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**TÜRKIYE - MEASURES CONCERNING ELECTRIC VEHICLES
AND OTHER TYPES OF VEHICLES FROM CHINA**

REQUEST FOR THE ESTABLISHMENT OF A PANEL BY CHINA

The following communication, dated 16 January 2025, from the delegation of China to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

My authorities have instructed me to request the establishment of a panel with respect to various measures taken by the Government of the Republic of Türkiye ("Türkiye") concerning electric vehicles ("EVs") and certain other types of vehicles originating in the People's Republic of China ("China"). These measures are protectionist and discriminate against EVs and other types of vehicles originating in China.

On 8 October 2024, China requested consultations with Türkiye pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article XXIII of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), and Article 8 of the Agreement on Trade-Related Investment Measures ("TRIMS Agreement"). Consultations were held on 20-21 November 2024 with a view to reaching a mutually satisfactory solution. Unfortunately, these consultations failed to resolve the dispute.

Therefore, China submits this request pursuant to Articles 4.7 and 6 of the DSU, Article XXIII:2 of the GATT 1994, and Article 8 of the TRIMs Agreement.

Part I of this request for the establishment of a panel identifies the measures at issue. Part II provides a brief summary of the legal basis for China's claims against those measures.

I. Measures at Issue

A. Additional duties on EVs

Türkiye imposes additional duties of 40% ad valorem on the importation of EVs from China that fall under certain tariff lines, as set out in the measures listed below. The additional duties result in rates of duty greater than the rates of duty set out in Türkiye's schedule of concessions. Moreover, the additional duties do not apply to imports of EVs from other origins. The legal instruments through which Türkiye imposes the additional duties on imports of EVs from China include, inter alia, the following:

- Decision on the Application of Additional Customs Duty on Imports, Presidential Decision No. 3351, Official Gazette No. 31351, December 31, 2020, including subsequent amendments;
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 5902, Official Gazette No. 31906, July 28, 2022;

- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 6626, Official Gazette No. 32060, December 31, 2022
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 6886, Official Gazette No. 32121, March 3, 2023;
- Decision on the Amendments to the Import Regime Decision, Presidential Decision No. 8043, Official Gazette No. 32416, December 31, 2023;
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 8044, Official Gazette No. 32416, December 31, 2023;
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 9392, Official Gazette No. 32769, December 31, 2024; and
- Decision on the Amendments to the Import Regime Decision, Presidential Decision No. 9391, Official Gazette No. 32769, December 31, 2024.

B. Import permit certificate scheme

Türkiye requires an import permit certificate to import EVs and certain other types of vehicles from China falling under certain tariff lines, as set out in the measures listed below. The issuance of such certificate is subject to the fulfilment of several cumulative conditions. Imports of EVs and other types of vehicles originating in the European Union and Members with which Türkiye has a free trade agreement are exempted from the import permit certificate requirement. The import permit certificate scheme is trade-restrictive and discriminatory.

The legal instruments through which Türkiye imposes the import permit certificate scheme include, inter alia, the following:

- Notification on the Importation of Certain Electric Vehicles (Import: 2023/22), Official Gazette No. 32384, November 29, 2023;
- Notification on the Importation of Certain Electric Vehicles (Import: 2024/22), Official Gazette No. 32416, December 31, 2023;
- Notification on the Importation of Certain Electric and Externally Rechargeable Hybrid Vehicles (Import: 2024/22), Official Gazette No. 32668, September 20, 2024;
- Turkish Standards Institution Notification on the Importation of Certain Electric and Externally Rechargeable Hybrid Vehicles (Import: 2024/22) Implementation Directive, January 2, 2024 (modified November 11, 2024);
- Notification on the Importation of Certain Electric and Externally Rechargeable Hybrid Vehicles (Import 2025/7), Official Gazette No. 32769, December 31, 2024; and
- Turkish Standards Institution Notification on the Importation of Certain Electric and Externally Rechargeable Hybrid Vehicles (Import: 2025/7) Implementation Directive, January 10, 2025.

C. Additional duties on other types of vehicles

Türkiye also imposes additional duties on the importation of other types of vehicles from China. Through the measures listed below, Türkiye applies additional duties of 50% ad valorem or 9,500 USD per vehicle, whichever is higher, on products, such as internal combustion engine vehicles, classified under certain tariff lines within subheadings 8703.21 through 8703.33, and on products, such as non-plug-in hybrid vehicles, classified under certain tariff lines within subheadings

8703.40 through 8703.50. Additionally, Türkiye imposes duties of 40% ad valorem or 7,000 USD per vehicle, whichever is higher, on products, such as plug-in hybrid vehicles, classified under certain tariff lines within subheadings 8703.60 through 8703.70. The additional duties result in rates of duty greater than the rates of duty set out in Türkiye's schedule of concessions. Moreover, these additional duties do not apply to imports of like vehicles from other origins.

The legal instruments through which Türkiye imposes the additional duties on imports of other types of vehicles from China include, inter alia, the following:

- Decision on the Application of Additional Customs Duty on Imports, Presidential Decision No. 3351, Official Gazette No. 31351, December 31, 2020, including subsequent amendments;
- Decision on the Amendments to the Import Regime Decision, Presidential Decision No. 8043, Official Gazette No. 32416, December 31, 2023;
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 8639, Official Gazette No. 32570, June 8, 2024;
- Decision on Amendments to the "Decision on Amendments to the Decision on the Application of Additional Customs Duty on Imports" Annex to the Presidential Decision No. 8639 dated June 7, 2024, Presidential Decision No. 8723, Official Gazette No. 32591, July 3, 2024;
- Decision on Amendments to the "Decision on Amendments to the Decision on the Application of Additional Customs Duty on Imports" Annex to the Presidential Decision No. 8639 dated June 7, 2024, Presidential Decision No. 8724, Official Gazette No. 32593, July 5, 2024;
- Decision on the Amendments to the Decision Regarding the Application of Additional Customs Tax on Imports, Presidential Decision No. 9392, Official Gazette No. 32769, December 31, 2024; and
- Decision on the Amendments to the Import Regime Decision, Presidential Decision No. 9391, Official Gazette No. 32769, December 31, 2024.

This request also covers any annexes or schedules thereto, amendments, supplements, replacements, renewals, extensions, successor, implementing measures or any other related measures.

II. Legal Basis of the Complaint

The above measures appear to be inconsistent with the relevant provisions of the WTO covered agreements including:

1. Article I:1 of the GATT 1994, because by imposing the additional duties and the import permit certificate scheme on imports of EVs and other types of vehicles originating in China, Türkiye fails to immediately and unconditionally accord to products originating in China advantages, favours, privileges or immunities granted by Türkiye to like products originating in other Members.
2. Article II:1(a) and (b) of the GATT 1994, because by imposing the additional duties on EVs and other types of vehicles originating in China, Türkiye accords to Chinese EVs and other types of vehicles treatment less favourable than that provided for in Türkiye's Schedule and does not exempt those goods from ordinary customs duties in excess of those set forth and provided in its Schedule or from other duties or charges of any kind imposed on or in connection with importation.

3. Article XI:1 of the GATT 1994, because the import permit certificate scheme instituted and maintained by Türkiye constitutes a prohibition or restriction other than duties, taxes or other charges on the importation of products from China.
4. Article III:4 of the GATT 1994, because the underlying requirements that must be fulfilled to obtain the import permit certificate fail to accord to EVs and other types of vehicles originating in China treatment no less favourable than that accorded to like products of national origin.
5. Article X:3(a) of the GATT 1994, because Türkiye does not administer its import permit certificate scheme in a uniform, impartial, and reasonable manner.
6. Article 2.1 of the TRIMS Agreement, in conjunction with Article 2.2 and the Illustrative List in the Annex to the TRIMS Agreement, because the import permit certificate scheme constitutes an investment measure related to trade in goods, which is inconsistent with the provisions of Article III or Article XI of the GATT 1994.

In addition, and as a consequence of the foregoing, the measures at issue appear to nullify or impair benefits accruing to China, directly or indirectly, under the cited agreements.

China asks that this request for the establishment of a panel be placed on the agenda for the next meeting of the DSB, which is scheduled for 27 January 2025, and that the DSB establish a panel with standard terms of reference as set out in Article 7.1 of the DSU.
