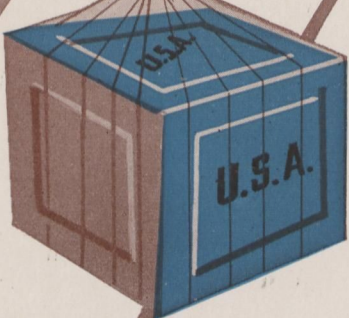
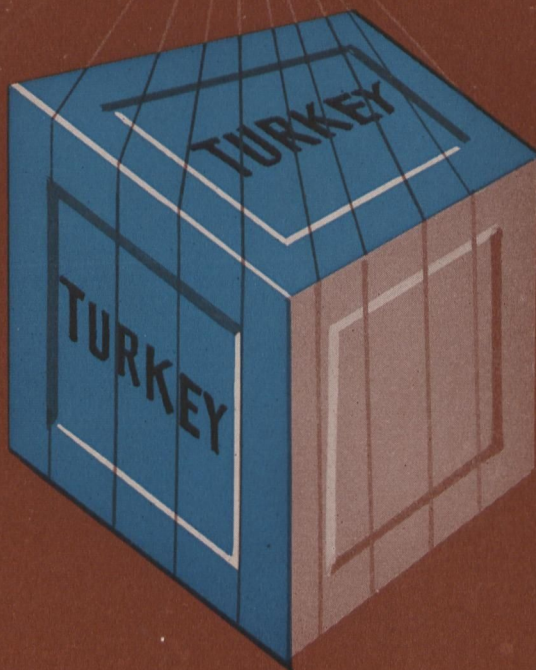


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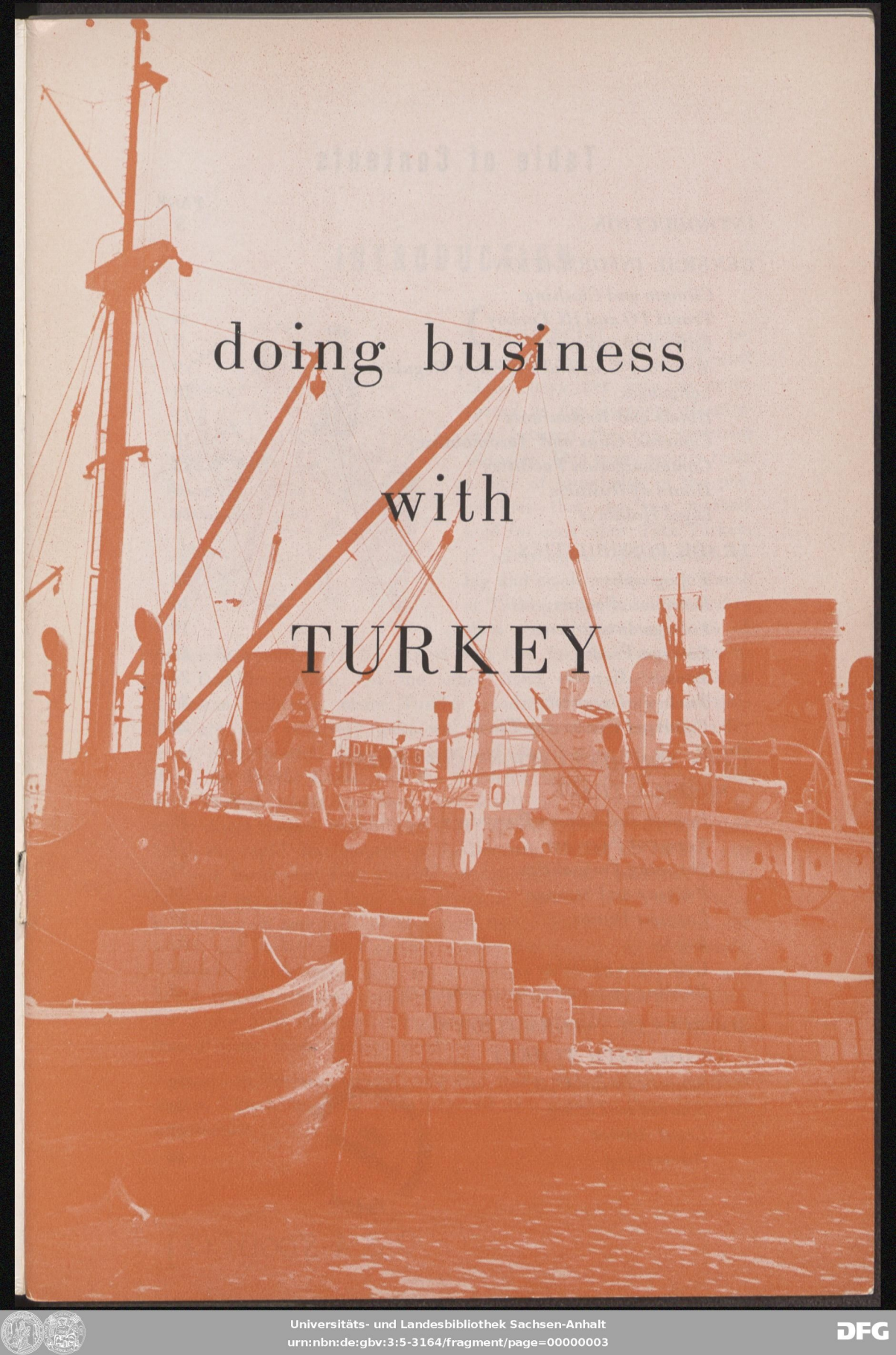


**DOING  
BUSINESS  
WITH  
TURKEY**









doing business  
with  
**TURKEY**

# Table of Contents

	PAGE
<b>INTRODUCTION</b>	3
<b>GENERAL INFORMATION</b>	
<i>Climate and Clothing</i>	5
<i>Travel TO and IN Turkey</i>	6
<i>Entry and Sojourn</i>	8
<i>Monetary Unit and Currency Regulations</i>	9
<i>Languages</i>	10
<i>Hotels and Restaurants</i>	11
<i>Cameras, Guns and Automobiles</i>	12
<i>Communication Facilities</i>	13
<i>Hours of Business</i>	13
<i>Legal Holidays</i>	14
<b>TRADE POSSIBILITIES</b>	
<i>Topography</i>	15
<i>Economic Factors</i>	16
<i>Foreign Investments</i>	19
<i>Foreign Trade</i>	20
<i>Turkey's Exports</i>	21
<i>Turkey's Imports</i>	24
<i>Principal Centers of Trade</i>	26
<b>LAWS AND REGULATIONS GOVERNING FOREIGN TRADE</b>	
<i>Import and Export Procedure</i>	28
<i>Terms of Payment</i>	31
<i>Shipping Formalities</i>	32
<i>Packing and Storage</i>	34
<i>Customs Duties</i>	35
<i>Banks</i>	36
<i>Collection of Debts</i>	37
<i>Bidding on Government Contracts</i>	38
<b>SOURCES OF INFORMATION ON TRADE WITH TURKEY</b>	
<i>Sources in the U. S.</i>	40
<i>Sources in Turkey</i>	43
<i>Legal Advice</i>	45
<i>Advertising</i>	46



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## INTRODUCTION

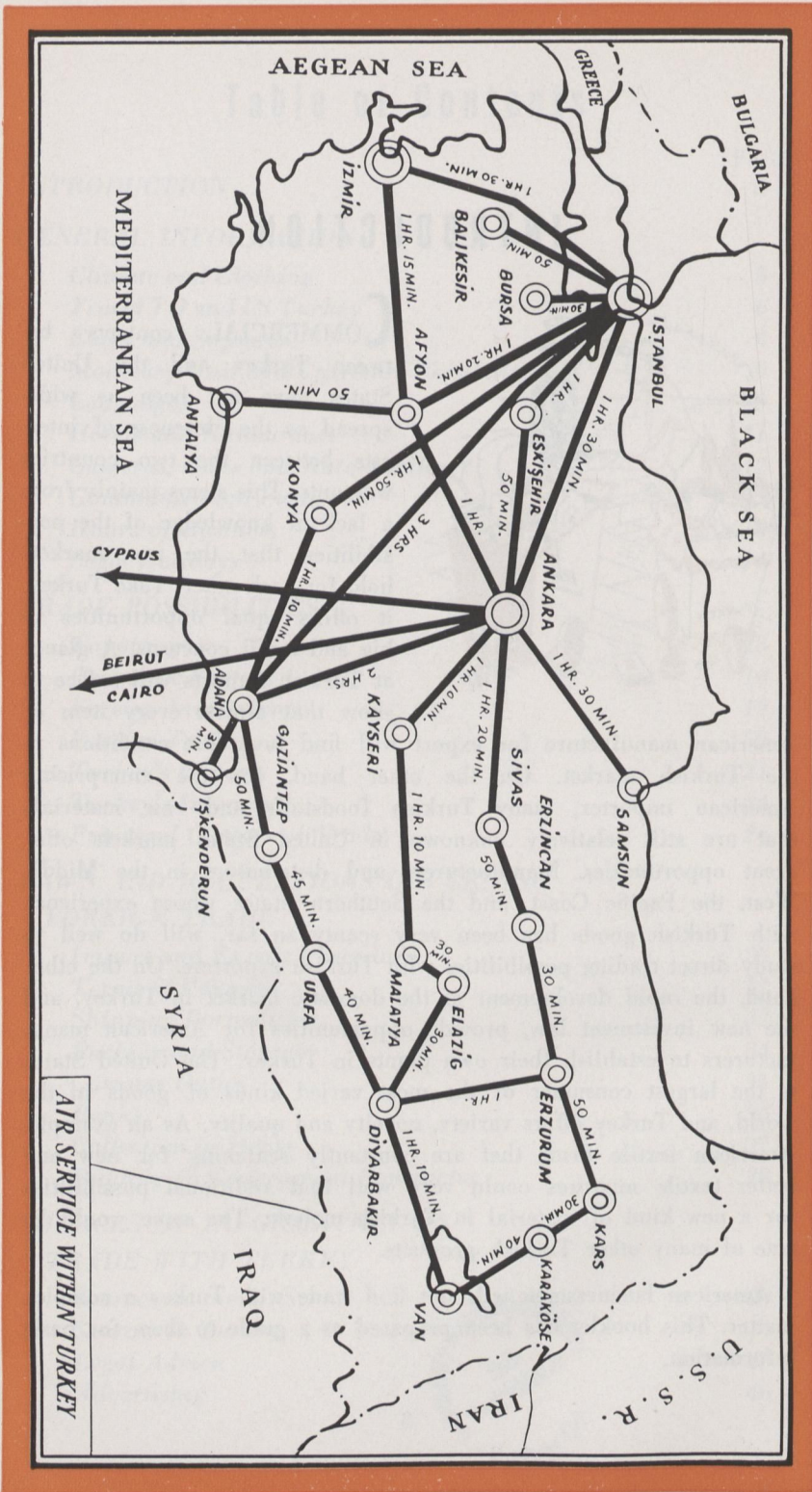


COMMERCIAL contacts between Turkey and the United States have not been as widespread as the closeness of interests between the two countries warrants. This stems mainly from a lack of knowledge of the possibilities that the two markets hold for each other. Take Turkey, it offers equal opportunities to big and small concerns. A glance at Turkish imports will suffice to show that almost every item of

American manufacture for export will find favorable conditions in the Turkish market. On the other hand, for the enterprising American importer, many Turkish foodstuffs and raw materials that are still relatively unknown in United States markets offer great opportunities. Manufacturers and distributors in the Middle West, the Pacific Coast, and the Southern States whose experience with Turkish goods has been very scanty so far, will do well to study direct trading possibilities with Turkish exporters. On the other hand, the rapid development of the domestic market in Turkey, and the new investment law, provide opportunities for American manufacturers to establish their own plants in Turkey. The United States is the largest consumer of the most varied kinds of goods in the world, and Turkey offers variety, novelty and quality. As an example, American textile firms that are constantly searching for new and better textile mixtures could very well find additional possibilities for a new kind of material in Turkish mohair. The same would be true of many other Turkish products.

American businessmen will not find trade with Turkey a complex matter. This booklet has been prepared as a guide to them for basic information.







## GENERAL INFORMATION

### CLIMATE



Climatic conditions in Turkey show great variations. The Istanbul region enjoys approximately the same conditions as those of the New England states; in the central Anatolian plateau, around Ankara, you encounter the same severe winters and hot summers as in the Middle West. The Adana district in the south is very much like the southern states and Florida.

For a visit to Istanbul and the Black Sea regions, May to October offer the best season; for a trip to Ankara and Izmir, September to November are the best months; and for the south coast (Adana, Mersin, and Iskenderun), early spring and late autumn are the best seasons.

### CLOTHING

In Istanbul and Ankara snow is very frequent in winter. Even on the Aegean coast, in Izmir, heavy topcoats are necessary. Thick woollen clothing is advisable for American visitors because interiors are not kept as warm as is the custom in the United States. Rubber overshoes or galoshes are necessary. For the summer months, clothing of light worsteds, or the palm beach type of material, is required. Lighter tropical clothing is more suitable for the Adana region. On the Black Sea coast, a light gabardine overcoat even in August could be helpful on occasion.

All toilet articles are obtainable in Turkey. In pharmacies the visitor will also find all the drugs he may require. Hosiery, shirts, and shoes and clothing are available in all qualities. The standard of work in hand-made and custom-made articles is very high.

For electrical shavers the current for Istanbul is AC 50 cycles — 110/190 volts also 220/380 volts; and for Ankara AC 50 cycles — 220/380 volts. As American plugs would not fit into standard Turkish sockets, it is necessary to have the plug on the shaver changed on arrival.

### **TRAVEL TO TURKEY**

**AIR:** Turkey is only twenty-six hours from New York by plane. There are daily flight services by all major international airlines. Connections between Istanbul and other major cities like Paris, Geneva, Rome and Athens are serviced by almost every major international airline.

One-way fare from New York to Istanbul, is: First-class—\$597.30; Tourist:—\$457.20.

Round trip:

First class:		Tourist:	
Low Season:	\$995.20	Low Season:	\$726.00
High Season:	\$1075.20	High Season:	\$823.00

(These prices are subject to change.)

(Low season: November 1st to March 30th.)

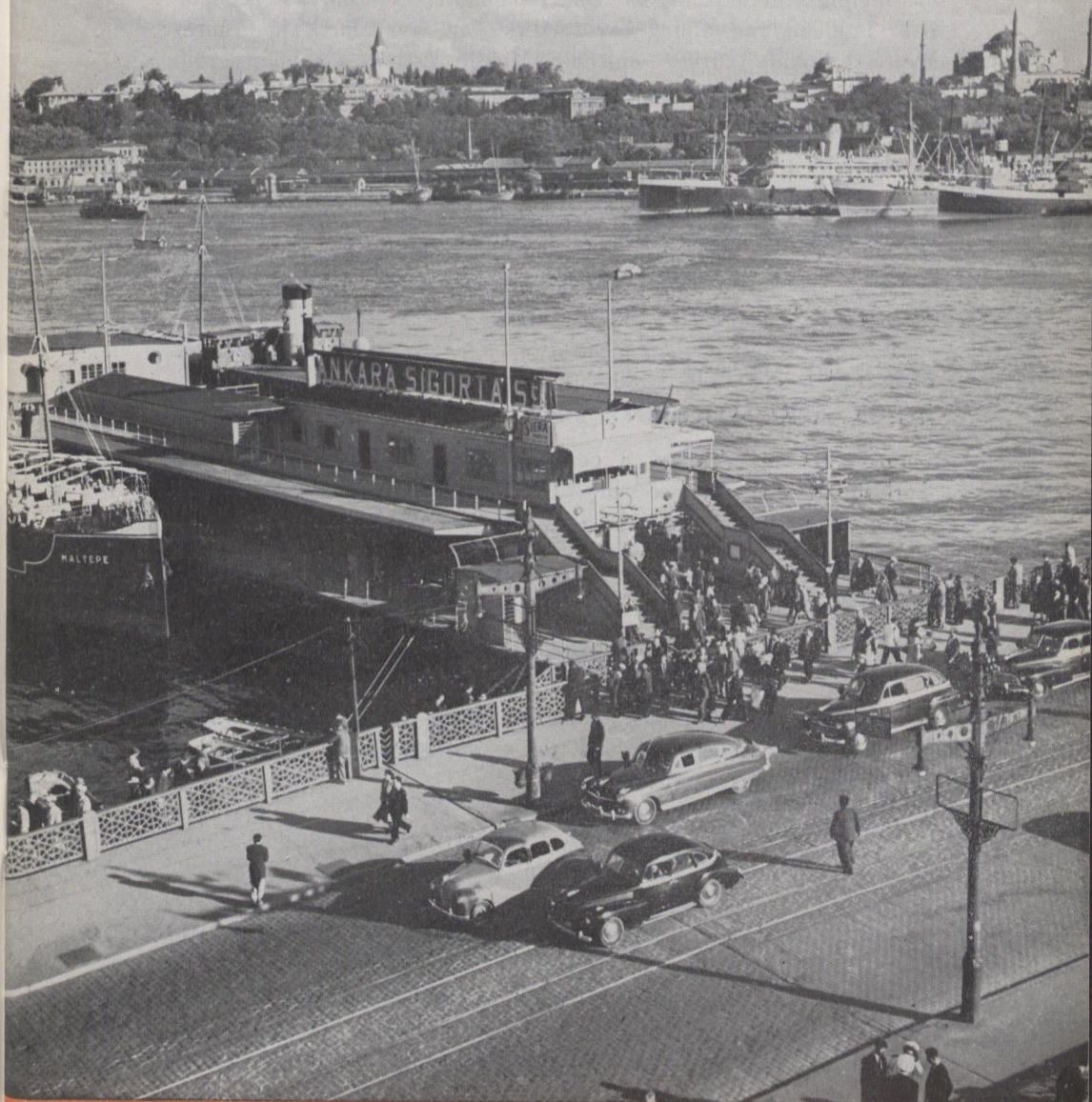
**SEA:** Every other Friday the Four Aces of the American Export Lines run a regular service from New York to Iskenderun via Marseilles, Naples, Alexandria and Beirut. Minimum fare is \$455.00. First class—single (private room) \$780.00 one way, \$1560.00 round trip. The trip takes 22 days.

The Turkish Maritime Bank (Denizcilik Bankasi) has an excellent ship service that runs every two weeks between Marseilles and Istanbul touching Genoa, Naples, and Pireaus. The trip takes four days. First class cabin from Marseilles costs from 155 to 285 dollars. There is a discount of 25% on round trip fares.

### **TRAVEL IN TURKEY**

**AIR:** There is twice-daily service between Istanbul and Ankara. The trip takes two hours in all. Ankara and Istanbul are, also,





*The port of Istanbul*

linked daily in summer with other major Turkish cities like Adana, Izmir, Samsun, Bursa, Antalya, and Iskenderun.

**RAIL:** Istanbul and Ankara are linked by rail with all important coastal cities like Izmir, Mersin, Iskenderun, Samsun, and Zonguldak. Pullman and dining car facilities are available. The Taurus Express, linking Turkey with her Middle Eastern neighbors, runs twice a week both ways to Aleppo and points further East and South like Bagdad in Iraq.

The trip from Istanbul to Ankara takes about ten hours and there is a comfortable night train that leaves at 8:20 PM from Istanbul, arriving in Ankara early in the morning.

**SEA:** There are regular steamship services between Istanbul and all large coastal towns.

### **REGULATIONS FOR ENTRY AND SOJOURN**

For entry into Turkey a passport carrying a visa issued by a Turkish Consulate is necessary. In the U. S. there are 2 Turkish Consulates who issue the required visa. Their addresses are:

Turkish Consulate General  
50 Rockefeller Plaza  
New York City, N. Y.  
Phone: Circle 7-5309

Turkish Consulate General  
53 W. Jackson Blvd.  
Chicago 4, Illinois

There is a third consulate general in the U. S. A. which deals with all kinds of consular work with the exception of visas and matters concerning Turkish citizens.

Consulate General of Turkey  
6 Beacon Street  
Boston 8, Mass.  
Phone: CA 7-0940

There is no delay in the issuance of the visa. The charge is 72 cents, and two passport photographs are necessary. Personal appearance is not required. Visas can be issued on passports sent by return registered mail, accompanied by two photographs, self-stamped envelope for return, and 72 cents to cover cost of visa.



Turkish Consulates are to be found in almost all the major centers of Europe and the Middle East; and Americans, once abroad, can obtain their visas from these consulates. Visas are valid for a single entry but those who intend to make several trips into and out of Turkey can obtain, from the issuing consulates, special visas valid for several entries. The consulate fee for such a visa is \$4.00.

No vaccination certificates are required from those entering Turkey directly from Europe or the United States. Those arriving in Turkey from other countries should check with the consulate for vaccination requirements.

Visitors who remain in Turkey for more than one month must apply for a Residence Permit. Forms of application for these permits can be obtained from any police station and should be returned, filled in, accompanied by 3 photographs. Personal appearance is not necessary. This can be done through an intermediary. Residence permits are in the name of the individual, but collective permits may also be issued for a family (husband — wife — and children). Charges for residence permits are: For 6 months — T.L. 3.00; 1 year — T.L. 5.00; 2 years — T.L. 8.00.

Holders of permits who change their legal residence must notify the police of their old and new residence personally, or through an intermediary, or by registered letter within 48 hours. If they live in a hotel or boarding house, this obligation falls on the management.

No exit visas are required when leaving the country.

## **MONETARY UNIT AND CURRENCY REGULATIONS**

The Lira (the Turkish Pound, as it is sometimes called) is the official monetary unit of the Turkish Republic. One Lira is divided into 100 kurush, the way the dollar is divided into 100 cents.

The official parity of the Turkish Lira is 2.80 T.L. per U. S. dollar. This parity is recognized by the International Monetary Fund. Banks are allowed to charge up to 1% commission for the sale and purchase of foreign exchange in the form of checks or drafts, and up to 2% on paper currency. Consequently, when Turkish Liras are purchased the rate of exchange varies between 2.78 and 2.80 T.L. and when foreign exchange is bought the same rate varies again between 2.80 and 2.86 T.L.



In Turkey, Turkish money can be obtained in exchange for dollars and other foreign currency from banks and from duly authorized travel and transport agencies.

Travellers are not allowed to import more than 100 in actual Turkish Liras. There is no restriction for the import of dollars or other foreign currency. But as the export of these and of more than 100 Turkish Liras is prohibited, the traveller will be well advised to declare the amount of the foreign currency, (cash, travellers checks, letters of credit, etc.) he is bringing into the country and have it recorded on his passport, so that when he leaves the country he will be allowed to take out the unspent portion of his money.

As the export of precious metals and every kind of jewelry is also prohibited, visitors should be careful to declare all such items in their possession on arrival at Customs and have it put on record by the Custom authorities for permission to take these same items out when leaving the country.

Tourists can freely export out of Turkey:

- a) Silverware purchased in Turkey, up to 1 kilogram of weight.
- b) Other miscellaneous articles or souvenirs up to 250 TL in value.
- c) Two Turkish rugs of any size.

For amounts in excess of these, and for additional items, proof is required that they were paid for by converting foreign exchange into Turkish currency.

## **LANGUAGES**

Naturally Turkish is the language of the country. But among the business community there will be many who are conversant with French. A number of technicians and professional men are likely to know German. English is gradually coming into even greater prominence. In the banks and engineering establishments one is always likely to find an English-speaking employee.

Turkiye Turizm Kurumu, (The Travel Association of Turkey, Istiklal Caddesi No. 186/2, Galatasaray, Beyoglu, Istanbul, Phone number 49842), could be very helpful in providing the foreign visitor with addresses of reliable travel agencies which, in turn, could help with interpreters and other guidance. Elsewhere, hotels are generally helpful in sorting out the problems of visiting foreigners.



## HOTELS AND RESTAURANTS

In prominent cities like Ankara, Istanbul, and Izmir, hotels and restaurants will provide service and accommodations approximating American standards. In smaller towns accommodation is only adequate. The following hotels rank among the best for travellers from abroad:

	Single Room		Double Room	
	Without Bath	With Bath	Without Bath	With Bath
<i>Istanbul:</i>				
Park Hotel .....	4.00	7.00	6.00	9.00
Konak Hotel .....	3.25	5.00	4.50	6.00
Pera Palas .....	3.50	5.50	5.50	10.00

The 300-room Istanbul Hilton is scheduled for opening in October, 1954.

<i>Izmir:</i>				
Ankara Palas .....	3.75	4.25	5.50	7.00
Izmir Palas .....	3.75	4.50	4.50	6.00

<i>Ankara:</i>				
Ankara Palas .....	4.25	5.50	6.00	8.00
Turist Hotel .....	—	5.25	—	7.25
Park Palas .....	3.25	4.25	4.25	6.00
Belvu Palas .....	3.25	4.25	4.25	6.00
Cihan Palas .....	3.25	4.25	4.25	6.00

To these prices, which are approximate and liable to change depending on season, must be added the extra charges that are usual in Europe, such as 10 per cent for service. Private suites are available at most of these hotels, and inclusive charges for board can be arranged.

Both at the hotels and restaurants a 10 per cent charge for tips is added to all bills, but additional tipping of 5 to 10% is also customary, as in Europe.

However, hotels do not provide soap as a rule, and the traveller would be well advised to have his own soap.

Restaurants at hotels are generally among the best; but there are some very good restaurants for those who find it more convenient to take their meals outside.

In Ankara: Karpic, Gar Gazinosu, and Sureyya (evenings only) provide good food with music.

In Istanbul: Adalar, Narin, Abdullah, Rejans, Misir Carsisi, and Konyali enjoy a great reputation. Pandeli (open for lunch only) has its specialities, and Taksim Gazinosu provides entertainment in the evening.

In Izmir: Deniz Gazinosu, Sehir Gazinosu (summer months only) are recommended.

Turkish cuisine is reputed to be among the best in the world, and Americans generally take with zest to boreks (a special preparation of pastry dough with cheese or chopped meat filling) and cerkes tavugu (chicken prepared with a special walnut and red pepper sauce). But at the beginning the traveller would be well advised to stick to what he knows, such as broiled meat and fish and boiled vegetables.

## **CAMERAS, GUNS AND AUTOMOBILES**

### **CAMERAS:**

Visitors are entitled to bring in, free of Customs duty, (a) two cameras of different types, (b) any quantity of exposed film, (c) up to ten rolls of unexposed film, (d) one enlarger. There are no restrictions on the use of still cameras in other than off-limits military zones.

### **MOVIE CAMERAS:**

Visitors may bring in free of Customs duty (a) one portable-type movie camera, (b) one projector, (c) five unexposed films.

However, the use of movie cameras is subject to a permit for which application must be filed with the civil administration authorities of the area.

The re-export of undeveloped movie film is subject to a permit for which application must be filed with the government.

### **HUNTING GUNS:**

Visitors may bring in one hunting gun free of Customs duty. The carrying and use of a hunting gun is subject to obtaining a Hunting License; while the carrying of guns with rifled bores, and other weapons, also requires a Gun Permit.

### **AUTOMOBILES:**

Automobiles which accompany the visitor, precede his arrival by up to two months, or arrive before the expiration of two months after the arrival of the visitor himself, will be admitted free of duty for one year upon presentation of a Triptik or Carnet de Passage issued by a foreign organization recognized by the Touring and Automobile Association of Turkey, which is a member of the international organization.



Automobiles of visitors who possess International Driving Licenses may be used under their own license plates for a period not to exceed six months, after which they would have to purchase Turkish plates.

Visitors' automobiles need not be registered with the Turkish Bureau of Motor Vehicles.

### **COMMUNICATION FACILITIES**

The communication system is operated by the government.

**TELEPHONE:** There is telephonic communication between all major cities in the country. There is also telephonic communication between Turkey and the following countries: Austria, Belgium, Bulgaria, Czechoslovakia, Denmark, England, France, Germany, Holland, Hungary, Iraq, Ireland, Lebanon, Poland, Roumania, Switzerland, Syria, United States, and Yugoslavia. The telephone service between Turkey and U. S. A. is \$12 plus tax on weekdays for every three minutes, and \$9 plus tax on Sundays for every three minutes.

**TELEGRAPHIC COMMUNICATION:** There are 1611 telegraph offices in the country and 34,820 miles of telegraph lines. Telegrams from Turkey to the U. S. A. in the New York City area cost 132 kurus per word, to other U. S. areas the cost is 154 kurus. There is a 2/3 reduction for the press. From New York to Turkey the charge is 23 cents per word, for press it is 6½ cents.

**MAIL:** Air mail letters between Turkey and the United States take 2-3 days. The charge is 15 cents for each half ounce. Regular mail averages three weeks for delivery, and is 5 cents for the first ounce and three cents for each additional ounce. (Sept., 1953).

**PARCEL POST:** The maximum weight for parcel post is 44 pounds. There is no insurance. Only packages up to 4 lbs. 6 oz. can be registered.

Only books in languages other than Turkish, and newspapers and magazines, are exempt from customs duty as gifts. All other gift packages are dutiable at the same rate as for commercial shipments. Charity gifts addressed only to the Turkish Red Crescent (Red Cross) Society are exempt from duty.

### **HOURS OF BUSINESS**

Government offices are open from 9:00 to 12:00 and from 1:30 PM to 5:00 PM. Banks are generally open from 9:00 to 12:30 and from 2:00 to 4:30. Shops are open from 8:00 AM to 7:00 PM. (In larger cities, however, there is an hour's recess at noon from 12:30

to 1:30). Saturday afternoons and Sundays, both private and official premises are closed. Retail shops are open all day Saturday.

## HOLIDAYS

New Years' Day	1st January
National Sovereignty Day	23rd April
Spring Holiday	1st May
Youth and Sports Day	19th May
Seker Bayram (3 days)	(Changes every year; in 1954, the first week of June, according to the lunar system)
Victory Day	30th August
Kurban Bayram (4 days)	(Changes every year; in 1954, the middle of August)
Republic Day	28th to 30th October

## MEASUREMENTS

In Turkey the metric system of weights and measures is used. Below are the conversion figures to U. S. equivalents:

### APPROXIMATE COMPARISON OF METRIC UNITS OF MEASUREMENT

#### Length

1 inch	= 25.4 millimeters	1 millimeter	= 0.0394 inch
1 foot	= 0.3048 meter	1 meter	= 3.28 feet
1 yard	= 0.9144 meter	1 "	= 1.094 yards
1 rod	= 5.0292 meters	1 "	= 0.1988 rod
1 mile	= 1.609 kilometers	1 kilometer	= 0.6214 mile
1 "	= 1609.35 meters		

#### Capacity (Liquid Measure)

1 pint	= 0.473 liter	1 liter	= 2.113 pints
1 quart	= 0.946 "	1 "	= 1.06 quarts
1 gallon	= 3.785 liters	1 "	= 0.264 gallon
1 "	= 0.038 hectoliter	1 hectoliter	= 26.42 gallons

#### Mass

1 pound avoirdupois = 0.454 kilograms (kg.)

#### Area

1 kilogram = 2.2 pounds

1 hectare = 2.471 acres



# TRADE POSSIBILITIES

## TOPOGRAPHY



The territory of the Turkish Republic (298,503 sq. m.) lies both in the Asiatic and the European continents. In size it is comparable to the combined areas of Texas and South Carolina. At Istanbul on the Eastern shores of the Bosphorus, and at Canakkale on the Dardanelles, Turkey in Asia is separated from Turkey in Europe by the two waterways internationally known as the Turkish Straits. Turkey is

bounded on the North by the Black Sea, on the South by the Mediterranean, and on the West by the Aegean. The Straits are important because they provide the outlet from the Black Sea into the Mediterranean. The coastal regions of Turkey are the most thickly populated because they are the most fertile parts of the Turkish homeland. On the Black Sea there is a narrow coastal strip where are found the flourishing tobacco centers of Samsun and Trabzon; and the rich hazelnut paradise of Giresun. Density of population here is thrice that of the general Turkish average. Around the Sea of Marmora in European Turkey you find the rolling hill country of fertile grain fields, and the rich agricultural land around Izmit and Bursa. Sugar-beet, tobacco, and fruit orchards dominate here. This is one of the most thickly populated regions of Turkey. In the West there is the fertile coastal strip bordering the Aegean. Here in the hinterland of Izmir, the second largest city of Turkey, are the rich vineyards of Manisa, the fig country of Aydin, and tobacco and cotton plantations. To the Southwest around Adana and Mersin is the deep south of Turkey with its citrus fruits and

cotton fields. From each of these three narrow coastal regions of Turkey the earth rises into the semiarid Anatolian plateau, averaging 1500 to 1900 feet in altitude, and rising to 17,000 on Mt. Ararat, at its eastern extremity. This is mostly grazing and winter grain country. There are many sheep, horses, goats, and cattle in Turkey where animal husbandry is an important occupation.

To the East, Turkey borders Iran and Soviet Russia. On her Southern frontiers are Iraq and Syria. To the West, on her European territory, she touches Bulgaria and Greece. This is how she is both a European and a Middle Eastern country. But the nature of her topography, with the plateau descending from the East towards the West, makes her more European than Middle Eastern.

### **POPULATION**

Turkey has a population of 20,934,670 (1950 census); 70.13 persons per square mile. Distribution of the active population by occupations was as follows: in agriculture, fishing, and forestry, 79.6%; manufacturing and utilities, 5.8%; mining, 0.5%; others, 14.1%.

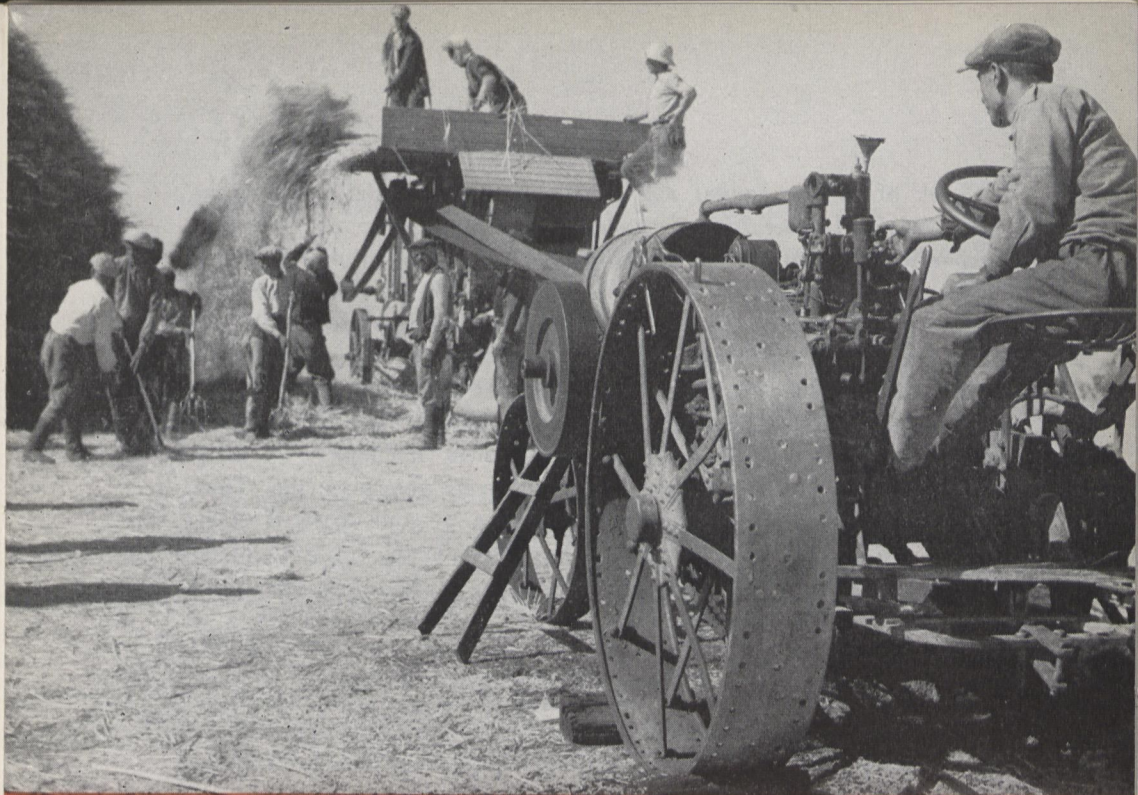
### **ECONOMIC FACTORS**

Agriculture forms the backbone of Turkey's economy. In recent years, however, there has been a steady development of the mineral resources; and industrial expansion has begun to take in a greater percentage of the income-earning population.

The principal agricultural and allied commodities are: cereals, oil seeds, pulses, dried fruits (sultana raisins and figs), valex and valonea (used in leather tanning), tobacco, olive oil, cotton, wool, mohair, opium, sugar beet, attar of roses, hazelnuts, hides and skins, furs, gum, tragacanth, oil cakes, eggs, silk, fish, livestock, fruit, timber, fresh vegetables and salt. Fish and meat are still in their infancy, and offer great possibilities.

Chromium, coal, copper, and iron ore are among the leading minerals. Emery stone, antimony, boracite, mercury, manganese, sulphur, and magnesite are also mined. In chromium, Turkey is among the three leading exporters in the world. Eti Bank, a state-operated enterprise, is the largest mining concern in the country, specializing in coal, iron ore, chromium, lignite, and copper. Its headquarters are in Ankara. However, there is a large number of individual private concerns which are very active in the production of chromium and the other mineral products of Turkey.





*Harvest in Konya*

Though primarily an agricultural country, there has been a rapid expansion of industrial activity in Turkey during the past thirty years.

Modern industry was almost non-existent in Turkey prior to 1923; but today the country manufactures over 80% of her textile requirements, all of her sugar, and part of her needs in glass, paper, and steel. This industrial build-up was effected by private enterprise alongside state sponsorship.

The principal heavy industries are iron and steel, metal products, cement, building materials, and chemicals. Sulphuric acid, superphosphates, and by-products of coke constitute the main chemicals that are produced domestically. In the field of consumer goods the major Turkish manufactures are textiles, paper, leather and shoes, sugar, cigarettes, wood products, and various products of the food-processing industries. In this last category flour-milling and vegetable oils stand out as the two main industries, with meat-packing and fish canning and processing rapidly catching up.

Lack of private capital and experience in industrial management had originally necessitated government sponsorship of industrial expansion, so that various government corporations were established in the nineteen-thirties. The Sumer Bank, major among these, and working with government-provided capital, developed the steel works at Karabük and the paper works at Izmit, and also owns and operates the textile combines at Nazilli, Kayseri, and Malatya. But, with the exception of the manufacture of cigarettes and strong alcoholic beverages like raki which are under government monopoly, all other manufacturing fields had been open to private enterprise too. Thus, in spite of the initial advantages accruing to state-operated enterprises, private initiative and capital have been in the forefront of developing Turkey's industrial potential. So much so, in fact, that today private enterprise accounts for 71% of overall production in manufacturing.

Industrial progress of the last three decades has been outstripped by remarkable progress during the last four or five years since liberal economic policies have provided much wider scope for private capital and initiative. In the cotton textiles industry, for example, the number of spindles has increased from 260,000 in 1950 to 545,000 in 1953; during the same period, they advanced from 50,000 to 115,000 in the field of woolen textiles. In 1949 there were only four sugar plants in the country, all owned and operated by the state; by 1953, nine new sugar factories owned by private capital had been constructed, increasing overall national output of sugar by 85%. The same rate of development is to be found in all other branches of manufacturing, with the emphasis laid on consumer goods.

In statistical terms, total industrial production advanced 159% from 1929 to 1948, but jumped another 76% between 1949 and 1952. Mechanization and improved methods in agriculture, and better communications by way of increased road, air, and port facilities, have effected a revolutionary development in the agricultural base of Turkish economy: within four years, per capita income in Turkey has advanced 37%, creating a great domestic market for manufactured goods. Thus the trend of Turkish economy is in the direction of further and rapid development.



## FOREIGN INVESTMENTS

One of the most liberal laws on foreign investments was passed by the Turkish Grand National Assembly on January 18, 1954 (published in the Official Gazette of January 23, 1954, as Law No. 6224). It is titled the Law for the Encouragement of Foreign Investment and, as its name implies, was enacted with the express purpose of encouraging and attracting the influx of foreign private capital into Turkey.

The new law is based on the widespread public and official recognition of the fact that Turkey's economic development requires large-scale investment of capital which, in view of the lack of accumulated Turkish financial resources, must come from abroad.

*Scope:* The new law opens to foreign investment all fields of economic activity in which domestic capital operates.

Machinery, equipment, tools and spare parts, technical services, and intangible assets such as patented processes, trade marks, licenses, etc., are considered as part of invested capital no less than foreign currency actually brought into the country. Profits re-invested in Turkey are also included in the foreign capital base.

*Transfer:* The investor is entitled to transfer, without restriction, both original capital and profits: Art. 4 of the law specifies that both profits and capital are entitled to be transferred abroad at the prevailing official rate of exchange, and in the foreign currency in which the value of the foreign capital-investment was originally expressed.

Another important provision of the law is contained in Art. 7. This makes possible the employment of foreign technical experts in enterprises financed by foreign capital. Thus the new enterprises may employ expert personnel to operate their businesses more efficiently and, at the same time, ensure that the pool of technical 'know-how' on which the country can draw will be expanded. To facilitate the recruitment of such personnel, the law provides for the transfer of a portion of the salaries paid to such alien personnel.

Complete equality with domestic capital is guaranteed by Art. 10 which stipulates that all rights, immunities and privileges that may be granted to domestic enterprises shall be available on equal terms to foreign enterprises engaged in the same fields.



Loading in Izmir

### **FOREIGN TRADE**

Recent years have brought about a very rapid expansion of Turkey's import and export trade, stemming from the speedy development of Turkey's agricultural and mineral output which has created wider marketing possibilities.



Figures pertaining to Turkey's foreign trade from 1951 through 1953 are given below:

Year	IMPORTS		EXPORTS	
	Tons	Value	Tons	Value
1951	1,681,245	\$402,085,000	1,505,436	\$314,081,000
1952	2,141,400	555,928,000	2,437,000	362,928,000
1953	2,631,300	532,571,000	2,456,200	396,071,000

The above figures indicate that the annual surplus of imports over exports has averaged something over one hundred million dollars. This was due to demands arising out of the accelerated mechanization and modernization of agriculture and mining; of the many development projects, power plants and factories being built all over the country; and because of the liberalization of imports from member countries of the European Payments Union. Needless to say, these imports found ready markets in Turkey's booming economic structure.

It is estimated that the new resources to be added to Turkish economy by way of all the development projects that are now under way will be sufficiently ample within a few years to pay for an even larger volume of imports.

## EXPORTS

Recent developments have resulted in a beneficial change in the nature of Turkey's exports. These now give top listing to essential products such as cereals, cotton, oil seeds, chrome ore and other minerals, thus relegating dried fruits and other non-essential items to secondary importance. Of course tobacco still figures as an important item and remains one of the major dollar-earners: all American cigarettes use not less than 5 per cent of Turkish-grown tobacco for aroma and combustibility.

Although rugs and carpets are not major items among Turkish goods sent abroad, they should be noted because of their centuries-old world-wide reputation and because they have not yet been properly marketed in the United States and therefore offer great possibilities to American businessmen constantly on the look-out for new consumer items in world markets. Mohair (Angora) also offers great possibilities for U.S. textile manufacturers, because of its great blending qualities with the artificial yarns.

Quality is the outstanding characteristic of Turkey's main agricultural products. In this connection, tobacco should be rated first, along with Sultana raisins and Smyrna (Izmir) figs: these have no equal in world markets. The same is true of Turkish mohair, Turkish valonea, opium, and liquorice juice.

Chromium, copper, coal, antimony, and emery rank among the foremost of Turkey's mineral exports. Turkey is among the three greatest producers of chrome ore in the world.

#### MAJOR EXPORTS IN 1953

Commodity	Quantity in Tons	Value in Dollars	% of Total Value
Cereals	954,900	88,831,000	22.4
Tobacco	71,700	85,280,000	21.7
Cotton	100,800	78,670,000	19.9
Minerals	905,000	48,530,000	12.2
Dried Fruits	100,600	37,280,000	9.4
Oil Seeds	81,400	9,400,000	2.3
Others	241,800	48,080,000	12.1
	2,456,200	396,071,000	100.0

The detailed breakdown of Turkish exports purchased by the United States during the previous year (1952) was as follows:

Major Commodities	Quantity in Tons	Value in Dollars
Tobacco .....	23,440	\$30,708,510
Chrome ore .....	424,983	4,990,080
Copper .....	3,945	2,845,391
Manganese .....	61,780	2,680,496
Opium .....	89	1,633,688
Mohair .....	500	731,915
Hazelnuts .....	994	561,702
Figs .....	1,250	423,050
Liquorice Root .....	4,479	402,837
Pistachio Nuts .....	325	378,014
Valonea .....	5,841	312,056
Sausage casings .....	31	245,035
Oil cakes .....	3,184	166,666
Scrap Iron .....	2,653	157,447



*Raising Turkish  
Tobacco is a highly  
specialized process*



Major Commodities	Quantity in Tons	Value in Dollars
Skins and furs .....	45	122,695
Attar of Roses .....	.05	75,531
Selep orchis .....	12	64,184
Valonea extract .....	243	43,262
Canary seed .....	225	25,886
Walnuts .....	32	25,531
<hr/>		
Total Exports		
of Turkey .....	2,437,000	362,928,000

After placing second in 1952, the United States stood out as the largest single importer of Turkish products in 1953. The economies of the two countries complement each other; and highly-specialized agricultural products such as tobacco, raisins, mohair, and chrome ore (so important in the manufacture of high-grade steel) find productive outlets in American markets.

## IMPORTS

In the past three years, Turkey has been importing goods to the value of approximately 500 million dollars annually. Prior to 1939, Turkish imports averaged only 90 million dollars per year.

It is of interest to the American businessman that the direction of Turkey's trade has undergone radical change since the last war. As a result of the dislocation of world trade after the depression of 1929, during the decade that preceded World War II Germany became Turkey's greatest supplier of manufactured goods; at that time, almost half of Turkey's foreign trade (both import and export) was with Germany. In the last several years, however, the United States has become one of Turkey's major suppliers; and a very large share of Turkey's total foreign trade has fallen to the United States. Even though Turkey's over-all imports have been exceeding her exports by over 100 million dollars a year, American manufacturers have benefited from the dollars made available through American aid, and through the International Bank for Reconstruction and Development. Thus Turkey has been able to meet her requirements for re-equipping existing factories and building new ones, as well as to expand her foreign trade, thereby developing a market for the industrial products of the United States.



MAJOR IMPORTS IN 1953

Commodity	Quantity in Tons	Value in Dollars	% of Total Value
Machinery .....	116,400	123,431,000	23.2
Iron and Steel .....	368,400	74,000,000	13.9
Vehicles .....	37,000	56,360,000	10.6
Petroleum and Derivatives .....	962,200	44,500,000	8.4
Textiles and Yarn .....	25,100	71,430,000	13.4
Chemicals, Pharmaceuticals ....	59,800	29,500,000	5.5
Others .....	1,062,400	133,350,000	25.0
	<u>2,631,300</u>	<u>532,571,000</u>	<u>100.0</u>

Turkey's imports from the United States in 1952, and figures pertaining to total imports for that year, are given below:

Major Commodities	Imports from the U.S. (Tons)	Value in \$	Turkey's Total Imports (Tons)	Total Value in \$
Machinery .....	15,837	\$17,205,670	146,546	\$151,964,000
Iron, Steel and finished products .....	21,087	6,309,930	233,591	60,214,000
Vehicles .....	3,333	4,700,710	36,600	51,750,000
Semi-alkaloids .....	1,385	2,540,430	4,701	13,340,070
Petroleum and derivatives	22,760	1,609,220	818,900	40,250,000
Chemicals .....	4,292	1,421,990	37,609	6,912,410
Scientific instruments .....	70	1,173,050		16,415,960
Tires .....	628	1,103,550	6,816	10,928,370
Cotton textiles .....	112	280,850	11,009	39,701,060
Plastic Materials .....	42	231,210	1,184	2,389,010
Rubber and rubber goods...	70	192,200	52,086	5,107,800
Copper and copper alloys and manufactures .....	64	149,290	7,201	7,740,780
Dyes .....	150	142,200	37,609	7,071,990
China and porcelain .....	160	110,990	8,394	3,242,910
Paraffin and vaseline .....	325	56,380		
Glass .....	32	46,100	20,535	4,100,710
			<u>2,141,400</u>	<u>\$555,928,000</u>



## TRADE WITH DIFFERENT COUNTRIES

Prior to the last war, Germany was the major supplier of manufactured products in iron, steel, and chemicals to Turkey. The United States sent 10% of Turkey's total imports.

In 1953, Turkey's import and export trade was divided as follows between different countries:

<u>Countries</u>	<u>Imports in Dollars</u>	<u>% of Total Imports</u>	<u>Exports in Dollars</u>	<u>% of Total Exports</u>
United States .....	60,400,000	11.4	80,214,000	20.2
Western Germany ....	111,110,000	20.7	60,750,000	15.3
Great Britain .....	73,030,000	13.7	27,392,000	6.9
Italy .....	37,750,000	7.1	52,250,000	13.2
France .....	32,460,000	6.1	18,036,000	4.6
Belgium .....	24,393,000	4.6	3,107,000	0.8
Others .....	193,428,000	36.4	154,322,000	39.0
	<hr/>	<hr/>	<hr/>	<hr/>
	532,571,000	100.0	396,071,000	100.0

## PRINCIPAL CENTERS OF TRADE

ANKARA: (pop. 286,781) is the capital and political center of the country; commercially it is important for government contracts, and for state-owned enterprises such as are operated by the Sumer and Eti Banks.

ADANA: (pop. 117,799), in the south, is located in the heart of the rich cotton country. With the rapid development of the textile industry and the expansion of cotton cultivation, it is assuming an increasingly important part in the foreign trade of Turkey.

ISTANBUL: (pop. 1,018,468), the ancient seat of the Ottoman Sultans, is renowned for its beauty and historic sights. It is the gateway from West to East and between the Mediterranean in the South and the Black Sea in the North. Before the war it served as a shipping and trading center for the Balkans and South Russia, and as the most important trading and distribution center in Turkey. It handles nearly 2/3 of Turkey's foreign trade, both in value and tonnage. Foreign banks that operate in Turkey mostly have their main offices here. The import business is mainly concentrated in Istanbul, where docking and loading-unloading facilities are being expanded.



IZMIR: (pop. 230,508) ranks a close rival of Istanbul. She serves as an outlet for the rich Aegean coastline of Turkey, and is the main center for the export of dried fruits, figs, tobacco, valonea, olive oil, and pulses. In the last fifteen years it has also developed its import trade and all the facilities found in Istanbul are now also available in Izmir. The port handles 1/5 of the foreign trade of the country. In the export business she is more important than Istanbul.

Every year from the 20th of August to the 20th of September an International Fair is held in Izmir. Exhibitors from all over the world have found it a good means for showing their wares and acquiring new contacts and contracts, not only in Turkey alone but also in the whole Eastern Mediterranean. In 1953, 1180 Turkish exhibitors and 2165 foreign firms from 15 countries (including 150 from the U. S.) took part in the Fair.

ISKENDERUN: (pop. 22,946), comparatively a small city, has emerged in the last ten years as the outlet for the rich chrome ore deposits around Guleman and Southeast Turkey. During the war the port installations were considerably improved by the construction of a large jetty; and the modern highway presently under construction will connect it with Erzurum, and further enhance her position in Turkey's foreign trade. It also serves as a transit port for Iranian exports and imports.

MERSIN: (pop. 37,508), a rival of Iskenderun, has long served as the outlet for the rich deep south of Turkey. In a way, she can be compared to New Orleans, and some of the foremost import-export firms of the country are to be found in Mersin. Both Iskenderun and Mersin are fast becoming distribution centers for southeastern Turkey, with vastly expanded port facilities.

SAMSUN: (pop. 43,937), ranks with Izmir as the foremost tobacco center of the country. Samsun and Trabzon (pop. 33,969) are the twin cities on the Black Sea coast that serve as distribution centers for Northeastern Turkey. Foreign businessmen will find banking and consular facilities available in these cities.

# LAWS AND REGULATIONS GOVERNING FOREIGN TRADE

## IMPORT AND EXPORT PROCEDURE



Turkey, like most other countries of the world, has felt the necessity of controlling her imports and exports with a view to husbanding her limited resources, and balancing her payments. Thus Turkey's foreign trade is conducted under a set of regulations prepared by the Ministry of Economy and Commerce.

The regulations are, at present, embodied in Government Decree No. 4/1360, dated September 1, 1953, which was published in the Official Gazette on September 3, 1953.

In order to harness Turkey's foreign trade to the needs of the nation's developing economy, different lists have been prepared for exports and imports. On these lists, items are classified according to their importance, and held subject to different trade procedures.

**EXPORTS:** Goods on List No. 1 are freely exportable and do not require exports licenses. List No. 2 includes all those products for which an export license must be obtained from a designated authority. The major items are cereals, and cereal products, cotton lintens, animal fats, cotton, wool, opium, dried fruit, pulses, fats and vegetable oils.

Export licenses are issued by the Ministry of Economy and Commerce. The only exceptions on List No. 2 to this rule are for the following items: stemmed tobacco leaves, seedless raisins, olive oil, margarine and wool. For this group, exporter's licenses may be obtained from exporter's associations, corresponding to the commodity to be sold.



Export licenses are valid for a period of three months and cannot be renewed. Engagements concluded with overseas buyers prior to the issuance of an export license are not binding upon the license-issuing authority.

Consignment Exports require licenses which are obtainable at the Ministry of Economy and Commerce. They are valid for a period of one month. But the goods must be sold within a period of three months from the date of export. Otherwise application must be filed for an extension of this period.

Credit-term Exports are also subject to licensing by the same Ministry, such a license being valid for one month from the date of issue. A foreign banker's guarantee of payment, in accordance with the terms of sale as approved by the Ministry, has to be obtained for each credit-term transaction.

#### *IMPORTS:*

Import commodities are classified on various lists, drawn up in conformity with Turkey's international trade agreements, contractual obligations originating from such agreements, and with the requirements of the Turkish market. List No. 3 details the goods and products which may be freely imported from countries in the European Payments Union. List No. 4 contains commodities that are subject to an import license. Various types of machinery, rolling stock, electrical equipment and motors, diesel engines, tractors, buses and trucks, tugboats and fishing boats, are all part of this list. Most of these are, also, found on List No. 6 which pertains to importable goods that may be paid for on a long-term credit basis. Minimum credit-term is one year, beginning with the date of importation.

Applications for import licenses should be directed to the Central Bank of Turkey. Only those regularly engaged in the import trade (contractors excepted) are entitled to import licenses. An import application to the Bank must be accompanied by an Importer's Permit. This is obtainable at the importer's local Chamber of Commerce or Industry. This Permit indicates the categories of goods in which the importer deals, as well as his import capacity, and whether he is new or old in the business. The Central Bank registers import license applications by the countries of origin and by the chronological order of receipt, and forwards a summary of the applications to the Ministry which authorizes, according to the requirements of the market, import licenses.



*The Railroad Station in Ankara*

If the total sum of the amounts requested in the applications exceeds the authorization granted by the Ministry, the Bank totals the applications of the individuals and grants the "old" importers 40% and the "new" ones 30% of their requests, according to their capacities.

A deposit of 4% of the value of the goods concerned must be made with each import license application filed with the Central Bank of Turkey. If the license subsequently issued is not used, the deposit is forfeited.

Imports must have arrived in Turkey and foreign exchange transfer formalities completed within a period of six months following the granting of the foreign exchange certificate. In cases where payment is by means of a letter of credit, the credit should be established within three months. There is also a Commission authorized to study delays and grant extensions. If initially a request for manufacturing delay for non-consumer goods is made, the Central Bank is empowered to consider it.



Where letters of credit are established, shipments should be made within the period of validity of the letter of credit, which is generally one month; but in special cases involving manufacturing time and other cogent reasons, it may be granted for a longer period.

Inquiries about different categories of imports and exports can be addressed to the Turkish Commercial Attache's Office, or the Commercial Counsellor's Office (addresses given elsewhere).

### **TERMS OF PAYMENT**

In Turkey, terms of payment are mainly on a cash against documents basis, or by confirmed letter of credit. As regards C.A.D. goods, deposits in Turkish currency equivalent to the value of the invoices must be made by importers to collecting banks against delivery of the documents. Formerly many American exporters insisted on dollar letters of credit for orders placed by Turkish importers, but the volume of business on the basis of sight drafts is now rapidly increasing.

*General View of Ankara*



## SHIPPING FORMALITIES

### (a) DOCUMENTS

If all the necessary documents are carefully prepared and properly expedited to Turkey, American exporters will encounter no custom difficulties whatsoever.

The necessary documents in Turkey are:

(1) The Certificate of Origin-Consular Invoice: This document (printed form) is a consular invoice worded so as to be a simple certificate of origin by declaring that the goods are of United States origin. The form must be made out in duplicate, in English. Both copies must be certified by a chamber of commerce or other trade organization (the Merchant's Association of New York performs this service for New York), or by a notary public, and must then be visaed by the Turkish Consul General at New York, Chicago, or Boston.

The Consul will retain one copy and return the original to the shipper. As the document must be certified by a chamber of commerce, or by a notary public, a copy may be required for the chamber's or the notary's files. The shipper, therefore, might prepare the combined form in triplicate.

No erasure or corrections whatever are permitted in the certificate of origin-consular invoice. This document must contain the following information: name and address of the shipper; name and address of the consignee; number of packages comprising the shipment; type of containers; markings on containers; net and gross weights of the shipment in kilograms; route by which shipment is made (rail, sea, parcel post); the f.a.s. or f.o.b. steamer value at time of export, in United States currency; and a complete and accurate description of the goods and composite materials according to the classification of the Turkish customs tariff.

(2) Bill of lading — two copies.

(3) Commercial invoice — one original and two copies. This should carry the following clarification, duly signed and certified: "We hereby certify that this is the first and original copy of our invoice, the only one issued by our firm for the goods herein mentioned." The commercial invoice does not require consular visa, but must be presented at the Turkish Consulate with the combined form; the Consul retains a copy of the commercial invoice for his records.



(4) When there is not a complete transformation, and the merchandise has been merely manipulated or processed, the value of the goods must have been increased as the direct result of such processing by at least 33 percent of its cost price at the time and place of importation. When calculating this increase, only the normal cost of the processing involved may be considered, excluding customs duties, freight, cartage, insurance, etc.

Letters of correction are required only when a change in the value is involved. However, if the change of the f.a.s. value increases so that the consular fee additionally involved exceeds \$3.60, a new certificate of origin-consular invoice is required. Letters of correction must be in duplicate, addressed to the purchaser, signed, notarized, and certified by a county clerk. The following consular fees are charged:

*For legalizing the combined certificate of origin-consular invoice:*

Shipments valued up to \$36.00: no charge.

Shipments valued over \$36.00 to \$3,600:  $\frac{1}{2}$  of 1 percent of the f.a.s. steamer value.

Shipments on balance over \$3,600:  $\frac{3}{10}$  of 1 percent of the value in excess of that amount.

*For legalizing letter of corrections:* \$3.60.

Uncertified invoices are subject to a fine; and in order to clear goods from customs, the consignee is required to make a deposit equal to 10 per cent of the value of the goods pending the arrival of the certified invoice.

(5) Sanitary and other inspection certificates are necessary for certain specific items; but in such cases the consignee usually stipulates it in the contract, or informs the exporter, before shipment.

Corrections and/or erasures are not permitted on any shipping documents, and such will be returned to the consignors by banks in Turkey.

The description of the goods on the certificate of origin and the bill of lading should correspond exactly to the description on the commercial invoice.

“FOA” shipments do not require Consular Certification. For further information regarding commercial shipments see “Exporters Encyclopedia” under “Turkey.”

## (b) INSURANCE

Insurance should cover transit from the seller's warehouse to the buyer's warehouse; if that is not possible, coverage should extend for a period of thirty days after landing against the risk of fire. Coverage must be on c.i.f. value. Luxury goods that are small in volume but great in value are usually insured against pilferage too.

## PACKING AND STORAGE

Goods should be well and strongly packed to avoid damage from rough handling in loading and transit. Instructions about packing given by customers and importers should be followed.

Great care must be taken in the correct description of the goods. Merchandise arriving at Turkish Customs is subject to examination and analysis, and if the description does not conform with the truth, very heavy fines (sometimes exceeding the value of the goods) are imposed. For example, cotton textiles containing silk or rayon yarn should be so described, no matter how small the percentage of silk or rayon: the exact percentage must be cited. The same principle applies to the declaration of weight and value. To avoid difficulties, the consignor should be meticulously exact, and allow no margin of error.

Markings on the packages should be very clear and, if necessary, numbered. It is also advisable to mark each case with the gross weight, as otherwise the weight of a number of similar packing cases is sometimes averaged — that is, one case is weighed and that weight is multiplied by the number of cases. This might result in the levying of a higher aggregate duty than necessary. In cases where the merchandise is destined for a point in Turkey other than the port of entry, shipment should be made on a through bill of lading. Packages of merchandise and pertinent bills of lading for shipments in transit through Turkey must bear the indication "In Transit." Unless bills of lading and packages are marked "In Transit", all goods shipped to Istanbul must be cleared through the customs and full duty paid. If marked "In transit," however, the goods may either be cleared for entry upon payment of duty, or reshipped without payment of duty, at the option of the importer.

Declaration of intent to clear goods through the customs may be made at any time within the period during which goods are held in the customs depots or warehouses. Goods may remain in the



Turkish customs depots for 1 year, and in customs warehouses (entrepots) for 3 years, subject to warehouse fees. These periods may be extended in exceptional cases at the discretion of the Council of Ministers. Articles warehoused at the time of importation and declared for reexportation within a stated time are free of duty.

Istanbul warehouses have a capacity of 84,016 metric tons of covered and 10,690 tons of open storage; this is being augmented by the addition of 93,000 square feet of warehouse facilities at Haydarpasha and Salipazari. Loading and unloading of vessels anchored off-shore is generally effected by lighters.

In Izmir, warehousing facilities are ample; loading and unloading is again by lighters. However, port improvement projects at Alsancak in Izmir (scheduled for completion by late 1957) include the construction of one 2,265-foot pier for the simultaneous accommodation of four 10,000-ton ships, one 798-foot quay for the berthing of two 4,000-ton vessels, and transit warehouse facilities totalling 14,370 sq. feet in floor space.

At Iskenderun, there are both government and private warehouses with a total capacity of 103,000 sq. feet of covered space.

In Mersin, there are some 50 warehouses with a total capacity of 83,000 tons; construction now under way will provide simultaneous harbor accommodation for ten ships of 10,000 tons each or fifty vessels of 600 tons apiece. Loading and unloading facilities will be capable of handling an annual day-shift volume of 800,000 tons of grain, 200,000 tons of minerals, and 50,000 cubic metres of lumber.

Both Trabzon and Samsun have customs and transit warehouses. Installations under construction at Samsun include 15,000 feet of breakwaters and facilities for handling 350,000 tons of commercial cargo, 450,000 tons of cereals, and 200,000 tons of coal.

## **CUSTOMS DUTIES**

Customs duties in Turkey are assessed on the 'ad valorem' system, in accordance with Law No. 6290 which went into effect on June 7, 1954, to replace the former method of imposts based on weight.

The new Customs classification is based on the standardized international nomenclature formulated by the European Customs Union at Brussels. There are 21 categories comprising 99 sections and a total of 1301 paragraphs and subparagraphs, of which 1096 cor-

respond exactly to those of the international list by which contracting countries of the Brussels Agreement are required to abide. The additional 205 sub-paragraphs were devised to meet Turkey's own requirements.

Duty tariffs have been scaled in accordance with Turkey's specific and most urgent needs. For example:

(1) Duty-free entry is provided for some 30 types of imports, including certain kinds of chemical and medical supplies essential to public health, x-ray apparatus and parts, artificial limbs, educational materials, antiques of historical value, etc.

(2) Raw materials, heavy production equipment, scientific and technical apparatus, steam-powered machinery, certain chemicals and medicinal drugs, means of transportation by air or water, etc., are liable to a tariff varying from 5 to 10%.

(3) Customs duties on semi-manufactured items, and on specified items also considered essential or useful for Turkey may be assessed at from 15 to 25%.

(4) Tariffs are higher on products considered non-essential to Turkey's economic and industrial development; and also on products that are similar to the output of industries already fully or semi-established in Turkey. These categories include all kinds of candies, silks, cottons, woolens, glass, ceramics, iron, paper, etc.

The new Customs tariff has effected no change in the duties to be paid on goods that were specifically mentioned in Turkey's existing trade agreements with various countries.

## **BANKS**

The Central Bank of the Republic of Turkey has the sole right of issuing paper money; it also controls all exchange operations, acts as a fiscal agent for the government, and as a central bank for commercial banks.

The two largest commercial banks in the country are the "Is Bankasi" (meaning Business Bank) and the "Ziraat Bankasi" (meaning Agricultural Bank).

The "Is Bankasi" has 116 branches in various parts of the country; and its main function is commercial banking. The "Ziraat Bankasi" is mainly concerned with assistance to agricultural production. However, it does a lot of commercial work, and is involved in the export business. It has 240 branch offices throughout Turkey.



More recently the "Garanti Bankasi" (meaning Security Bank) and the "Yapi ve Kredi Bankasi" (meaning Construction and Credit Bank) have come into prominence in foreign trade transactions. They have branch offices in Ankara and Istanbul. Both privately owned, they can be counted on for efficient service. Expanding economic activity has also brought some twenty other banks into greater prominence.

There are several foreign banks that do business in Turkey. Among these the English-French owned Ottoman Bank has the most extensive service in Turkey, with 61 branch offices throughout the country.

American businessmen are invited to address themselves for credit references to any of these banks. Simply address (Is Bankasi, Istanbul, Turkey) or (Garanti Bankasi, Istanbul, Turkey). For others, merely write the name of the bank, and add to it the name of the city in Turkey.

Leading American banks in major trading centers like New York, Philadelphia, Chicago, and other U. S. cities maintain close correspondent relations with all of the commercial banks in Turkey. Thus inquiries about trading with Turkey and Turkish firms could also be handled through the intermediary of these American banks which can undertake the collection of documents through their Turkish correspondents.

The Industrial Bank of Turkey, whose purpose is to finance the promotion and development of private industrial enterprises is the best source for American investors who would like to get some financial and commercial information about their investment problems in Turkey through private channels. This bank operates in close cooperation with the World Bank (Address: Industrial Bank of Turkey, Anadolu Han, Galata, Istanbul, Turkey).

### **COLLECTION OF DEBTS**

Banks could undertake the collection of invoices for American exporters. According to import regulations in Turkey, the consignee cannot collect his documents from the bank until he has deposited the equivalent in Turkish liras of the invoice value. Thus, except in cases of goods sent on consignment, the risk of default is practically non-existent.

Although the collection of debts can be effected through the banks, it is always advisable for United States exporters and importers to have on the spot their local agents or representatives for the development of closer contacts and for the expansion of business. Names of possible agents and representatives, and credit information about them, could be obtained through banking channels, as well as through the other sources indicated on following pages.

Ankara is the center for government business; but for consumer goods, agents or representatives in Istanbul, Izmir, Mersin, Adana, Samsun, Trabzon, etc., would keep the foreign businessman well informed about local market conditions.

### **HOW TO BID ON GOVERNMENT CONTRACTS**

American suppliers and contractors who would like to participate in Government bids are required to submit a letter of guarantee in Turkish Liras representing 3 to 7½% of the estimated cost of the contract (Performance Bond). These letters of guarantee can be furnished by Turkish commercial banks at the request of their American correspondents. Since leading commercial banks in New York, Chicago and Philadelphia and other large cities have correspondents in Turkey, contractors desiring to establish such letters of guarantee should contact these banks personally or through their local banks. With the letters of guarantee the supplier or the contractor undertakes to supply to the Government in accordance with his offer the goods and services for which bids are sought. The supplier further undertakes that in case he is a successful bidder he will modify the terms of his letter of guarantee by doubling the amount originally involved. The letters of guarantee of the unsuccessful bidders are promptly returned to the banks that have issued them. For further information the Financial Counselor's Office of the Turkish Embassy at Washington, D. C., should be contacted.

### **SAMPLES**

Samples of no commercial value are admitted into Turkey free of duty. There is a law that defines the items that may be imported as samples.

Samples of no commercial value can be sent by post. But the weight of any one package must not exceed 500 grammes and should



be clearly marked, "Sample of no value". Packing should be in such manner as will facilitate postal or customs examination. There is nothing to prevent the inclosure of samples in commercial shipments of other goods, but they should be separately itemized in the invoice.

As to commercial travellers with samples of commercial value, when making their declaration to the Turkish Customs they must submit in triplicate a list describing in detail the samples or patterns they want to import into Turkey. To facilitate their identification at the time of re-exportation, the Turkish Customs will stamp or seal such samples. Then the traveller has to deposit in cash, or in the form of a bank guarantee, the total amount of the assessed duty which is rated on the basis of regular commercial shipments. In return, he is given a receipt and a certified copy of one of the descriptive lists of his samples.

On leaving the country, the samples or patterns accompanied by the descriptive list are presented to the Customs Office and, after examination, refund is made of the full amount of the taxes and duties deposited on entry; or the bank guarantee is cancelled.

Samples and patterns imported in this manner must be re-exported within a year, or permission must be requested for a prolongation of the period. After the expiration of twelve months they can, also, be placed in bond.

Movie films, automobiles, and motor cycles cannot be imported as samples.

## **TRADE MARKS AND PATENTS**

Trade marks and patents are protected by law in Turkey. Registration for trade marks is according to the Trade Mark Law of 11th May 1888, and for patents according to Patent Law of 23rd March 1879. Registered patents are valid for 15 years, but if the patent is registered in another country validity is determined by the duration allowed by the other country. Trade marks are, also, valid for 15 years. However, they are renewable for another period of 15 years before expiration. In practice, foreign trade marks and patents are registered through patent agents in Turkey. These should be supplied with power of attorney which should be notarially attested and legalized by a Turkish Consul.

# SOURCES OF INFORMATION ON TRADE WITH TURKEY

## SOURCES IN U.S.A.



(a) *Turkish*: The Turkish Embassy in Washington, D.C. has a Commercial and Financial Counsellor (Commercial Counsellor to the Turkish Embassy, 2523 Massachusetts Ave., NW, Washington 8, D. C., Financial Counsellor, 1700 Webster Street NW, Washington, D. C.) In New York there is the Turkish Commercial Attache (20 Exchange Place, New York City.) These are especially designated and equipped

to provide commercial and economic information to American businessmen. The Turkish Information Office, 444 East 52nd St., New York 22, N. Y., can, also, help with answers to general questions with regard to Turkey.

(b) *American*: The U. S. Dept. of Commerce has an extensive service of information concerning all aspects of foreign trade.

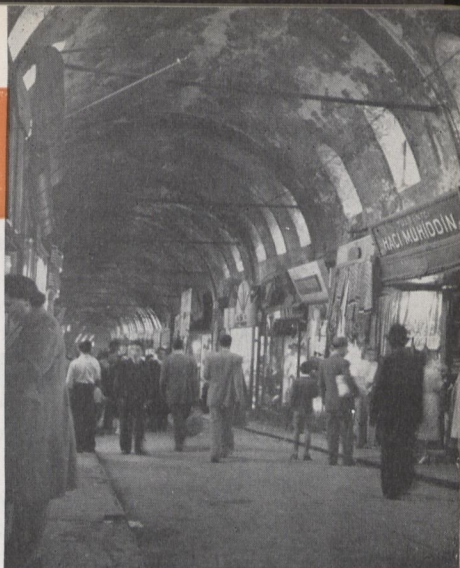
The Office of International Trade, Washington, D. C., and the field offices of the Dept. of Commerce, located in the principal cities of the United States, provide trade lists of importers and exporters operating in all countries. These firms, comprising about 6,500 names and addresses, are listed by the type of commodity imported, according to U. S. Foreign Operations Administration code description and also according to the Dept. of Commerce. The World Trade Directory Reports of the Dept. of Commerce contain information relative



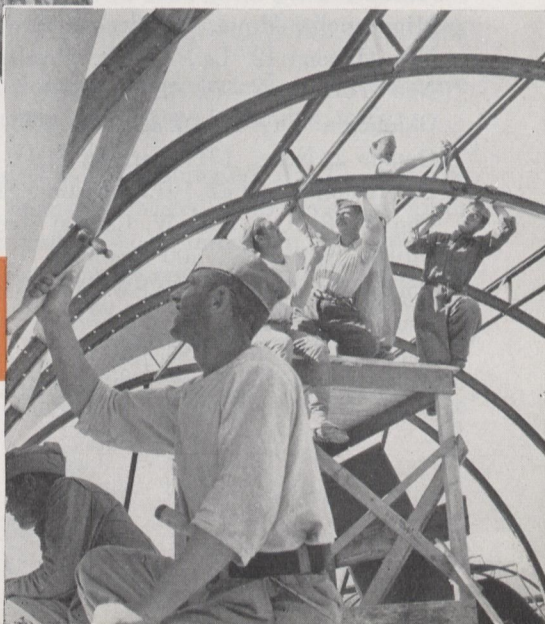
to the financial standing and reputation of foreign firms. The field officers of the Department of Commerce are located in the following cities:

Albuquerque, N. Mex., 203 W. Gold Ave.  
Atlanta 1, Ga., 50 Whitehall St. SW  
Baltimore 2, Md., 103 S. Gay St.  
Boston 9, Mass., 2 India St.  
Buffalo 3, N. Y., 117 Ellicott St.  
Butte, Mont., 14 W. Granit St.  
Charleston 3, S. C., 18 Broad St.  
Cheyenne, Wyo., 304 Federal Office Bldg.  
Chicago 4, Ill., 332 S. Michigan Ave.  
Cincinnati 2, Ohio, 105 W. Fourth St.  
Cleveland 14, Ohio, 925 Euclid Ave.  
Dallas 2, Tex., 114 Commerce St.  
Denver 2, Colo., 828 Seventeenth St.  
Detroit 26, Mich., 230 W. Fort St.  
El Paso 7, Tex., 310 San Francisco St.  
Hartford 1, Conn., 135 High St.  
Houston 14, Texas, 602 Federal Office Bldg.  
Jacksonville 1, Fla., 311 W. Monroe St.  
Kansas City 6, Mo., 911 Walnut St.  
Los Angeles 12, Calif., 312 North Spring St.  
Louisville 2, Ky., 631 Federal Bldg.  
Memphis 3, Tenn., 229 Federal Bldg.  
Miami 32, Fla., 36 N.E. First St.  
Milwaukee 1, Wis., 517 E. Wisconsin Ave.  
Minneapolis, Minn., 401 Second Ave S.  
New Orleans 12, La., 333 St. Charles Ave.  
New York 4, N. Y., 42 Broadway  
Oklahoma City 2, Okla., 102 N.W. Third St.  
Omaha 2, Nebr., 1319 Farnam St.  
Philadelphia 6, Pa., 1015 Chestnut St.  
Phoenix 8, Ariz., 234 W. Central Ave.  
Pittsburgh 19, Pa., 700 Grant St.  
Portland 4, Oregon, 520 SW Morrison St.  
Providence 3, R. I., 24 Weybosset St.  
Reno, Nev., 118 W. Second St.  
Richmond 19, Va., 801 E. Broad St.

*Shopping in the  
Grand Bazaar, Istanbul*



*Grapes ready  
for the Winery*



*Turkey Builds  
Many New Airports*



St. Louis 1, Mo., 114 Market St.  
Salt Lake City 1, Utah, 350 S. Main St.  
San Francisco 11, Calif., 555 Battery St.  
Savannah, Ga., 125-29 Bull St.  
Seattle 4, Wash., 909 First Ave.

On any special problems of small business dealing with Foreign Operations Administration financing, the American businessman may also address inquiries to the Office of Small Business, Foreign Operations Administration, 800 Conn. Ave., N.W., Washington 25, D.C., or if in Europe, may address inquiries to the Special Adviser on Small Business to the U. S. Special-Representative in Europe, 2 Rue St. Florentin, Paris, France. Both of these offices have information of a general and specific nature on the FOA program, with particular reference as to the place of American small business in that program.

Lists of importers and dealers in Turkey, classified by commodity, and similarly classified lists of manufacturers and exporters, may be purchased for \$1.00 per commodity list from the Intelligence and Services Division, Office of International Trade, Dept. of Commerce, Washington 25, D. C., or from any of the Department's field offices.

Leading American banks which maintain close correspondent relationships with all of the commercial banks in Turkey are a good source of information on problems arising in trade between the two countries; and in particular they could advise on: general conditions in Turkey; governmental import and exchange regulations; credit information on Turkish firms; sources of supply and names of prospective distributors.

## **SOURCES OF INFORMATION IN TURKEY**

First there is the Ministry of Economy and Commerce (Ticaret ve Ekonomi Bakanligi, Ankara, Turkey). For specific information there are the Chambers of Commerce in the leading cities of Turkey. Address your letter simply to: Ticaret Odasi Baskanligi (meaning Chamber of Commerce) and add the name of the city. Then in Istanbul, Izmir and Mersin (the three main export centers of the country) there are the exporters' and importers' associations. For detailed information on imports into Turkey you could write to these organizations. Address your letter to Ithalatcilar Birligi Umumi

Katibligi (meaning General Secretary, Importers' Association) and add the name of the city, Istanbul, Izmir, or Mersin. For exports from Turkey, address to (Ihracatçılar Birliği Umumi Katibligi), and add the name of the city concerned (Izmir, Istanbul, or Mersin).

There are also specialized associations for the more important exports of the country. Concerning these commodities it is advisable to write directly to these associations. Their full addresses are given below:

Tobacco: Tutunculer Birliği, Istanbul, Turkey.

Hazel Nuts: Fındık Ihracatçileri Birliği, Giresun, Turkey. (It has a branch office in Istanbul).

Figs and Raisins: Türkiye Kuru Meyve Ihracatçileri Birliği, Izmir, Turkey.

Cotton: Pamuk Ihracatçileri Birliği, Mersin, Turkey.

Silks and Cocoons: Koza Tarım Satis Kooperatifleri Birliği, Bursa, Turkey.

Fresh Fruits and Vegetables: Yas Meyve ve Sebze Kooperatifleri Birliği, Istanbul, Turkey.

Pistachios: Antep Fıstığı Tarım Satis Kooperatifleri Birliği, Gaziantep, Turkey.

Wines, Liqueurs, Cigarettes: Tekel Genel Mudurlugu, Istanbul, Turkey.

Mohair and Wool: Türkiye Tiftik ve Yapagi Ihracatçılar Birliği, Istanbul, Turkey.

### **AMERICAN SOURCES IN TURKEY**

There are, also, several American sources in Turkey under the American Embassy in Ankara that can provide specific information concerning trade with Turkey. The addresses of these American agencies are:

#### **ANKARA**

1. American Embassy, 243 Ataturk Blvd. Phone: 25050.
2. U. S. Information and Education Office, 223 Ataturk Blvd. Phone: 25400.
3. Foreign Operations Administration, 371 Ataturk Blvd. Phone: 25030.



## ISTANBUL

1. American Consulate General, Istanbul, Beyoglu, Mesrutiyet Caddesi. Phone: 44980.
2. U. S. Information and Education Office, Istiklal Caddesi. Phone: 24416.

## IZMIR

1. American Consulate, No. 4, Fevzi Pasa Blvd. Phone: 2694.
2. U. S. Information and Education Office, 186 Ataturk Blvd. Phone: 5917.

## LEGAL ADVICE

Individuals or firms seeking advice on legal matters arising in Turkey should address themselves to any of the Turkish Agencies in the United States listed above.

For matters that require professional services along this line the Bars of Istanbul, Ankara and Izmir could be approached with a request to have them designate an attorney or legal counsellor.

## ADVERTISING



The press constitutes the most widely used means of advertising. There are a number of trade papers for specialized advertising, but the daily press offers the most effective and widest medium of reaching the public. Advertising in the leading papers of Istanbul and Ankara would reach a nationwide readership. But papers in leading cities like Izmir, Adana, Mersin, Samsun, and Trabzon have been gaining

influence; and if advertisements in the national press of Ankara and Istanbul are supported by local insertions their value to the advertiser would increase tremendously. The list and the circulation figures of Turkish newspapers can be obtained from the Turkish Information Office in New York. The cost of advertising varies between \$0.40 and \$1.40 per centimetre per column, depending on the importance, city, and circulation of the paper.

### THE RADIO

The main radio stations, one in Ankara and one in Istanbul, service the whole of Turkey. The one in Ankara operates on short and long-wave lengths and the one in Istanbul only on the medium waves. Advertising on the radio began only in 1951; but there are over 316,000 sets in Istanbul alone, and radio should be considered as a very important medium of advertising.



Regulations governing radio commercials require them to be (1) in Turkish, (2) of a non-political nature, (3) ethical, (4) not longer than one minute in the case of verbal announcements and commercials, (5) not less than five or longer than 15 minutes in the case of musical or dramatized programs.

Advertisers and sponsors may deputize the regular announcers at Radio Ankara or Radio Istanbul to read their verbal commercials (see 4 above), or may have such spoken commercials transcribed on discs by persons of their own choice.

Musical or dramatized programs (see 5 above) must be transcribed on discs and submitted to the radio station for broadcast at the appointed time. The same program may not be repeated before a lapse of six months.

The studio and recording facilities of Radio Ankara and Radio Istanbul, and the services of certain categories of their technical, musical, or dramatic personnel, may be utilized in the preparation of transcriptions. Such personnel, whose fees will be defrayed by the advertiser, may be employed outside their normal working hours.

## ADVERTISING RATES

### *Verbal announcements and commercials (max: 1 minute)*

Between 12:30— 1:30 PM local time: \$27	} per ten words of text, or fraction thereof
Between 6:00— 8:00 PM local time: \$45	
Between 8:00—10:45 PM local time: \$36	

### *Musical or dramatized programs:*

Between 12:30 — 1:30 PM local time	5 minutes	\$249
	10 minutes	\$355
	15 minutes	\$462
Between 6:00 — 8:00 PM local time	5 minutes	\$284
	10 minutes	\$462
	15 minutes	\$604
Between 8:00 — 10:45 PM local time	5 minutes	\$355
	10 minutes	\$533
	15 minutes	\$710

*Recording of Verbal Announcements and Commercials (Max.: 1 minute)* \$18.

*Recording of Musical or Dramatized Programs:*

5 minutes	\$36
10 minutes	\$44
15 minutes	\$54

**OTHER MEDIA**

Neon lights are being used more and more in cities like Istanbul, Ankara, and Izmir. Many import firms circulate printed matter such as leaflets, calendars, and diaries. The screen is one of the most widely used media for advertising toilet articles and medicines.

Advertising literature should be printed in Turkish. Descriptions of the weight and size of the article should be based on the metric system.

Care must be taken to send advertising literature as printed matter in wrappings left open at both ends. This will provide for duty-free entry. Packages should not weigh more than 2 kilos each and not exceed 60 centimetres in length. In the case of large single catalogs, a maximum of three kilos is allowed. Literature packed along with merchandise is liable to duty.

*Istanbul*





## List of Publications

### GENERAL:

Turkey for the Best (travel)  
Uncle Sam in Turkey  
An American Looks at Turkey  
The Road Comes to the Village  
Our Trip to Turkey  
Facts on Turkey  
Turkish Recipes  
New Turkey  
Turks in Retrospect  
Aspects of Turkey  
Economic Development of Turkey  
President Celal Bayar of Turkey (Biography)  
President Celal Bayar's Speeches in the U. S.  
Law for the Encouragement of Foreign  
Investment in Turkey

### TURKEY TODAY SERIES:

Mineral Resources in Turkey  
Education in the New Turkey  
Self-Government in Turkey  
Women in Modern Turkey  
Courts of Justice in Turkey  
Modern Turkish Literature  
Modern Turkish Poetry  
The Turkish Constitution  
Turkish Music  
Health and Social Welfare in Turkey  
Turkey's Foreign Relations in 1952  
Progress Report from Turkey, 1952  
Progress Report from Turkey, 1953

### FOLDERS:

Picturesque Turkey  
Istanbul  
Quiz Yourself on Turkey  
Izmir, Garden of the Gods  
Turkish Itineraries

### FILM STRIPS, ON LOAN:

Modern Turkey (with manual)  
Gülen of Turkey (color — on loan)  
Turkish Farm Family (on loan)

### MAPS AND POSTERS

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