	47,856	870	10	21
Armenia	3,521	3,596	75	43	118	8,492	8,881	389	43	114
Albania	3,946	4,21	264	40	106	11,304	11,861	556	40	98

Source:International Monetary Fund World Economic Outlook (October - 2016)
Date:22 Feb 2017

The table shows the annual national income figures per capital for 2015 and 2016, purchasing power parities, percentage changes between two years, and the ranking of European and world countries according to figures. In terms of income per

capita in Turkey it is located in the European Region 32nd in the world ranking of 69th. When the purchasing power parity is analyzed, it is ranked 33rd in Europe and 63rd in the world.

CONCLUSION

Customs Union Agreement, between 1995 and 2017, Turkey's exports in countries fall within the scope of import coverage rate agreements have provided to give faster positive results. And, when we examine it through static effects; there is a decline in some product groups as it appears to increase the production effect on some product groups. With the removal of customs taxes, the substitute goods entered the country at a lower cost, the commercial effect emerged, and at the same time the demand for cheaper goods increased and the consumption effect emerged. This situation has affected the foreign trade balance positively. We have examined through dynamic effects; when we cannot have sufficient high technology and production costs, the economy is negatively affected in product groups such as processed industrial supplies when it is examined through competition effect. However, when processes such as raw materials and labor costs, specialization, etc. are also monitored, the investments made by CU countries in my country should not be ignored.

Foreign trade figures shows the ratio of imports to rise against Turkey in the European Union Treaty after the period examined later. More than half of the exports are made to the European Union countries. Most of the imports are machinery and transportation vehicles. Since they are not only consumer goods, they are components of production and should be explored as future investment. However, one of the main problems is that the per capita national income is low in our country. The total gross national product is high and the purchasing power per capita is low. It should not be forgotten that individual welfare is one of the most important elements for the welfare and modernization of society.

The European Continent is the geographical region with the highest social welfare, including countries that are not members of the Union. Both products, both service quality standards have been determined, sustainability drawn economic roadmap within the framework of the concept of technology as a candidate for this unity constantly progressing Turkey, which was developed within the union, conditions of participation have gone to legislative changes in order to adapt to the criteria of this country, work rules and procedures, laws and changes in regulations. These changes have an important place in our country to join among the contemporary societies in which we strive to become a renewing, and therefore a member, of the global economy. Completion of the ongoing revisions and the acceleration of the harmonization efforts with the European Union will bring our country forward both socio-economically and politically.

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