

N° 3998.

**GRANDE-BRETAGNE
ET IRLANDE DU NORD
ET TURQUIE**

Accord de commerce et de clearing,
avec annexes et protocole, signés
à Londres, le 2 septembre 1936,
et échange de notes y relatif de la
même date.

**GREAT BRITAIN
AND NORTHERN IRELAND
AND TURKEY**

Agreement respecting Trade and
Clearing, with Annexes and Pro-
tocol, signed at London, Septem-
ber 2nd, 1936, and Exchange of
Notes relating thereto of the same
Date.

No. 3998. — AGREEMENT¹ BETWEEN HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM AND THE TURKISH GOVERNMENT RESPECTING TRADE AND CLEARING. SIGNED AT LONDON, SEPTEMBER 2ND, 1936.

English and Turkish official texts communicated by His Majesty's Secretary of State for Foreign Affairs in Great Britain. The registration of this Agreement took place November 6th, 1936.

THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and THE GOVERNMENT OF THE TURKISH REPUBLIC, desiring to facilitate the commercial relations between the two countries, have agreed as follows :

Article 1.

(1) The United Kingdom goods enumerated in the First Schedule to this Agreement will be permitted to be imported into Turkey without any restriction as to quantity, and the United Kingdom goods enumerated in the Second Schedule to this Agreement will be permitted to be imported into Turkey up to the quantities specified in the Schedule for each article.

(2) United Kingdom goods will also fully enjoy the benefits of the general import régime in force in Turkey.

Article 2.

(1) Turkish goods will fully enjoy the benefits of the import régime in force in the United Kingdom.

(2) In the event of quantitative limitations being imposed on imports into the United Kingdom, equitable treatment shall be accorded to such articles grown, produced or manufactured in Turkey.

Article 3.

The Government of the United Kingdom undertake that, in the event of their deciding to regulate the quantity of the imports into the United Kingdom of any agricultural products of Turkey, they will not make allocations between countries of total permitted imports without first giving the Turkish Government an opportunity of discussing the matter with a view to the allocation to Turkey of an equitable share of the permitted foreign imports.

Article 4.

United Kingdom goods purchased by the Turkish Government or by the Departmental or Municipal Authorities in Turkey will be permitted to be imported into Turkey without any

¹ Came into force September 17th, 1936.

restriction as to quantity, provided that the importation of goods of the kind in question is not prohibited under the general import régime in force, and provided that any necessary permit from the Turkish Government Department concerned is first obtained.

Article 5.

The Turkish goods enumerated in the Third Schedule to this Agreement shall not on importation into the United Kingdom, from whatever place arriving, be subject to duties or charges other or higher than those specified in that Schedule.

Article 6.

(1) All United Kingdom goods exported to Turkey on the day of or after the coming into force of the present Agreement shall be accompanied by a certificate of origin in duplicate conforming to the specimen annexed to this Agreement, issued by a Chamber of Commerce or other body or person authorised by the Government of the United Kingdom and visaed by a Turkish Consular Officer in the United Kingdom.

(2) One copy of the certificate of origin shall be stamped by the Turkish Customs and sent to the Central Bank of Turkey (hereinafter referred to as "The Central Bank") by which it will be forwarded to the Anglo-Turkish Clearing Office to be set up by the Government of the United Kingdom (hereinafter referred to as "The Clearing Office"), with the schedules to be forwarded to the Clearing Office under Article 10 (1) below.

(3) All Turkish goods exported to the United Kingdom on the day of or after the coming into force of the present Agreement shall be accompanied by a certificate of origin in duplicate conforming to the specimen annexed to this Agreement, issued by a Chamber of Commerce in Turkey and visaed by a British Consular Officer in Turkey.

(4) One copy of the certificate of origin will be stamped by the United Kingdom Customs and sent to the Clearing Office, by which it will be forwarded to the Central Bank with the schedules to be forwarded to that Bank under Article 10 (1) below.

(5) The certificates of origin referred to in this Article will state the f.o.b. value of the goods.

Article 7.

(1) All debts due and owing on the date of the coming into force of this Agreement (except debts referred to in paragraph (3) of this Article), and all debts falling due after the date of the coming into force of this Agreement from persons in Turkey to persons in the United Kingdom in respect of the price of United Kingdom goods exported to Turkey, shall be deposited in Turkish Pounds on the due date in a special account at the Central Bank (hereinafter referred to as "The Special Account"). The sums so deposited in the Special Account will, up to the equivalent of the amount of the debt due, remain blocked in favour of the persons in the United Kingdom entitled thereto until transfer is effected to such persons under the provisions of this Agreement.

(2) The Central Bank will effect the corresponding payments to persons in the United Kingdom entitled thereto through the Sub-Accounts referred to in Article 9 (1) below, and will debit or credit to the debtor in Turkey any difference of exchange between the date of payment to the Special Account and the date on which the Central Bank sends an advice of payment to the Clearing Office under Article 10 (3) below. The debtor in Turkey will thus pay the full sterling amount due, or, when the debt is expressed to be payable in a currency other than sterling, the full sterling equivalent

of his debt on the basis of the rate of exchange ruling on the day on which the Central Bank sends the advice of payment to the Clearing Office.

(3) All debts in respect of goods imported into Turkey prior to the 20th June, 1935, and falling due before that date (except the balance remaining to be paid under the exchange of notes of the 1st April, 1935, between His Majesty's Ambassador at Angora and the Minister for Foreign Affairs of the Turkish Republic for United Kingdom goods of the kind enumerated in List "A" annexed to Turkish decree No. 148 and exported from the United Kingdom before the 15th February, 1935) will benefit by the régime in force before the 4th June, 1935.

Article 8.

(1) All debts due and owing on the date of the coming into force of this Agreement and all debts falling due after that date from persons in the United Kingdom to persons ordinarily resident or ordinarily carrying on business outside the United Kingdom in respect of the price of Turkish goods imported into the United Kingdom shall be paid in sterling and shall be credited to a non-interest-bearing account at the Clearing Office in the name of the Central Bank of Turkey (hereinafter referred to as "The Clearing Account").

(2) Where a debt is expressed to be payable in Turkish Pounds, payment shall be made in sterling at the rate communicated by the Central Bank to the Clearing Office and published in the United Kingdom on the day on which payment is made. Where a debt is expressed to be payable in a currency other than sterling or Turkish Pounds, payment shall be made in sterling at the London selling rate for sight drafts in such other currency ruling at the date of payment.

(3) Payment under the provisions of this Article shall constitute a discharge to the debtor for the corresponding amount of the debt.

(4) On receipt of the schedule referred to in Article 10 (1) below the Central Bank will pay to the person entitled thereto the amount in Turkish Pounds corresponding to the amount credited to the Clearing Account.

Article 9.

(1) All sums credited to the Clearing Account shall be allocated as follows :

(i) 30 per cent. of all sums shall be allocated to a non-interest-bearing Sub-Account B. Amounts standing to the credit of Sub-Account B shall be at the free disposal of the Central Bank.

(ii) 70 per cent. of all sums other than those referred to in sub-paragraphs (iii) and (iv) below shall be allocated to a non-interest-bearing Sub-Account A. Amounts standing to the credit of Sub-Account A shall be utilised for the payment of debts in respect of which deposits have been made in the Special Account. Such payment shall be made in chronological order of deposit.

(iii) 70 per cent. of all sums credited in respect of compensation transactions undertaken in accordance with the provisions of Article 12 and Article 13 below shall be allocated to a non-interest-bearing Sub-Account C. Amounts standing to the credit of Sub-Account C in respect of Turkish goods exported to the United Kingdom in execution of such compensation transactions shall be utilised as follows :

(a) 70 per cent. of the f.o.b. value as shown on the certificate of origin of the Turkish goods exported shall be utilised for payment in respect of goods imported into Turkey from the United Kingdom in execution of the same compensation transaction.

(b) Any balance shall be transferred to Sub-Account B.

(iv) 70 per cent. of all sums credited in respect of Turkish goods exported to the United Kingdom in order to liquidate debts in accordance with the provisions of Article 14 below shall be allocated to a non-interest-bearing Sub-Account D. Amounts standing to the credit of Sub-Account D shall be utilised for making payments to the creditor or creditors in the United Kingdom concerned in each case in liquidation of their debts. Any balances not required for that purpose shall be transferred to Sub-Account A.

(2) Amounts paid in for the credit of the accounts of the Central Bank at the Bank of England under the Agreement¹ between the Government of the United Kingdom and the Government of the Republic of Turkey respecting Trade and Payments signed at Angora on the 4th June, 1935 (hereinafter referred to as "The Trade and Payments Agreement"), which are in course of collection on the coming into force of this Agreement, shall be credited to the Clearing Account.

(3) On the coming into force of this Agreement any balance standing to the credit of Sub-Account A of the Central Bank at the Bank of England shall be transferred to the Sub-Account A referred to in paragraph (i) (ii) of this Article, and the balance standing to the credit of the Compensation Account of the Central Bank at the Bank of England shall be transferred to the Sub-Account C referred to in paragraph (i) (iii) of this Article. These transfers shall be effected after allowance has been made for cheques which have been issued and are outstanding and for the payment orders received but not yet executed.

(4) On the coming into force of this Agreement the balance standing to the credit of the Special Account of the Central Bank of Turkey referred to in Article 6 of the Trade and Payments Agreement shall be transferred to the Special Account referred to in Article 7 (i) above. This transfer shall be effected after allowance has been made for advices of payment to which effect has not been given and for any necessary exchange adjustments.

Article 10.

(1) The Clearing Office and the Central Bank shall furnish each other with schedules of receipts into the Clearing Account and the Special Account respectively containing such particulars as may be agreed between the two institutions.

(2) The Central Bank will, on the coming into force of this Agreement, furnish the Clearing Office with schedules of deposits made before that date in so far as they have not already been furnished to the Bank of England.

(3) The Central Bank will advise the Clearing Office daily of payments to be made from the Sub-Accounts referred to in Article 9 (i) above. Such advice shall be accompanied by such particulars as may be agreed between the Central Bank and the Clearing Office.

(4) The Clearing Office will advise the Central Bank daily of the transfers made from the Clearing Account to the Sub-Accounts referred to in Article 9 (i) above, and of the payments made from those Sub-Accounts.

Article 11.

Any sums standing to the credit of the Sub-Accounts referred to in Article 9 (i) above on the termination of this Agreement will be utilised as provided in that Article.

Article 12.

(1) Subject to the provisions of paragraphs (2) and (3) of this Article :

(a) Any United Kingdom goods and the Turkish goods enumerated in the Fourth Schedule to this Agreement will be permitted to be the subject of private compensation transactions between persons in Turkey and persons in the United Kingdom.

¹ Vol. CLXVII, page 91, of this Series.

(b) Turkish goods other than those enumerated in the Fourth Schedule to this Agreement will be permitted to be the subject of such compensation transactions with the consent of the contracting Governments.

(2) In respect of each transaction under paragraph (1) of this Article, the f.o.b. value of the United Kingdom goods imported into Turkey shall not exceed 70 per cent. of the f.o.b. value, as shown on the certificate of origin, of the Turkish goods imported into the United Kingdom, the balance of 30 per cent. of that value being transferable to the Sub-Account B referred to in Article 9 (1) (i) of this Agreement.

(3) Such private compensation transactions will be subject to any quantitative restrictions on imports which are or may be imposed in conformity with the provisions of Articles 1, 2 and 3 of this Agreement, and also subject to the laws and regulations in the United Kingdom and Turkey affecting the goods concerned.

Article 13.

United Kingdom re-exports to Turkey, provided such re-exports are goods originating in countries with which Turkey has not a Clearing or similar Agreement, may form the subject of private compensation transactions with Turkish goods within the provisions and limitations of Article 12 of this Agreement provided that the f.o.b. value of goods re-exported from the United Kingdom to Turkey in accordance with this Article in any year shall not exceed £75,000.

Article 14.

(1) Any creditor in the United Kingdom in whose favour a deposit in Turkish Pounds was at the date of the coming into force of this Agreement blocked in the Special Account shall be permitted to utilise the whole or part of such deposit up to the equivalent in Turkish Pounds of his debt for the purchase of the Turkish goods included in the Fourth Schedule to this Agreement and to export such goods to the United Kingdom.

(2) 70 per cent. of the sterling proceeds of such goods shall be dealt with in accordance with the provisions of Article 9 (1) (iv) above, the balance of 30 per cent. being transferable to the Sub-Account B referred to in Article 9 (1) (i).

Article 15.

(1) All United Kingdom goods sent to fairs or exhibitions held in Turkey, and sold there in conformity with the existing Regulations during or after these fairs or exhibitions, may form the subject of private compensation, that is, their proceeds may be transferred by means of the purchase of an equivalent amount of Turkish goods and the importation thereof into the United Kingdom.

(2) The right to effect such a private compensation transaction may not be transferred more than once to a third party.

(3) The 30 per cent. of free foreign exchange in favour of Turkey required for all ordinary transactions of this kind shall not be applied in this case.

Article 16.

(1) The Treaty¹ of Commerce and Navigation signed at Angora the 1st March, 1930, as amended by the Trade and Payments Agreement, shall be further amended as follows: that is to say, Article 16 shall remain deleted and the following shall be substituted for the first two paragraphs of Article 39:

“The present Treaty shall be ratified and the ratifications shall be exchanged at Angora as soon as possible. It shall come into force immediately on the exchange of ratifications,

¹ Vol. CVIII, page 407, of this Series.

and shall remain in force until terminated by either High Contracting Party by three months' notice given through the diplomatic channel, provided that no such notice shall take effect while the Trade and Clearing Agreement signed in London on the 2nd day of September, 1936, is still in operation.

(2) Subject to the amendments mentioned in the preceding paragraph of this Article, the said Treaty of the 1st March, 1930, will remain in force until terminated by a fresh notice given in accordance with the amended text of Article 39 thereof.

Article 17.

For the purpose of this Agreement and the Protocol thereto :

(a) " Persons " shall mean individuals, firms and corporations, including State organisations and institutions.

(b) " Turkish goods " shall mean goods grown, produced or manufactured in Turkey.

(c) " United Kingdom goods " shall mean goods grown, produced or manufactured in the United Kingdom.

(d) " Persons in Turkey " shall mean persons and corporations ordinarily resident or ordinarily carrying on business in Turkey, and shall include the Government of Turkey and State organisations.

(e) " Persons in the United Kingdom " shall mean persons and corporations ordinarily resident or ordinarily carrying on business in the United Kingdom.

Article 18.

(1) The present Agreement shall come into force fifteen days after the date of its signature.

(2) The present Agreement shall remain in force for nine months from the date of its coming into force and, unless notice of termination shall have been given by either of the contracting Governments to the other three months before the expiry of the said period of nine months, it shall continue in force until the expiry of three months from the date on which notice of termination is given.

(3) On the coming into force of the present Agreement, the Trade and Payments Agreement shall cease to be in force.

In witness whereof the undersigned, duly authorised to that effect, have signed the present Agreement and have affixed thereto their seals.

Done in duplicate in London this 2nd day of September, nineteen hundred and thirty-six, in English and Turkish, both texts being equally authentic.

(L. S.) CRANBORNE.

(L. S.) F. KURTOĞLU.

(L. S.) H. F. TUGAY.

FIRST SCHEDULE. ¹

As regards items marked with an asterisk, paragraph 5 of the Turkish Decree No. 2/2004 of the 17th February, 1935, provides that the necessary import permit must be obtained before the order for the goods is placed.

Number in Turkish Tariff	Article
31	Animal fats for industrial use, n.e.s., and other animal fats, n.e.s.
32	Fatty acids, n.e.s.
*71 C	Chemical fertilisers (under permit from Ministry of Agriculture).
89	Transmission belting, hose and other leather wares used in machinery (combined or not with other articles).
98 A	Merino and cheviot : (1) In the grease. (2) Washed. (3) Carded. (4) Dyed.
102	Wool and hair yarn of all kinds, including knitting or weaving yarn on reels.
ex 112	Woollen bands and bags used in crushing mills, woollen machine belting, teazle.
132 B	Rayon yarns, dyed or not, including those made up for retail sale.}
*ex 218	Whisky, and gin (under permit from the Ministry of Customs and Monopolies).
230	Linseed oil, boiled or not.
ex 295	All kinds of wooden looms, isolators of accumulators and parts.
330	Copying papers, and carbon papers.
335	Sensitised paper (all thicknesses).
*339	Playing cards (under permit of Ministry of Customs and Monopolies).
349	Text-books, newspapers, periodicals, catalogues and price-lists (in all languages).
*359	Commercial registers, cheque-books, and other books, pocket-books, scribbling pads, albums, blotters and blotting pads; index and other files and book covers (including those with addresses and numbers) (under permit of Ministry of National Economy).
366	Cotton yarn, unbleached, single : B. Over No. 14 up to No. 24 English. C. Over No. 24 English.
367	Cotton yarn, unbleached, twisted.
368	Cotton yarn, bleached, single or twisted.
369	Cotton yarn, dyed or printed, single or twisted.
ex 370 B	Cotton yarn, mercerised, bleached or not, or dyed, single or twisted : Over No. 20 English.
371	Cotton thread, bleached, unbleached, dyed, twisted or otherwise, put up for retail sale on reels or spindles, or in balls or small skeins, or made up in other forms.
372	Cotton yarns for nets and twine.
380 B	Bobbinet (tulle for curtains and other made-up tulle), bleached, unbleached or dyed.
417	Tissues of hemp, jute, ramie or other vegetable materials, n.e.s., dyed or natural colour.
443	Articles of rubber for dental purposes, whether mixed with colours, metal powder or other materials, or not.
444	Plates, tapes, sheets, rods, pipes, in vulcanised rubber, including those combined with common metals or other materials.

¹ " n.e.s. " means " not elsewhere specified in the Tariff ".

Number in Turkish Tariff	Article
445	Inner tubes and outer covers and solid tyres of rubber for bicycles, automobiles, carriages and other similar vehicles (combined or not with other materials) : A. Inner tubes and outer covers. B. Solid tyres.
446	Elastic tissues, tissues dipped in rubber, coated with rubber on one side or inside, or glued on rubber.
449	Other rubber articles, n.e.s., combined or not with other materials.
452	Linoleum and camptulicon for covering floors, in rolls or pieces.
453	Oilcloth for covering walls and shelves, tables or furniture, in rolls or pieces.
454	Oilcloth of all kinds for bookbinding purposes, oilcloth for drawing and engineering purposes, and other similar thin oilcloth.
ex 471	Bleaching earth, china clay, felspar and refractory earths.
477 D	Asbestos, bitumen and similar materials, and articles thereof, in the form of cord, string, thread, strips, salmastra, pipes, belting, including those containing common materials such as rubber or fibre or common metals, or paper, cardboard, plaster of Paris, cement, colours.
*481 C	Refractory bricks and tiles (under permit of the Ministry of National Economy).
489	Artificial teeth of porcelain, enamel and the like.
501	Photographic plates and clichés, including those which are exposed.
519	Pure steel and special steels.
520	All kinds of iron and steel squares, rounds, ovals, angles, bars, and joints of various kinds, n.e.s., including those perforated or painted with one coat : A. Plain.
523	Plates of sheet-iron and steel (plain or corrugated) and hoop iron and strip : A. Plain. B. Galvanised with copper, tin, zinc, nickel, lead or aluminium, or oxidised. C. Painted with designs, stamped, painted, and lacquered.
524 B	Iron or steel wire, galvanised with copper, tin, zinc, nickel, lead or aluminium, or oxidised ; including such wire cut to specified lengths.
526 C	Underground and submarine electric cables covered with any kinds of material.
527	Iron ropes and cables, including those containing fibre.
529	Pipes, conduits, joints of all kinds (including those enamelled, or insulated by means of tarred cloth, etc.) : *A. Of cast iron. B. Of wrought iron or steel. C. Of galvanised iron.
530	Axles, springs of all kinds, wheels, tyres, and other iron parts of transport vehicles ; plain or painted one coat.
531	Heavy wares of cast iron or iron, such as vats, crucibles, poles, plates (perforated or otherwise), railway points and signals, parts of buildings, whether assembled or not ; sheet iron cut or stamped for use in reinforced concrete ; heavy iron wares for ships, railways, buildings and similar purposes (except finished machine parts).
533	Iron screws, nuts and bolts.
536	Safes of iron, combined or not with other materials.
538	Hand tools of all kinds of iron (with or without handle) : A. Saws of all kinds, including saw blanks and double-handed saws. B. Files. C. Shovels, pick-axes, choppers, pitchforks, hoes, spades, anvils, hammers over 250 grammes, rakes, trowels, cold chisels, stonemasons' chisels. D. Shears for agricultural purposes, pruning knives, sickles, scythes, wool shears, tin cutters, vices, tongs, adzes, planes and other carpenters' and joiners' tools, n.e.s.

Number in Turkish Tariff	Article
	H. Gimlets, rules, compasses, thread-cutters, screw-drivers, pincers, hammers up to 250 grammes, cutting and chasing chisels, awls and hand drills.
539	V. Other tools, n.e.s. Cutlery, such as knives, paper cutters, swords, pocket-knives, forks, spoons, scissors, hair-clippers, razors, safety razors, manicure implements, nutcrackers, corkscrews and similar articles : H. Combined or not with other materials other than gold, platinum, silver, tortoise-shell, ivory, mother-of-pearl, nickel, white metal or galalith. V. Blades for scissors and safety razors.
545	Pins and needles : A. Needles for hand sewing, sewing machines, embroidery and knitting needles (including those with gilt heads). B. Pins, safety pins, crochet hooks, knitting needles, hairpins, packing needles, fish hooks. C. Needles and pins combined or headed with glass, celluloid, galalith, mother-of-pearl, amber, shell, ivory or other similar materials.
546	Steel pen nibs.
551 B	Drums, casks, cylinders, gasometers, tanks, buoys, and the like, of iron, combined or not with other materials, painted or galvanised.
552	Ironmongery, n.e.s., such as kitchen utensils, table ware, coffee and tea sets, lamps and parts, laundry irons, coffee mills, mincers, taps, pails, baths, lavatory fittings, weights, shovels and tongs, animal bells, bits, and bottle capsules and similar articles ; combined or not with other materials : A. Plain. B. Painted, varnished, polished or galvanised.
555 A	Copper sheets, rods, plates, of all shapes ; plain.
557 A	Pipes, joints and parts of pipes, of copper, plain or coloured.
558 H	Copper wire and cables used for electric current (including those mixed with other metal wire) : (1) Insulated with rubber, gutta-percha, paper, asbestos, etc. (2) Insulated with silk, or artificial silk, including those insulated with silk mixed with other materials. (3) Armoured, after insulation, with tubes of lead or iron or other material.
565	Hollow-ware and hardware of copper, such as furniture, door and window fittings, snaffles, bits, spurs, bells, taps, furniture nails, hand tools, bedsteads, and other similar articles, combined or not with other materials : A. Plain or coloured. B. Polished, nickelled or oxidised.
574 B	Zinc and zinc alloys in ingots.
ex 577 B	Tin and tin alloys in ingots, bars, plates, including solder, but not including scrap.
ex 579 B	Tubes for paste and creams ; metal capsules, coloured or not, with or without inscriptions, for medicinal preparations.
606	Gramophones, phonographs and graphophones.
607 D (1)	Gramophone records and cylinders of any material (recorded).
607 H (1)	Gramophone needles of common metals.
607 Z	Unspecified parts of musical instruments.
617 B	Exposed photographic and cinematograph films and plates.
618	Telegraph and telephone apparatus and parts, excepting wire, and automatic telephone switchboard frames.
619	Receiving and transmitting apparatus for wireless telegraphy and telephony and parts thereof.
632	Weighing machines.

Number in Turkish Tariff	Article
*634	Instruments and apparatus not elsewhere specified in the Tariff (under permit of the Ministry of National Economy).
*645	Detonators and percussion caps (under permit of the Ministry of Customs and Monopolies).
*649	Machines driven by any kind of motive power, including boilers (under permit of the Ministry of National Economy).
*651	Engines, driven by water, compressed air, petrol, benzine, petroleum derivatives or by other fuels (except electric engines), whether mounted or not (under permit of the Ministry of National Economy).
*652	Electric motors and dynamos, A.C. and D.C., transformers, commutators, resistances, coils, magnetos, sparking plugs, convertors, distributors, fans, suction pumps, and similar appliances and apparatus, mounted or otherwise (under permit of the Ministry of National Economy).
653 A	Accumulators and plates.
*657	Textile machines and parts, such as combing, carding, cutting, picking, twisting, dyeing, and drying machines, mounted or unmounted (under permit of the Ministry of National Economy).
*658	Machines for turning, sawing, planing, beating, wire-drawing, steam-hammers, nail and tin box making machines, glass-making machines, cement-making machines, cement moulds, stone-breaking machines, and other machines for making articles from metal, earth or wood, mounted or unmounted, including parts (under permit of the Ministry of National Economy).
*660	Sewing machines, for sewing clothes, hats, shoes and other articles, and embroidery or net machines, and spare parts thereof, including electric machines of these kinds, but not including needles (under permit of the Ministry of National Economy).
*661	Machines for typography, lithography, bookbinding, casting and composing type, and other printing machines, and parts thereof (under permit of the Ministry of National Economy).
663	Tables, resting boards, covers and pedestals, for sewing machines and typewriters.
*664	Agricultural machinery and implements and parts (under permit of the Ministry of Agriculture).
665	Pumps of all kinds and their parts.
*666	Milling and grinding machinery; moulding machinery; machines for manufacture of sugar confectionery, sausages and other foodstuffs; ice-making, sterilising, and pasteurising machinery; refrigerators; bottle-washing and filling machines; winches; ore washers; laundry machinery; and parts; and all other machinery and parts, n.e.s., mounted or unmounted (under permit of the Ministry of National Economy).
666/1	Ball and roller bearings of all kinds.
666/2	Mechanical parts of machines and other apparatus made of iron, steel or other ordinary metals (combined or not with other materials), and those not specified elsewhere in the Tariff:
	*A., B., C., and D. Weighing 15 kilogrammes and over (under permit of the Ministry of National Economy).
	E. and F. Weighing less than 15 kilogrammes.
667 A (1)	Passenger motorcars, weighing up to 900 kilogrammes.
679	Cycles, motorcycles and sidecars, not including toy cycles, but including vehicles for carriage of mails and goods.
*694 C 2	Anthracite dust (<i>i.e.</i> , under 10 mm.) (under permit of the Ministry of National Economy).
697	Turkey-red oil, sulphur-oleates, sulphur-resinates, prepared or not with mineral oils.
702 D	Prussian blue, and similar ferro-cyanic colours; and ultramarine of all kinds.
703 A	Printing ink of all kinds.
703 B	Writing ink.

Number in Turkish Tariff	Article
703 D	Inks for pads ; typewriter ribbons ; Indian ink ; copying ink ; and other similar inks.
704 706	Mineral colours prepared for industrial use. Synthetic organic colours (prepared with coal tar oil) ; anilines, alizarines, artificial indigo, and other unspecified kinds ; all kinds of refined natural indigo.
707	Aniline salts derived from phenol and naphthol.
709 B 710 Z	Varnish, other than bronze, aluminium or colour. Carbonate, bicarbonate, chloride, caustic (hydric), pure permanganate, sulphate, silicate, and other salts of potassium, n.e.s.
711 H 711 V	Caustic soda, common. Carbonate, nitrate, acetate, borate, bionate (borax), bicarbonate, chloride, pure caustic, sulphide, bi-sulphide, sulphite, bi-sulphite, hydrosulphate, hyposulphite, nitrite, pure chloride of sodium, and other salts of sodium, n.e.s.
712 A	Liquid ammonia, ammonium chloride.
725 H	Copper sulphate, unrefined, and other salts of copper.
754 T	Benzoic, butyric, hydrobromic, salicylic, citric and tartaric acids.
757 B	Ammonia, potash, soda and other alums.
*760	Preparations for the destruction of vermin, in the form of powder, paste, liquid, etc. (under permit of the Ministry of Health).
782	Lanoline, glycerine, casein.
*815 B	Medicinal gauzes (except iodised) (under permit of the Ministry of Health).
853	Serums, vaccines, chemical and medicinal products, chemico-industrial products and specialities not mentioned in the Tariff :
	A. Chemical and medicinal products.
	*B. Medicinal preparations, serums and vaccines enjoying Government import permits (under permit of Ministry of Health).
	C. Chemico-industrial preparations, trichlorethylene.
859	Children's toys (including those for Christmas trees) :
	B. Of common metals.
	C. Of rubber, celluloid, leather, or other common materials.
861	Articles not specified in the Tariff.

SECOND SCHEDULE.

Number in Turkish Tariff	Article	Annual Quota Metric tons
106	Unspecified tissues of wool (including knitted stuffs), pure or combined with other materials, weighing per square metre :	
	(a) Up to 200 grammes	3
	(b) From 201 grammes up to 600 grammes	5
107	Tissues of wool with warp wholly of cotton, weighing per square metre :	
	(a) Up to 200 grammes	2
	(b) From 201 grammes up to 600 grammes	2
	(c) 600 grammes or over	2

Number in Turkish Tariff	Article	Annual Quota Metric tons
125 A (2)	Men's hats and other head-gear of wool or woollen felt, whether or not mixed with other textile materials except silk and artificial silk (combined or not with other materials)	400 Kilog.
238 A	Mustard, in powder	2
377	Cotton tissues, not bleached or dyed or printed, weighing per square metre :	
	C. From 150 grammes up to 200 grammes	20
	D. From 100 grammes up to 150 grammes	20
	E. From 70 grammes up to 100 grammes	20
	F. Less than 70 grammes	20
378	Cotton tissues, bleached and not dyed, weighing per square metre :	
	C. From 150 grammes up to 200 grammes	20
	D. From 100 grammes up to 150 grammes	20
	E. From 70 grammes up to 100 grammes	40
	F. Less than 70 grammes	40
379 (1)	Cotton tissues, dyed, in bales, weighing per square metre :	
	C. From 150 grammes up to 200 grammes	20
	D. From 100 grammes up to 150 grammes	20
	E. From 70 grammes up to 100 grammes	20
	F. Less than 70 grammes	20
379 (2)	Yarn-dyed cotton tissues, in stripes and checks, weighing per square metre :	
	C. From 150 grammes up to 200 grammes	20
	D. From 100 grammes up to 150 grammes	20
	E. From 70 grammes up to 100 grammes	20
	F. Less than 70 grammes	20
379 (3)	Cotton tissues, printed in one or more colours or mercerised (inclusive of those of which the yarns are mercerised), weighing per square metre :	
	C. From 150 grammes up to 200 grammes	50
	D. From 100 grammes up to 150 grammes	50
	E. From 70 grammes up to 100 grammes	50
	F. Less than 70 grammes	50
380 A	Tulles and muslins, plain, including those mixed or combined with metal wire	15
383	Cotton velvets of all kinds, velvet and plush tissues, and ribbons and galloons of these materials (including those combined with metal wire and all sorts of artificial beads or pearls)	1
400 A	Cotton handkerchiefs, hemmed, including those with printed borders or otherwise	500 Kilog.
413	Linen and other vegetable yarns and threads; unbleached, bleached, or dyed; made up for retail sale, on reels, or tubes or in balls or small skeins	Metric tons 5
414 A	String, cordage and rope of linen (including those combined with metal wire), tarred or painted, up to 5 mm. in diameter	1
451	Tarpaulins for making tents, or for covering goods, including those made up	3

Number in Turkish Tariff	Article	Annual Quota Metric tons
535	Iron stoves, grates and braziers : (a) Electric, gas and oil stoves (wick or compression), combined or not with other materials	1
	(b) Other stoves and braziers and grates with ventilators : (1) Plain	5
	(2) Varnished or combined with other materials	5
543	Boot and shoe irons, with or without nails	10
694	Mineral fuel : B. Coke	5,000
	C. Anthracite : (1) Lumps	1,000
708	Creams, pastes, polishes, and similar preparations for footwear, furniture, metal, and other uses	1

THIRD SCHEDULE.

Article	Rate of Duty
Figs and fig cake	7s. per cwt.
Valonia.	10 % <i>ad valorem</i>
Mohair (raw), whether cleaned, scoured or carbonised, or not	Free
Hazel nuts not in shell	10 % <i>ad valorem</i>

FOURTH SCHEDULE.

- (1) Carpets, carpeting, floor rugs, floor mats and matting and kilims, wholly or partly of wool, mohair, silk or artificial silk.
- (2) Attar of rose.
- (3) Sponges (raw and manipulated).
- (4) Vegetable dyestuffs, vegetable colours and colouring matters.
- (5) Medicinal plants, flowers, roots and leaves.
- (6) Tobacco leaves, cut tobacco and cigarettes.
- (7) Wines and spirits and their essences.
- (8) Opium.
- (9) Fresh fruits and vegetables.
- (10) Carobs, oak and fir bark, sumac and their extracts.
- (11) Hand-made embroideries and laces.
- (12) Dried vegetables.
- (13) Canned fruits and vegetables and crushed fruits and vegetables and their juices.
- (14) Eggs, egg powder.
- (15) Milk powder.
- (16) Fish oil for industrial purposes.
- (17) Honey.
- (18) Molasses.
- (19) Marble and onyx raw and worked.
- (20) Flax and hemp.
- (21) Turtle shell and fish skins and fish scales.

- (22) Fish dried or otherwise preserved.
 (23) Fish eggs (including black caviar).
 (24) Cotton.
 (25) Cotton seed cake.
 (26) Dried fruits other than raisins and figs.
 (27) Nuts, decorticated and undecorticated, other than decorticated hazel-nuts and decorticated walnuts.
 (28) Gum tragacanth.
 (29) Olives and olive oil.
 (30) Grains.

ANNEX TO ARTICLE 6 (1).
 CERTIFICATE OF ORIGIN.
 (Original.)

	Consignor.			Consignee.
Name :		Name :		
Address :		Address :		
Nature of the goods :				
How packed :				
Number of packages :				
Marks and Numbers :				
Weight :	{ Gross			Kg.
	{ Nett			Kg.
F.O.B. value :				
Route by which despatched :				

Certified that the goods specified above are the produce or manufacture of the United Kingdom and that this certificate is issued in conformity with the provisions of the Agreement relating to Trade and Clearing between the Turkish Republic and the United Kingdom of Great Britain and Northern Ireland, dated the 2nd September, 1936.

(This copy must bear the same serial number as the original certificate. It will be stamped by the Turkish Customs and sent to the Central Bank of the Turkish Republic.)

CERTIFICATE OF ORIGIN.
 (Duplicate.)

	Consignor.			Consignee.
Name :		Name :		
Address :		Address :		
Nature of the goods :				
How packed :				
Number of packages :				
Marks and Numbers :				
Weight :	{ Gross			Kg.
	{ Nett			Kg.
F.O.B. value :				
Route by which despatched :				

Certified that the goods specified above are the produce or manufacture of the United Kingdom and that this certificate is issued in conformity with the provisions of the Agreement relating to Trade and Clearing between the Turkish Republic and the United Kingdom of Great Britain and Northern Ireland, dated the 2nd September, 1936.

ANNEX TO ARTICLE 6 (3).

CERTIFICATE OF ORIGIN.

(Original.)

Consignor.

Consignee.

Name :
Address :Name :
Address :

Nature of the goods :

How packed :

Number of packages :

Marks and Numbers :

Weight : { Gross
 { NettKg.
Kg.

F.O.B. value :

Route by which despatched :

Certified that the goods specified above are the produce or manufacture of the Turkish Republic and that this certificate is issued in conformity with the provisions of the Agreement relating to Trade and Clearing between the Turkish Republic and the United Kingdom of Great Britain and Northern Ireland, dated the 2nd September, 1936.

(This copy must bear the same serial number as the original certificate. It will be stamped by His Majesty's Customs and sent to the Clearing Office.)

CERTIFICATE OF ORIGIN.

(Duplicate.)

Consignor.

Consignee.

Name :
Address :Name :
Address :

Nature of the goods :

How packed :

Number of packages :

Marks and Numbers :

Weight : { Gross
 { NettKg.
Kg.

F.O.B. value :

Route by which despatched :

Certified that the goods specified above are the produce or manufacture of the Turkish Republic and that this certificate is issued in conformity with the provisions of the Agreement relating to Trade and Clearing between the Turkish Republic and the United Kingdom of Great Britain and Northern Ireland, dated the 2nd September, 1936.

PROTOCOL.

At the moment of signing the Agreement of this day's date relating to Trade and Clearing (hereinafter to be referred to as "the Agreement"), the undersigned Plenipotentiaries, being duly authorised to that effect, have agreed as follows :

(1) From the coming into force of the Agreement until the 30th June, 1937 (or until the termination of the Agreement if the Agreement is terminated before that date), the following paragraph shall be substituted for Article 9 (1) (ii) of the Agreement :

" (ii)—(a) 65 per cent. of all sums other than those referred to in sub-paragraphs (iii) and (iv) below shall be allocated to a non-interest-bearing Sub-Account A. Amounts standing to the credit of this Sub-Account shall be utilised for the payment of debts in respect of which deposits have been made in the Special Account. Such payment shall be made in chronological order of deposit.

" (b) 5 per cent. of all sums other than those referred to in sub-paragraphs (iii) and (iv) below shall be allocated to a non-interest-bearing Sub-Account X. Amounts standing to the credit of this Sub-Account shall be utilised for the payment of debts in respect of which deposits have been made in the Special Account in cases where for special reasons the Turkish Government authorise payment of such debts from Sub-Account X instead of from Sub-Account A. Any sums standing to the credit of Sub-Account X at the termination of the Agreement shall be transferred to Sub-Account A."

(2) All United Kingdom goods landed on Turkish territory before the 20th June, 1935, and not cleared through the Turkish Customs at that date owing to insufficiency or absence of quotas will be permitted to be imported into Turkey within six months after the coming into force of the Agreement. The certificate of origin referred to in Article 6 (1) of the Agreement will not be required for these goods.

(3) On the coming into force of the Agreement, the Turkish Government will arrange for the transfer to the Sub-Account A referred to in Article 9 (1) (ii) of the Agreement of :

(I) The sum of £50,000 by instalments from Sub-Account B and as a first charge on that Sub-Account for the final settlement of claims in respect of sums paid by persons in the United Kingdom directly to persons in Turkey otherwise than in accordance with the provisions of the Anglo-Turkish Trade and Payments Agreement of the 4th June, 1935, between the date on which that Agreement came into force and the 20th March, 1936,

(II) 70 per cent. of a sum equivalent to the foreign exchange received by the Central Bank of Turkey in conformity with, and since the coming into force of, the Decree of the Turkish Government of the 20th March, 1936, in respect of Turkish goods exported to the United Kingdom for which corresponding payments have not been made to the Sterling Account referred to in Article 7 of the Agreement between the Government of the United Kingdom and the Government of the Republic of Turkey respecting Trade and Payments signed at Ankara on the 4th June, 1935. This transfer shall be subject to the production of bills of entry proving the import of the Turkish goods into the United Kingdom.

(4)—(I) The contracting Governments agree that the provisions of the Agreement shall not apply to the transactions of the two private companies which shall be established with a view to the erection of an iron and steel plant in Turkey, the one in Turkey and the other in the United Kingdom, in virtue of the preliminary agreements signed at

Ankara on the 23rd July, 1936, between the Turkish Ministry of National Economy and the Sümer Bank, on the one hand, and Messrs. H. A. Brassert and Company, Limited, on the other.

(II) It is therefore agreed that the two above-mentioned companies shall work outside the scope of the Agreement, so that that Agreement will not take into account the goods originating in Turkey and the goods originating in the United Kingdom which, in turn, the company in Turkey will export as agents for, and in the name of, the company in the United Kingdom and the company in the United Kingdom will export as agents for, and in the name of, the company in Turkey.

(III) It is further agreed that the gross proceeds of the sale of the Turkish metals, mineral ores, concentrates and timber exported by the Turkish company to the order of the United Kingdom company to meet the demands of the metal markets in the British Empire or in countries which have no commercial treaty of any description with Turkey, shall be placed to the credit of the company in the United Kingdom and subsequently used as follows :

(A) For administrative and overhead expenses of the two companies.

(B) For payments arising out of the detailed agreement to be concluded between the authorised organisation acting on behalf of the Turkish Government and Messrs. H. A. Brassert and Company, Limited.

(C) The balance remaining at the end of each period of six months (starting with the six months beginning on the 1st January, 1937), after deduction has been made of the sums referred to in the preceding sub-paragraphs (A) and (B), as certified by the auditors of the United Kingdom company (who shall be approved by the two contracting Governments), shall be allocated as follows :

(a) 20 per cent. shall for the duration of the Agreement be paid within fifteen days of the issue of the said auditors' certificate into the Clearing Account referred to in Article 9 of the Agreement, subject to the provisions of that Article.

(b) The balance of 80 per cent. remaining after deduction has been made of the 20 per cent. mentioned in the preceding sub-paragraph (a) (or, when transfers of sums deposited in the Special Account mentioned in Article 7 (I) of the Agreement are being effected without delay, 100 per cent.) will be disposed of as follows :

(i) 30 per cent. will be held at the free disposal of the Central Bank of Turkey ;

(ii) 70 per cent. will be used for payments arising out of the purchases of the Turkish Government in the United Kingdom.

(5) This Protocol forms an integral part of the Agreement of this day's date, but its termination as part of that Agreement, if the latter is terminated under Article 18 thereof, shall not affect the continued operation of paragraph (4) hereof, which shall, with the exception of sub-paragraph (III) (C) (a), continue in force until the 31st December, 1944.

Done in duplicate in London this 2nd day of September, nineteen hundred and thirty-six, in English and Turkish, both texts being equally authentic.

CRANBORNE.

F. KURTOĞLU.

H. F. TUGAY.

EXCHANGE OF NOTES.

No. 1.

LORD CRANBORNE TO M. F. KURTOĞLU.

LONDON, *September 2nd*, 1936.

SIR,

At the moment of signing the Trade and Clearing Agreement of to-day's date between the Government of the United Kingdom and the Government of the Republic of Turkey, I have the honour to confirm the following points :

(1) The first, second and third schedules attached to the Trade and Payments Agreement of the 4th June, 1935, are annexed without any modification and under the same numbers to the Agreement signed at to-day's date. Should there arise any uncertainty, both Governments will conform to the first, second and third schedules attached to the Trade and Payments Agreement of the 4th June, 1935.

(2) The balance of the quotas allocated in favour of the United Kingdom for the period June, July and August, 1936, and not yet used on the coming into force of the Agreement of to-day's date, will be added to the quotas provided in to-day's Agreement.

I have, etc.

CRANBORNE.

No. 2.

M. F. KURTOĞLU TO LORD CRANBORNE.

LONDON, *September 2nd*, 1936.

SIR,

I have the honour to acknowledge receipt of your letter of the following contents :

“ At the moment of signing the Trade and Clearing Agreement of to-day's date between the Government of the United Kingdom and the Government of the Republic of Turkey, I have the honour to confirm the following points :

(1) The first, second and third schedules attached to the Trade and Payments Agreement of the 4th June, 1935, are annexed without any modification and under the same numbers to the Agreement signed at to-day's date. Should there arise any uncertainty, both Governments will conform to the first, second and third schedules attached to the Trade and Payments Agreement of the 4th June, 1935.

(2) The balance of the quotas allocated in favour of the United Kingdom for the period June, July and August 1936, and not yet used on the coming into force of the Agreement of to-day's date, will be added to the quotas provided in to-day's Agreement. ”

I have the honour to declare that the Turkish Government agree to the above points.

I have, etc.

F. KURTOĞLU.