



## Safeguard Questionnaire (Exporter)

### Safeguard measure on certain steel products

#### Case: TF0006

Period of Investigation (POI):	01 January 2013 – 31 December 2017
Most Recent Period (MRP):	01 January 2018 – 30 June 2020
Deadline for response:	7 December 2020
Case team contact:	Imogen Yapp, Lead Investigator, TF0006@traderemedies.gov.uk
Completed on behalf of:	Çayırova Boru Sanayi ve Ticaret A.Ş.

When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

☐ Confidential

☒ Non-Confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** – a **Confidential** and a **Non-Confidential version**. Both copies should be returned to TRID using the Trade Remedies Service ([www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk)).



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## The scope of this review

### Goods subject to review

The goods subject to review in this transition review are detailed in the following table<sup>1</sup>:

Product category number	Product category	Commodity codes
1	Non-Alloy and Other Alloy Hot Rolled Sheets and Strips	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 00, 7208 38 00, 7208 39 00, 7208 40 00, 7208 52 10, 7208 52 99, 7208 53 10, 7208 53 90, 7208 54 00, 7211 13 00, 7211 14 00, 7211 19 00, 7212 60 00, 7225 19 10, 7225 30 10, 7225 30 30, 7225 30 90, 7225 40 15, 7225 40 90, 7226 19 10, 7226 91 20, 7226 91 91, 7226 91 99
2	Non-Alloy and Other Alloy Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 20, 7209 90 80, 7211 23 20, 7211 23 30, 7211 23 80, 7211 29 00, 7211 90 20, 7211 90 80, 7225 50 20, 7225 50 80, 7226 20 00, 7226 92 00
4A	Metallic Coated Sheets	TARIC Codes: 7210 41 00 20, 7210 49 00 20, 7210 61 00 20, 7210 69 00 20, 7212 30 00 20, 7212 50 61 20, 7212 50 69 20, 7225 92 00 20, 7225 99 00 11, 7225 99 00 22, 7225 99 00 45, 7225 99 00 91, 7225 99 00 92, 7226 99 30 10, 7226 99 70 11, 7226 99 70 91, 7226 99 70 94
4B	Metallic Coated Sheets	CN Codes: 7210 20 00, 7210 30 00, 7210 90 80, 7212 20 00, 7212 50 20, 7212 50 30, 7212 50 40, 7212 50 90, 7225 91 00, 7226 99 10  TARIC codes: 7210 41 00 30, 7210 41 00 80, 7210 49 00 30, 7210 49 00 80, 7210 61 00 30, 7210 61 00 80, 7210 69 00 30, 7210 69 00 80, 7212 30 00 80, 7212 50 61 30, 7212 50 61 80, 7212 50 69 30, 7212 50 69 80, 7225 92 00 80, 7225 99 00 23, 7225 99 00 41, 7225 99 00 93, 7225 99 00 95, 7226 99 30 90, 7226 99 70 19, 7226 99 70 96
5	Organic Coated Sheets	7210 70 80, 7212 40 80
6	Tin Mill products	7209 18 99, 7210 11 00, 7210 12 20, 7210 12 80, 7210 50 00, 7210 70 10, 7210 90 40, 7212 10 10, 7212 10 90, 7212 40 20
7	Non-Alloy and Other Alloy Quarto Plates	7208 51 20, 7208 51 91, 7208 51 98, 7208 52 91, 7208 90 20, 7208 90 80, 7210 90 30, 7225 40 12, 7225 40 40, 7225 40 60
12	Non-Alloy and Other Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 71, 7214 99 79, 7214 99 95, 7215 90 00, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 00, 7228 10 20, 7228 20 10, 7228 20 91, 7228 30 20, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 20, 7228 60 80, 7228 70 10, 7228 70 90, 7228 80 00
13	Rebars	7214 20 00, 7214 99 10

<sup>1</sup> Please note that the list uses the same category numbers and category names as EU Regulation 2019/159 for those goods subject to review within this Transition Review. Product categories 3, 8, 9, 10, 18, 22, and 24, will not be transitioned and are therefore excluded from the list.



14	Stainless Bars and Light Sections	7222 11 11, 7222 11 19, 7222 11 81, 7222 11 89, 7222 19 10, 7222 19 90, 7222 20 11, 7222 20 19, 7222 20 21, 7222 20 29, 7222 20 31, 7222 20 39, 7222 20 81, 7222 20 89, 7222 30 51, 7222 30 91, 7222 30 97, 7222 40 10, 7222 40 50, 7222 40 90
15	Stainless Wire Rod	7221 00 10, 7221 00 90
16	Non-Alloy and Other Alloy Wire Rod	7213 10 00, 7213 20 00, 7213 91 10, 7213 91 20, 7213 91 41, 7213 91 49, 7213 91 70, 7213 91 90, 7213 99 10, 7213 99 90, 7227 10 00, 7227 20 00, 7227 90 10, 7227 90 50, 7227 90 95
17	Angles, Shapes and Sections of Iron or Non-Alloy Steel	7216 31 10, 7216 31 90, 7216 32 11, 7216 32 19, 7216 32 91, 7216 32 99, 7216 33 10, 7216 33 90
19	Railway Material	7302 10 22, 7302 10 28, 7302 10 40, 7302 10 50, 7302 40 00
20	Gas pipes	7306 30 41, 7306 30 49, 7306 30 72, 7306 30 77
21	Hollow sections	7306 61 10, 7306 61 92, 7306 61 99
25.A	Large welded tubes	7305 11 00, 7305 12 00
25.B	Large welded tubes	7305 19 00, 7305 20 00, 7305 31 00, 7305 39 00, 7305 90 00
26	Other Welded Pipes	7306 11 10, 7306 11 90, 7306 19 10, 7306 19 90, 7306 21 00, 7306 29 00, 7306 30 11, 7306 30 19, 7306 30 80, 7306 40 20, 7306 40 80, 7306 50 20, 7306 50 80, 7306 69 10, 7306 69 90, 7306 90 00
27	Non-alloy and other alloy cold finished bars	7215 10 00, 7215 50 11, 7215 50 19, 7215 50 80, 7228 10 90, 7228 20 99, 7228 50 20, 7228 50 40, 7228 50 61, 7228 50 69, 7228 50 80
28	Non-Alloy Wire	7217 10 10, 7217 10 31, 7217 10 39, 7217 10 50, 7217 10 90, 7217 20 10, 7217 20 30, 7217 20 50, 7217 20 90, 7217 30 41, 7217 30 49, 7217 30 50, 7217 30 90, 7217 90 20, 7217 90 50, 7217 90 90

Any reference to the goods subject to review refers to the product categories and CN codes covered in the table above.

Please refer to the Notice of Initiation on the case file for the countries that are exempt from the existing safeguard measure.

## Like goods

This questionnaire also asks for information about goods which are **like** the goods subject to review. Any reference to '**like goods**' in this questionnaire refers to goods produced in the UK which are like the goods subject to review in all respects, or with characteristics closely resembling them.

## Directly competitive goods



**‘Directly competitive goods’** are goods produced in the UK which are directly competitive with the goods subject to review.

This can include goods that are not only similar to the goods subject to review, such as a different type or variety, but also includes goods that occupy a position of direct competition with the goods subject to review. A directly competitive good may be one that is substitutable with the goods subject to review.

**When you are completing this questionnaire, please follow the instructions for each question to provide the appropriate information regarding the goods subject to review and the like or directly competitive goods by product category.**



# Instructions

## Introduction

The Trade Remedies Investigations Directorate (TRID) of the UK's Department for International Trade will be carrying out a transition review of each trade remedy measure active under the EU system that the UK has decided to maintain after EU exit. This transition review will consider whether the existing safeguard measure is necessary to address the increase in imports and whether there would be injury to the UK industry if the measure was removed. The transition review will also consider whether the existing safeguard measure should be extended.

We are seeking your cooperation as a foreign exporter to inform our review of whether the existing safeguard measure should be maintained, varied, discontinued and/or extended. The information your company provides will help us to determine a fair and appropriate response.

As specified on the front page of this questionnaire, the POI covers the same period as the EU steel safeguards case (January 2013 – December 2017). The data requested in this questionnaire for the POI will be used to make a recommendation on whether the existing safeguard measure should be transitioned. The MRP covers the period following the POI (January 2018 – June 2020). The data requested in this questionnaire for the MRP will be used to make a recommendation on whether the existing safeguard measure should be reduced or extended.

If you are an exporter of the goods subject to review to the UK but do not produce these goods, please complete Annex I, as well as sections of the questionnaire you are reasonably able to answer. Furthermore, please provide the case team with contact details for the producing company of the goods subject to review.

Please provide all the information requested by **21 November 2020**. We may need to issue a deficiency notice if we determine that the information supplied in the questionnaire is incomplete or inadequate. We may also send a notice requesting clarification or supplementary information if necessary.

Please note that if you do not provide a confidential version and a non-confidential summary (or a statement of reasons why you cannot provide this), TRID may disregard the information you give us. The following section provides further information on what you need to do.

If you are unable to complete the questionnaire within the required time, please contact the case team ahead of the deadline using the contact details on the cover of this questionnaire. You should outline the length of extension required and the reasons why. **Due to the restricted timeframe of this transition review, the case team's ability to grant extensions is very limited.** We will notify you of our decision. If we are able to accommodate an extension, a note to explain this will be placed on the public file.



Please also contact the case team if you have any questions about your response or if you have any difficulties in completing the questionnaire. For general information about trade remedies processes, please visit the following website:

[www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process](http://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process).

TRID investigates cases under the specific provisions in Part 9 of *The Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019* as amended by the *Trade Remedies (Amendment) (EU Exit) Regulations 2019* and under the *Taxation (Cross-border Trade) Act 2018*.

## Preparing confidential and non-confidential copies

You will need to submit one confidential version and one non-confidential version of your questionnaire and the corresponding spreadsheet annexes by the deadline.

**Please ensure that each page of information you provide is clearly marked either “Confidential” or “Non-Confidential” in the header.** It is your responsibility to ensure that the non-confidential version does not contain any confidential information.

Further information on what can be considered confidential and how to prepare a non-confidential version of this questionnaire can be found in our guidance on [how we handle confidential information](#).

All information provided to TRID in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 17 of the *Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019*) and will be stored in protected systems. The non-confidential version of your submission will be placed on the public file, which is available on [www.trade-remedies.service.gov.uk/public/cases](http://www.trade-remedies.service.gov.uk/public/cases).

## Providing information from subsidiaries or associated parties

Natural persons or legal persons (i.e. companies) are associated where they meet the following definition of “related persons” in Section 128 of the *Customs (Import Duty) (EU Exit) Regulations 2018*.

Section A of this questionnaire includes detailed questions about your company structure. Although this questionnaire is intended for your company, our investigation covers all subsidiaries and any other associated companies.

- If any of your subsidiaries or associated companies are also an exporting producer of the goods subject to review, they should **also** complete this questionnaire. Please make sure you provide your subsidiaries with access to this questionnaire.



- Please ensure that all your subsidiaries or associated companies are captured in Annex 1 and that they feed into responses to the rest of the questionnaires as relevant.

If you have any queries about this part of the process, please contact the case team using the details provided on the cover of this questionnaire.

## What happens next

Please upload your completed questionnaire responses and non-confidential versions of documents to our Trade Remedies Service at [www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk). You will receive an email confirming the documents have been uploaded successfully. Non-confidential responses will be placed on the public file and the case team will contact you if we need further information.

Once we have completed our review, we will publish our recommendation to the Secretary of State. Our final report will be published on our public file.

Further information on this process is available at:  
[www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#determinations-and-conclusion-of-investigations](http://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#determinations-and-conclusion-of-investigations).





## How to complete this questionnaire

Please read and follow all the instructions carefully. Your company is required to substantiate all claims with relevant data and information. You may be asked to attach supporting documents in appendices to supplement your responses. Please retain all such documents, your completed annexes and any calculations made when developing your responses.

Please also note the following points:

- Do not leave any questions blank. If the question is not relevant to your organisation, please explain why.
- If the answer to the question is "zero", "no", "none" or "not applicable", please write this rather than leaving the answer blank.
- Please complete the Excel annexes as requested. Annexes are named to correspond to the relevant sections of this questionnaire and must be completed with reference to the instructions provided. If you feel you cannot present the information as requested, please contact the case team immediately.
- If there is insufficient space in any part of the questionnaire to provide the details requested, please attach appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- Any documents not in English should be accompanied by an English translation.
- Please provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).
- For all numerical figures, where appropriate please express every third digit with a comma (e.g. '1,300' for one-thousand three hundred, '1,300,000' for one million and three-hundred thousand).
- Limit all sales/currency/income figures to two decimal places and use the appropriate currency symbol (e.g. £1,300.00).
- Provide all costing figures as actual amounts. Where actual amounts cannot be provided and you have reported standard costing instead, please indicate this in the relevant answer, and explain the variance from actual costs, if any.
- All figures should be reported net of tax unless otherwise stated.



## SECTION A: Company structure and operations

### A1 Identity and contact details

1. Please complete the table below ensuring that the point of contact given has the authority to provide this information:

Legal name of company:	Çayırova Boru Sanayi ve Ticaret A.Ş.
Legal structure (e.g. limited company, sole trader, partnership etc.)	Joint Stock Company
Year of establishment:	1978
Other operating names:	(Not applicable)
Company registration number:	02320006876400019
Place of registration:	İstanbul
Name (point of contact):	[Limited – personal information]
Position:	Sales Support Manager / Export Director
Address:	Osmangazi Mah. Aşıroğlu Cad. No:170 Darıca / KOCAELİ
Telephone No.:	+90 (216) 418 10 00
Email:	[Limited – personal information]
Website:	<a href="http://www.yucelboru.com.tr">http://www.yucelboru.com.tr</a>

### A2 Company information

1. Describe the role of your company in the UK market for the goods subject to review (e.g. producer, producer/exporter or exporter/distributor).

Çayırova Boru Sanayi ve Ticaret A.Ş. (“**Çayırova**”) is a leading producer, and its subsidiary, Yücel Boru İhracat, İthalat ve Pazarlama A.Ş. (“**YIIP**”), is a leading exporter of the following product categories:

- **Product Category 20** – Gas Pipes,
- **Product Category 21** – Hollow Sections,
- **Product Category 26** – Other Welded Pipes.

As a subsidiary of Yücel Group, which consists of eight companies,<sup>2</sup> YIIP was established in 1984 to carry out the **export activities** of Yücel Group companies.<sup>3</sup> The companies who produce goods subject to review within Yücel Group are **YBPE** and **Çayırova**. In simple terms, YIIP exports the products produced by these two

<sup>2</sup> For further information, please visit <https://www.yucelboru.com.tr/grup-sirketleri.php>

<sup>3</sup> For further information, please visit <https://www.yiip.com.tr/tr/yb-kurumsal>.



producers into, inter alia, the UK. It follows that, all three companies constitute a single economic entity where the two producers manufacture the products concerned and YİİP acts as the trading arm of these companies.

In order to provide a full picture to the TRID with regard to YİİP's export operations into the UK, the present questionnaire was completed by YİİP's related producer, namely Çayırova.

Appendix reference: N/A

Please answer the questions 2 and 3 below about the internal structure of your company and any associations with other companies. Natural persons or legal persons (i.e. companies) are associated where they meet the definition of "related persons" in Section 128 of the *Customs (Import Duty) (EU Exit) Regulations 2018*.

2. What sites/locations are involved in the production, sales and distribution of the goods subject to review for domestic and export markets? Clearly indicate the different production stages performed by your company and what stages others perform for you.

Export sales are carried out by YİİP, which is the only company in the Yücel Group, which is involved in the importation and exportation of the products concerned. Domestic sales, on the other hand, are carried out by Yücel Group's domestic sales team and domestic steel distributors.

Very briefly, Çayırova buys coils from several coil manufacturers and produces the goods subjected to review in its mills at Darıca and Dörtöyl (as of 2020). All the production stages of the goods subject to review, such as slitting, welding, coating, packaging, are held in Çayırova's premises.<sup>4</sup>

Appendix reference: N/A

3. Please provide the following information by completing **Annex 1 – Associated companies**:

- Include your company's worldwide corporate structure and affiliations, including parent companies, subsidiaries and/or other associated companies.
- If your company is the subsidiary of another company, please give the name of this company, as well as that of your company's ultimate controlling entity, their registration number(s) and place(s) of registration.
- Please provide the address of the company.
- Please list the activities carried out by the company (e.g. manufacturing, administration, sales).
- Indicate the shareholdings you have in the associated company and the shareholdings that the associated company has in your company.

<sup>4</sup>

For more information, please have a look at the corporate video of Yücel Group, available here: <https://www.yucelboru.com.tr/medya-film-yucelboru.php?d=en>



Please refer to **Annex 1 – Associated companies [Limited – confidential company information]** and **Appendix A2.3 – Yücel Group Corporate Structure [Limited – confidential company information]**.

Appendix reference: **Appendix A2.3**

4. Please provide details of any changes in the legal form of your business over the past 5 years, for example, mergers, acquisitions and/or sales.

Date	Legal form	Explanation of change
Not applicable.	Not applicable.	Not applicable.
Not applicable.	Not applicable.	Not applicable.

+Add additional rows as required

5. List and explain all authorisations your company has been required to obtain to produce, sell, or to export the goods subject to review. These may include licences, permits, permissions or mining concessions. Indicate if your company is subject to any direct or indirect, quantitative or other, restrictions on any of these activities.

Çayırova's purpose and subject have been registered to Turkish trade registry journal, a copy of which is provided in **Appendix A2.5 – Excerpts from the Turkish Registry Journal**. Please note that Çayırova also provides an English translation for the relevant parts of the registry journal excerpt, mentioning the purpose and subject of the company.

Appendix reference: **Appendix A2.5**

### **A3 Board members and principal shareholders**

1. Please complete **Annex 2 – Shareholdings**, providing a list of all your company's shareholders and board members that owned more than 5% of its shares during the POI. Where known, provide details of their activities and whether shareholders or board members have links to other stages of the supply chain.

Please refer to **Annex 2 – Shareholdings [Limited – confidential company information]**.

Appendix reference: **N/A**

### **A4 Operational links with other companies or persons**

1. Please indicate if your company has established long-term agreements with any companies located in the UK or in third countries for the production (e.g. subcontracting), supply and sale of the goods subject to review, or other licensing, technical patent or compensatory agreements. Include:



- the name and address of the company; and
- an explanation of the nature of the agreement.

YiİP does not have any agreement with its clients. Export sales are made through its distributors in the UK market identified in the list below:

Company name and address	Nature of agreement
[Limited – confidential company information]	No agreement.
[Limited – confidential company information]	No agreement.
[Limited – confidential company information]	No agreement.

+Add additional rows as required

## A5 Accounting practices

1. Please give the financial year convention your company uses for its accounts (e.g. 1 January – 31 December). If any changes have occurred with respect to your financial year convention or in your accounting practices over the POI and MRP, please describe these changes.

The financial year of Çayirova and YiİP is 1 January – 31 December. No changes have occurred in the accounting practices of Çayirova and YiİP over the POI and MRP.

Appendix reference: N/A

2. Please confirm what basis your accounts are prepared under, i.e. local GAAP, IFRS etc.

The financial accounting practices of Çayirova and YiİP are in accordance with the Turkish GAAP as prescribed by the Ministry of Finance for tax accounting (Turkish tax procedure law VUK). Therefore, the relevant parts of this questionnaire (concerning accounting practices) were completed based on the Turkish GAAP.

Appendix reference: N/A

3. For your company and any associated parties involved in the production, marketing or sales of the goods subject to review, please attach a copy of your annual reports for the financial period that covers the POI and MRP. This should include a statement of financial position; statement of profit and loss and other comprehensive income; statement of changes in equity; cash flow statement; notes to the accounts and all reports; and auditor's opinion on these documents.

Please refer to **Appendix A5.3.a – Çayirova Balance sheets covering the years 2013, 2014, 2015, 2016, 2017, 2017, 2018, 2019, Q1-Q2 2020 [Limited – confidential information on the company's accounting and finance]**. Please note that, due to the large quantity of original documents, Çayirova only provides the English translation of the financial statements pertaining to Q1-Q2 2020, and the financial



statement of the years 2017-2018. Çayırova submits that these translations will be sufficient to examine all the other financial statements.

In addition to the balance sheets, and in replacement of annual reports, Çayırova submits the excerpts of the financial statements audited under the IFRS (international financial reporting standards, thus, not under Turkish GAAP) for the years 2013, 2014, 2015, 2016, 2017, 2017, 2018, 2019 as **Appendix A5.3.b [Limited – confidential information on the company’s accounting and finance]**. As the auditing of the year 2020 is not yet completed, Çayırova could not provide the excerpts of the financial statements audited under the IFRS for 2020.

Appendix reference: **Appendix A5.3**

4. If your accounts are unaudited, please attach a copy of your unaudited financial statements and corresponding tax returns for the POI and MRP.

**Not applicable, all accounts are audited by an auditing company.**

Appendix reference: **N/A**

5. Please attach a copy of your company’s trial balance (in a spreadsheet) covering the POI and MRP. This includes:
- the trial balance which covers the full financial years from January to December for 2013, 2014, 2015, 2016, 2017, 2018, 2019; and
  - the trial balance which covers the beginning of the financial year to the 1<sup>st</sup> July 2020.

Please refer to **Appendix A5.5 – Çayırova Trial Balances** for Çayırova’s trial balances, covering the years 2013, 2014, 2015, 2016, 2017, 2018, 2019, 032020-062020 **[Limited – confidential information on the company’s accounting and finance]**. Please note that Çayırova provides the translation of Çayırova’s chart of accounts, which should allow the investigating authority to track all the accounts reported in the attached trial balances.

Appendix reference: **Appendix A5.5**

6. For your company and any associated parties involved in the production, marketing or sales of the goods subject to review, please attach copies of relevant management accounts and associated reports (e.g. profit and loss statement) for the profit centre of the goods subject to review. Please provide these reports for the POI and MRP.

**This question is not applicable, as Çayırova does not hold separate accounts for the goods subject to review. For balance sheets and audited balance sheets and profit and loss statements of Çayırova, please refer to Çayırova’s answer to Question A5.3 above.**

Appendix reference: **Appendix A5.3**



7. If your company is part of a group of companies, please also attach a copy of the consolidated accounts of the group for the POI and MRP.

In general terms, Çayırova does not consolidate its accounts with any of the group companies, according to the regulations of Turkish GAAP. However, Çayırova can provide consolidated financial statements, prepared under the IFRS for its affiliate YBPE, which are submitted as Appendix A5.3.b to YBPE's questionnaire response.

Appendix reference: N/A

8. If the accounting policies used by your company have changed over the POI and MRP, please explain the changes, including dates and reasons for them.

Not applicable, the accounting policies have not changed over the POI and MRP.

Appendix reference: N/A



## SECTION B: About your goods

### B1 Your company's products

In this section, you will be asked to provide details for your goods subject to review and like or directly competitive goods. **Please always refer to the corresponding product categories** which your goods subject to review and the like or directly competitive goods fall within.

The goods covered by this review are defined on pages 1 and 2.

1. Please comment on the scope of the review. If you consider that any product categories and/or custom codes should be added or removed, please explain the reasons why. Provide information about UK production, UK demand and UK imports for these product categories and/or custom codes. Substantiate with evidence.

Çayırova submits that, in view of the capacity of the UK domestic industry and the overall availability of products falling under product category 20 in the UK market, this product category should be excluded from the scope of the safeguard measures, as the imposition of measures would create a shortage of supply.

Appendix reference: N/A

2. Please complete **Annex 3 – Goods**, indicating which of the goods subject to review by product category are produced by your company. Where you have identified goods produced in the UK that are like or directly competitive to your goods subject to review, please indicate these and compare them to the goods subject to review. If known, provide names of UK producers of the like or directly competitive goods.

Where possible, provide estimations of how prices of the like or directly competitive goods produced in the UK compare to each of your goods and reasons for the price differences. In the box below, describe how you established the differences and substantiate with evidence.

Technical documentation (such as sales catalogues, safety standards, technical data, etc.) should be attached for each product category where available.

Please refer to Annex 3 – Goods.

Please note that Çayırova's goods comply with the EN standards (please refer to **Appendix B1.2.a – [Limited – confidential business information on the company's products]**), which are the same standards as the standards for UK producers, and there is no significant difference in terms of product characteristics





compared to UK producers' goods. Çayırova does not have any information on the domestic prices in the UK market.

Please refer to **Appendix B1.2.b – Çayırova Product Catalogue**, for the technical documentation of Çayırova's products.

Appendix reference: **Appendix B1.2.a and Appendix B1.2.b.**

3. Are the goods subject to review comparable in non-price factors (including product quality, lead and delivery times, reliability of supply etc.) to the like or directly competitive goods? Provide this information for each of the goods subject to review produced by your company and the comparable like or directly competitive goods and substantiate with evidence.

Please note that Çayırova's goods comply with the EN standards (please refer to **Appendix B1.2.a – [Limited – confidential business information on the company's products]**), which are the same standards as the standards for UK producers, and there is no significant difference in terms of product characteristics compared to UK producers' goods. Çayırova does not have any information on the domestic prices in the UK market.

Please refer to **Appendix B1.2.b – Product Catalogue**, for the technical documentation of Çayırova's products.

Appendix reference: **Appendix B1.2.a and Appendix B1.2.b.**

4. Please provide a written summary and, if available, a diagram/flow chart, of your production process for each of the goods subject to review that you produce.

**[Limited - confidential business information on the company's products]**

**[Limited - confidential business information on the company's products]**

Appendix reference: **N/A**

5. How does your company price the goods subject to review produced by your company? Provide this information for each of the goods subject to review produced by your company and substantiate with evidence.

**[Limited – pricing information is confidential and is not susceptible of summary]**

Appendix reference: **N/A**

6. How does your company market (i.e. encourage sales of) the goods subject to review? Are you aware of whether similar methods are used for the like or directly competitive goods? Substantiate with evidence.



**[Limited – sales and strategic business information is not susceptible of summary]**

Appendix reference: **N/A**

## **B2 Understanding the UK market (optional)**

**Please answer the questions in this section and provide reasoning if you are able. Answers should refer to the relevant product categories.**

1. Do you regard the goods subject to review to be an intermediate and/or final good?

**Çayırova's products are regarded as final goods.**

Appendix reference: **N/A**

2. Who are the general users/consumers/customers of the goods subject to review in the UK market? Please comment on whether this is the same/different for the like or directly competitive goods you have identified in Annex 3 – Goods.

**As mentioned above in **Section A4.1**, Çayırova sells its products through distributors based in the UK and therefore, Çayırova is not able to trace the final usage of each item. From market experience, it is known that they are generally used by industrial users operating in construction and furniture equipment sectors.**

Appendix reference: **N/A**

3. Please comment on the degree of price sensitivity of the goods subject to review and the like or directly competitive goods in the UK market.

**Please refer to our answer in **Section B1.5** above.**

Appendix reference: **N/A**

4. Please describe the degree of competition between the goods subject to review and the like or directly competitive goods in the UK market.

**Goods subject to review produced by Çayırova are in compliance with EN standards applicable to the UK producers. Therefore, as products produced by Çayırova can be produced by UK domestic producers, the degree of competition between the two would be presumably high.**

Appendix reference: **N/A**

5. Please describe the current state and forecasts of the UK and world markets for the goods subject to review and the like or directly competitive goods. Substantiate your comments with any documents, such as studies or articles in trade journals, that support your statement.



Çayırova is – at this stage of the investigation – not able to submit detailed comments on the current state and forecasts of the UK and world markets. Çayırova reserves its right to submit further comments in this regard at a later stage of the investigation.

Appendix reference: N/A

6. Please use the box below to provide any other information about the UK market for the goods subject to review and the like or directly competitive goods that may be relevant for this review.

Çayırova is – at this stage of the investigation – not able to submit detailed comments on the UK market. Çayırova reserves its right to submit further comments in this regard at a later stage of the investigation.

Appendix reference: N/A



## SECTION C: Sales and profits

### C1 Sales and profitability

1. Please provide the sales volume and sales value before tax in **Annex 4 – Sales** for the POI and MRP.
  - Please differentiate sales on the domestic market, sales to the UK market and sales to third countries of the goods subject to review for the POI and MRP. Include goods that you have produced and goods that you have purchased and resold.
  - Please ensure that you correctly categorise each sale by product category (a table is provided for each good subject to review).
  - To determine which sales fall within the POI and MRP, the invoice date should be used as the date of sale. If you are unable to use an invoice date, please contact the case team.
2. Please provide the profit before tax for sales of the goods subject to review in **Annex 4 – Sales** for the POI and MRP. Specify how you have calculated profitability.

Please refer to **Annex 4 – Sales**. [Indexed – confidential business information on the sales of the company]. [Limited – information on the company's profitability is not susceptible of summary]

Appendix reference: N/A

3. Please comment on your future forecasts for sales of the goods subject to review to the UK if the existing safeguard measure were to be removed. Please attach evidence to support your answer where possible.

Çayırova does not expect an increase in the sales volume should the UK decide to discontinue safeguard measures on goods subject to review. Indeed, the historical data shows that the imports of product categories 20, 21 and 26 from Turkey into the UK have remained stable and did not show any significant increase during the POI and MRP. In fact, the import levels in 2019 and the MRP are at almost the same level of or below the POI levels. The first half of 2020, in particular, demonstrates a sharp decrease in all the product categories concerned. Therefore, it is evident that imports from Turkey do not cause any injury or a threat thereof and the import trends will continue as they are in the future. Please refer to **Appendix C1.3 – official UK trade statistics** to check the above-mentioned data.

Appendix reference: Appendix C3.1



## SECTION D: Information on each of the goods

The relevant annex for this section is Annex 5 – Product category data. Please provide the information requested in Section D and Annex 5 for each of your goods subject to review by product category.

### D1 Production and production capacity

1. Please provide the production volume, production capacity and capacity utilisation for each of the goods subject to review per product category produced by your company in **Annex 5** for the POI and MRP. Figures should include the goods subject to review sold by your company and goods subject to review used internally for further processing.

Describe the method used to calculate production capacity (e.g. number of shifts, working days per year, name plate versus actual capacity, idle time for machinery maintenance and changes in the production process etc.) and capacity utilisation.

Please refer to **Annex 5 – Product Category data. [Indexed – Confidential business information regarding the company's products].**

**[Limited – confidential information on production and product strategy is not susceptible of summary].**

Appendix reference: **N/A**

2. Indicate what products are produced on the same equipment and whether production can be switched to other products.

**[Limited – confidential information on production and product strategy is not susceptible of summary]**

Appendix reference: **N/A**

3. Please explain the allocation method used for production capacity.

**[Limited – confidential information on production capacity is not susceptible of summary]**

Appendix reference: **N/A**

4. Please comment on your future plans for production and capacity of the goods subject to review if the existing safeguard measure were:

- i) continued; or
- ii) discontinued.

Please attach evidence to support your answer where possible.



Whether existing safeguard measures continued or discontinued, Çayirova's production capacity will remain the same, as Çayirova is not planning to increase its production capacity or its investments in production in the near future.

Appendix reference: N/A

## D2 Stocks

1. Please provide information on stocks for each of the goods subject to review per product category produced by your company in **Annex 5** for the POI and MRP.
2. Please comment on the likely development of stocks of the goods subject to review if the existing safeguard measure were:
  - i) continued; or
  - ii) discontinued.
 Please attach evidence to support your answer where possible.

Please refer to **Annex 5 – Product Category Data [Indexed – Confidential business information regarding the company's products]**.

Whether existing safeguard measures continued or discontinued, Çayirova's stocks volume and value will remain the same.

Appendix reference: N/A

## D3 Captive use

1. Please provide information on captive sales for each of the goods subject to review per product category produced by your company in **Annex 5** for the POI and MRP detailing your company's individual transfers of the finished goods for internal or captive use.
2. Please comment on whether your captive use of the goods subject to review has changed over time and what has caused the changes. Please attach evidence to support your answer where possible.

Please refer to **Annex 5 – Product Category Data in meters. [Indexed – Confidential business information regarding the company's products]**.

Appendix reference: N/A

## D4 Consumption in domestic market

1. Please estimate the development of consumption in your domestic market for each of the goods subject to review by product category produced by your company using actual knowledge, forecasts or 'best estimates' in **Annex 5** for the POI and MRP.



2. Please provide forecasts for consumption over the next four years of the goods subject to review in the domestic market, UK market and rest of the world. Support your forecasts with evidence.

Please refer to **Annex 5 – Product Category Data**. Please note that Çayirova is not in possession of data relating to the consumption of the products falling under Product categories 20, 21 and 26. As a result, Çayirova is not in a position to provide forecasts for consumption in the domestic market. However, in a spirit of loyal cooperation with the TRID, Çayirova refers to the consumption estimate provided by its parent company YBPE to the best of its abilities. Please note that that information does not represent the total domestic consumption of all products falling under Product categories 20, 21 and 26.

Appendix reference: **N/A**

## D5 Global capacity and production

1. Please comment on the current situation of global capacity and production of the goods subject to review by product category in your domestic market and the rest of the world.

Çayirova is – at this stage of the investigation – not able to submit detailed comments on the global capacity and production of the goods subject to review. Çayirova reserves its right to submit further comments in this regard at a later stage of the investigation.

Appendix reference: **N/A**

2. Please comment on foreseeable developments over the next four years of global capacity and production of the goods subject to review by product category in your domestic market and the rest of the world. Where possible, support your answer with evidence using actual knowledge, forecasts or 'best estimates' based on experience.

Çayirova expects that, in the foreseeable future (ie. the next few years), the global capacity and production of products classified under the product categories 20, 21 and 26 should remain relatively stable in Turkey and in Europe.

Appendix reference: **N/A**

3. Please comment on how global capacity and production of the goods subject to review by product category may change if the existing safeguard measure were:
  - i) continued; or
  - ii) discontinued.
 Please attach evidence to support your answer where possible.



Çayırova believes that the continuation or discontinuation of the safeguard measures on the product categories 20, 21 and 26 would not have any significant impact on the global capacity and production of these product categories.

Appendix reference: N/A





## SECTION E: Other questions

### E1 Other causation factors

This review must examine factors other than trends in imports that may have caused or threaten to cause serious injury to the UK producers of the like or directly competitive goods. The purpose of this section is to collect further information regarding the cause of the alleged serious injury.

1. Aside from the increase in imports of the goods subject to review, please comment on, and substantiate with evidence, any other factors that may have caused serious injury or threaten to cause serious injury to the UK producers of the like or directly competitive goods for the POI. This may include:
  - contraction in demand or changes in patterns of consumption;
  - restrictive trade practices of, and competition between, third country and UK producers;
  - developments in technology; and
  - export performance and the productivity of the UK.

As clarified in the sections above, Çayırova is of the opinion that no serious injury occurred in the UK domestic industry. (Please also refer to **Appendix C1.3** to assess the UK import statistics).

Appendix reference: **Appendix C1.3**

2. Please comment on the likelihood of the recurrence of serious injury if the existing safeguard measure on the goods subject to review were:
  - i) continued; or
  - ii) discontinued.
 Please describe the nature of any change and substantiate your claims with evidence.

Çayırova is of the opinion that imports of product categories 20, 21 or 26 into the UK have not caused any injury or a threat thereof to UK producers. Therefore, Çayırova expects no injury to recur should safeguard measures be discontinued with respect to product categories 20, 21 and 26. Çayırova draws the TRID's attention to the official UK trade statistics data (**Appendix C1.3**) for further examination of serious injury in the UK domestic industry.

Appendix reference: **Appendix C1.3**.

### E2 Other questions



1. Please describe how you would expect each of the following to be affected if the existing safeguard measure on the goods subject to review were (i) continued or (ii) discontinued:

- your production of the goods subject to review; and
- your exports of the goods subject to review to the UK.

Please provide estimates for the next four years (e.g. projections or forecasts) to support your claims.

Çayırova estimates that the production and the export of the goods subject to review by Çayırova & YIIP into the UK would be approximately the same volume as the current volume of production and exports, regardless of whether safeguard measures were to be continued or discontinued. In addition, Çayırova notes the following comments per product category concerned:

- **Product category 21:** Çayırova wishes to emphasise here that Turkey's production capacity for export has been limited to approximately 30% of the total production during the POI and, with the increase in domestic consumption, the capacity available for export has been even more limited during the MRP. Moreover, Turkey's steadily growing construction industry drives the demand for hollow sections, which is expected to absorb significant quantities of hollow sections in the years to come. Therefore, Çayırova's exports of hollow sections through YIIP will not increase in the foreseeable future and imports of hollow sections from Turkey into the UK does not pose any threat of injury for the UK domestic industry.
- **Product category 26:** With respect to other welded tubes, Çayırova submits that Turkey poses no threat to the UK steel producers in this product category due to the growing domestic demand. The pipes under this category include special cold-drawn tubes used in the automotive industry, which is growing consistently in Turkey. The industry has maintained its high production volumes also in 2018 and continued growing at a significant pace over the following years.<sup>5</sup> This is expected to continue in the next years as well. Therefore, the welded tubes classified under this category and used in the production of vehicles will be destined more for Turkey's domestic market rather than for export to the EU.

Appendix reference: N/A

2. Please describe how you would expect each of the following to be affected if the existing safeguard measure on the goods subject to review were (i) continued or (ii) discontinued:

- development of the UK industry; and
- market price of goods in the UK.

Please provide estimates for the next four years (e.g. projections or forecasts) to support your claims.

<sup>5</sup>

KPMG, *Automotive Industry Sector Report 2018*, available at <https://assets.kpmg.com/content/dam/kpmg/tr/pdf/2018/01/sektorel-bakis-2018-otomotiv.pdf>



Market prices of goods in the UK market depend on i) supply & demand and more importantly, ii) global hot rolled coil prices. If the UK decides to continue the existing safeguard measures on the goods subject to review, it will limit the historical and traditional material flow and artificially impact import prices, which would be against the interests of the UK end-users.

On the other hand, if the existing safeguard measure on the goods subject to review were continued, the UK domestic industry would gain an even more dominant share in the UK steel market. This could damage the competitiveness in the UK market, as domestic producers could easily adjust prices of steel at a higher level. This would also be against the interests of the UK industrial users.

Appendix reference: N/A

3. Please comment on the likelihood of trade diversion to the UK if the existing safeguard measure were to be removed due to similar measures applied on steel goods worldwide, e.g. the US Section 232 measures and the EU safeguard measure.

As of June 2021, the EU, which is a key export market for Çayirova, is likely to lift the safeguard measures on steel products. Therefore no trade diversion into the UK is expected.

In addition, Çayirova also notes that the Section 232 measures of the US will have no significant impact on Turkey's exports of this product category to the US as current price levels in the US permit continuation of the exports. In addition, some large Turkish producers have either physical presence in the US and others are engaged in key alliances and partnerships, which makes Turkey an important player in the US market and demonstrates the unlikelihood that Turkey would leave the US market.

## SECTION F: Next steps and declaration

### Next steps

Once you have completed all parts of the questionnaire the declaration below should be signed by an authorised signatory.

The questionnaire, spreadsheet annex and any appendices should be submitted through the Trade Remedies Service ([www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk)) by 21 November 2020. The checklist in Section G of this questionnaire may help ensure your submission is complete.



## SECTION F: Next steps and declaration

### Next steps

Once you have completed all parts of the questionnaire the declaration below should be signed by an authorised signatory.

The questionnaire, spreadsheet annex and any appendices should be submitted through the Trade Remedies Service ([www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk)) by 21 November 2020. The checklist in Section G of this questionnaire may help ensure your submission is complete.

A confidential and non-confidential version of the questionnaire and related annex must be submitted. You can find guidance on how to complete confidential and non-confidential versions at <https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#how-we-handle-confidential-information>.

### Declaration

By signing this declaration, you agree that all information supplied in this questionnaire is complete and correct to the best of your knowledge and belief.

Internal registration number: **TF0006**

Company name: **ÇAYIROVA BORU SANAYİ VE TİCARET A.Ş.**

Date : 07.12.2020

Signature of authorised signatory

Company stamp

Name and title of authorised  
signatory

Group Financial Coordinator



## SECTION G: Checklist and appendices

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – Company structure and operations	X
Section B – Goods	X
Section C – Sales and profits	X
Section D – Information on each of the goods	X
Section E – Other questions	X
Section F – Next steps and declaration	X

Please list any appendices that you have referenced throughout and are attaching along with this questionnaire.

Appendix reference	Document title
Appendix A2.3	Yücel Group Corporate Structure (confidential)
Appendix A2.5	Excerpts from the Turkish Registry Journal (public)
Appendix A5.3.a	Çayırova Balance sheets (confidential)
Appendix A5.3.b	Çayırova Audited Financial Statements Excerpts (confidential)
Appendix A5.5	Çayırova Trial Balances (confidential)
Appendix B1.2.a	<b>[Limited – confidential business information on the company's products]</b>
Appendix B1.2.b	Çayırova Product Catalogue (public)
Appendix C1.3	Official UK trade statistics (public)

+Add additional rows as required