Dear G20 leaders,

Ahead of the G20 Summit in Antalya, the signatories of this letter – representing several different industry sectors – would like to express their support for your engagement in creating a 'momentum for trade opening'.  We believe that global trade has the potential to strengthen economic and social growth for G20 countries and beyond.

Against this framework and in line with the recommendations of the B20 calling for a  "roll-back of existing protectionist measures", we would like to bring to your attention our growing concerns regarding the hardening of trade conditions imposed on economic operators when trading in Turkey.

Over the past few years Turkey has taken a protectionist stance by adopting a series of tariffs and non-tariff measures to harm imports that are not only a violation of the provisions of the Customs Union created between the EU and Turkey, and in some cases of WTO provisions, but that also create significant additional costs. These are applied across several sectors including manufacturing, apparel, footwear, toys, textiles, chemicals, pharmaceuticals, steel, imports of beef and alcoholic spirits and banking and distribution services. New protectionist measures are soon to be adopted in additional sectors such as ICT and electronics.

We refer by way of example to formalities imposed that delay custom clearance and increase the cost of importing, and also note recent measures aiming to artificially inflate the customs value of imported materials that seemingly favour the use of local products for manufacturing in Turkey.  Turkish companies' solutions also have an approximate 15% price advantage in public procurement contracts, which leads to unfair competition.

We understand and support Turkey's desire to develop its local industry. However, we also believe that this objective would be better served by the creation of a fair, open and non-discriminatory business environment that is in full compliance with the EU-Turkey Customs Union and with the World Trade Organisation rules. Turkey itself seems to support this approach under its current G20 Presidency. However, the measures adopted by the Turkish government seem to lead in the opposite direction.

The attempts to tackle these measures on technical grounds have been only partially successful, more often resulting in significant cost increases for companies doing business in Turkey.

Trade between the EU and Turkey is highly important for both parties but is at risk if Turkey continues to operate under a protectionist regime. We are of the opinion that the European Institutions and the Member States need to raise their diplomatic and political efforts towards the Government of Turkey, and demand the removal of the measures harming EU and foreign trade.

In this context, the EU should leverage the negotiations on the Customs Union to obtain concrete signs from the Government of Turkey of its commitment to refrain from trade restrictive measures, tariff barriers and non-tariff measures that are in direct conflict with the EU-Turkey Customs Union and GATT agreement. We fully support quick and ambitious negotiations toward a modernised customs union that should release the untapped economic potential of areas like services, agriculture and government procurement, as stated in the recent EU Trade Policy Strategy. We encourage appropriate consultation with the private sector during this process.

Moreover, we would urge European leaders – as highlighted by President of the European Commission Jean-Claude Juncker and President of the European Council Donald Tusk - to build the momentum for trade opening at the G20 in Antalya in order to keep pressure on all members – and in particular Turkey - to remove the protectionist measures put in place for the wrong reasons.

We believe that only if G20 governments commit to refrain from imposing protectionist measures will trade benefit all, as set out by the European Commission in its strategy.