



REPUBLIC OF TÜRKİYE
MINISTRY OF TRADE
DIRECTORATE GENERAL FOR IMPORTS

14 June 2023

**TALKING POINTS OF THE GOVERNMENT OF TÜRKİYE REGARDING THE
STATEMENT OF ESSENTIAL FACTS ON COUNTERVAILING DUTY
INVESTIGATION AGAINST IRONING BOARDS IMPORTS FROM TÜRKİYE**

Remarks on Imports from Türkiye

According to the data given in the SEF, imports from Türkiye into the UK consistently decreased since 2019. Not only the volume of imports from Türkiye but also the share of Türkiye in imports of the UK from non-EU sources have diminished in 2020 and further in 2021. TRA justifies this decrease with the effects of COVID-19 pandemic. It underlines that the level of decreases in 2020 and the POI was likely to have been a result of the COVID-19 pandemic, which caused a global reduction in the exports and imports of goods. However, although the total imports of the UK from non-EU sources increased between 2020 and 2021, subject merchandise imports from Türkiye further decreased by 10%.

Therefore, we believe that recent changes in the composition of the imports of the UK shows that imports from Türkiye is not increasing and not a threat to the UK ironing boards industry.

Remarks on Causal Link and Other Factors

The TRA examines the effects of the COVID-19 pandemic in its SEF and concludes that pandemic does not break the causal link between imports and injury. The TRA specifically refers that outside of 2020, the level of decrease in domestic sales volumes experienced by UK industry was higher than the applicable decrease in the overall UK consumption. However, TRA ignores the fact that most of the production facilities remained closed or faced restrictions in the UK in 2021. Therefore, it is normal to see a decrease in domestic sales more than the decrease in domestic consumption as an effect of COVID pandemic.

Furthermore, effects of the UK leaving the EU (Brexit), which formally came into force on 1 May 2021, are not examined in the SEF. Considering the impact of Brexit related supply disruptions on the UK producers corresponds with the POI, we believe that indicators such as supply, price and productivity should have been analyzed for the periods before and after Brexit to ensure that the link between the imports and the injury suffered by UK industry is not broken.

With this regard, we believe that the TRA failed in its analysis of non-attribution for the effects of the pandemic pursuant to Article 15.5 of the Agreement on Subsidies and Countervailing Measures.

Remarks on Selection of the Period of Investigation

Regarding the selection of the period of investigation, the Panel in Mexico – Olive Oil stated that “...the requirements in Article 15.1 to base a determination of injury on positive evidence and pursuant to an objective examination impose certain constraints on an investigating authority's discretion in selecting the period of investigation necessary to ensure the comprehensiveness and reliability of the data used as the basis for an injury determination”.



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To assess injury, the TRA has chosen to examine the period from 2018 to 2021. However, the TRA does not substantiate its reason to choose this particular period. For instance, if the TRA would have chosen 2019-2021 period as injury assessment period, its findings regarding the volume of imports, injury and causal link would be the opposite of its findings in the SEF. Therefore, we believe that the TRA failed to ensure the comprehensiveness and reliability of its examination in terms of objectivity.

Conclusion

We certainly believe that the TRA will take these points and related provisions of Agreement on Subsidies and Countervailing Measures and WTO jurisprudence into consideration while taking a decision regarding this investigation.