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By TRS

NON-CONFIDENTIAL

To the Trade Remedies Authority

Re: Investigation AS0020 — *Ironing Boards from the Republic of Türkiye: Application for reconsideration of the Trade Remedies Authority's recommendation to the Secretary of State made under paragraph 17(4) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018, as set out in the Final Determination issued on 7 September 2023*

Our Client: Milenyum Metal Dis Ticaret ve Sanayi A.S. ("*Milenyum Metal*")

1. INTRODUCTION

1.1 Background Information

1. On 7 September 2023, the Trade Remedies Authority ("**TRA**") issued its Final Determination (the "**Final Determination**") in Investigation No. AS0020 into alleged subsidisation concerning *Ironing Boards Imported into the United Kingdom from the Republic of Türkiye* (the "**Investigation**").

2. In the Final Determination, the TRA made a final affirmative determination under paragraphs 11(5) and 11(6)(a) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (as amended)¹ (“**TCBTA 2018**”), determining that the Goods Concerned originating in Türkiye and imported into the UK have been or are subsidised and that the importation of the subsidised goods has caused injury to the UK industry. The TRA made a recommendation to the Secretary of State (“**SoS**”) in accordance with paragraphs 17(4), 18(2)(a) and 18(5) of Schedule 4 to the TCBTA 2018 that a countervailing amount (in the form of an ad-valorem duty) should be applied to the Goods Concerned which are the subject of the Final Determination (the “**Original Decision**”).

3. The Original Decision recommended that SoS impose that duty at a rate of 4.02% in respect of Milenyum Metal. SoS took a decision to accept the recommendation, giving effect to this in a public notice published on 7 September 2023, and which took effect from 8 September 2023.²

1.2 Eligibility of the Applicant

4. Milenyum Metal recalls that, as noted above, the Original Decision is a recommendation of the TRA that was made pursuant to paragraph 17(4) of Schedule 4 to the TCBTA 2018. Such recommendations are listed at paragraph 4 of Schedule 1 to the Trade Remedies (Reconsideration and Appeals) (EU Exit) Regulations 2019 (as amended)³ (the “**Reconsideration Regulations**”) and identified as constituting an “original decision” for the purposes of the Reconsideration Regulations, in accordance with regulation 9(1)(a) in particular.

5. As an overseas exporter of the Goods Concerned, Milenyum Metal has consistently been recognised by the TRA as an “interested party” within the meaning of regulation 2 of the Reconsideration Regulations throughout the Investigation. Furthermore, Milenyum Metal is directly and individually concerned by the Original Decision, being expressly identified by the Original Decision — which establishes an individual subsidy amount in respect of Milenyum Metal. As such, Milenyum Metal satisfies the criteria for eligibility to apply for reconsideration of the Original Decision, in accordance with regulation 9(6) of the Reconsideration Regulations in particular.

2. GROUNDS FOR RECONSIDERATION

6. Milenyum Metal respectfully requests reconsideration of the Original Decision by the TRA on two grounds in particular, which relate to the TRA’s approach to the calculation of the individual subsidy amount for Milenyum Metal (the “**Individual Subsidy Amount**”). These grounds are, namely that (1) the TRA **should not** have included subsidy amounts which were lower than 1% in its calculation of the Individual Subsidy Amount, and (2) the calculation of the Individual Subsidy Amount was affected by a **manifest error** in the calculation of the profits of Milenyum Metal in determining the subsidy amount for corporate-tax exemptions.

¹ [Taxation \(Cross-border Trade\) Act 2018](#).

² [Trade Remedies Notice 2023/18: Definitive Countervailing Duty on Ironing Boards Originating from Turkey](#).

³ [The Trade Remedies \(Reconsideration and Appeals\) \(EU Exit\) Regulations 2019](#).

2.1 Ground 1: the TRA should not have included subsidies with a value less than 1% in its calculation of the subsidy amount

2.1.1 Introduction

7. In the Original Decision, the TRA established the Individual Subsidy Amount for Milenyum Metal at 4.02%. The Individual Subsidy Amount was calculated by combining the specific subsidy amounts that the TRA had determined in respect of each of the four separate subsidy schemes that it had deemed to be countervailable.⁴ The respective specific subsidy amounts were as follows:

Subsidy Scheme Deemed to be Countervailable	Subsidy Amount
Corporate-tax exemptions in Free Zones	3.0660%
Income-tax exemptions in Free Zones	0.7515%
Eximbank loans under the RP and the EOWCP	0.1881%
Property-tax exemptions in Free Zones	0.0202%

Figure 1.

Specific subsidy amounts calculated by the TRA for each subsidy scheme deemed to be countervailable

2.1.2 The TRA’s approach to the calculation of the Individual Subsidy Amount is not supported by the text of the relevant legislation

8. The TRA had initially outlined the above-described approach to the calculation of the Individual Subsidy Amount in the Statement of Essential Facts (“**SEF**”) issued by the TRA on 26 April 2023. In its comments in response to the SEF, Milenyum Metal raised concerns regarding the TRA’s approach to this calculation, in particular with respect to the inclusion of subsidy amounts that were lower than 1% in the determination of the Individual Subsidy Amount. As can be seen in Figure 1 above, this was the case for three of the four countervailable subsidy schemes identified by the TRA, each of which had been calculated by the TRA as being considerably lower than 1%.

9. In particular, Milenyum Metal referred to regulation 25(4) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (as amended)⁵ (the “**Dumping and Subsidisation Regulations**”). Regulation 25(4) establishes the definition of “*qualifying countervailable subsidy*” for the purposes of applying regulation 25, which provides a broader methodology governing the determination of the amount of the countervailable subsidy that is attributable to the period of investigation (“**POI**”). The definition is as follows:

⁴ See paragraph 177 of the Final Determination for details.

⁵ [The Trade Remedies \(Dumping and Subsidisation\) \(EU Exit\) Regulation 2019.](#)

*“For the purpose of paragraphs (2) and (3), a ‘qualifying countervailable subsidy’ is one which has a value of **at least 1 per cent** [emphasis added] of all the sales of the goods to which the countervailable subsidy is attributable.”⁶*

10. Milenyum Metal submitted in its response to the SEF that the TRA should have disregarded the three countervailable subsidies for which an amount lower than 1% had been determined in its calculation of the Individual Subsidy Amount, as these were not “*qualifying countervailable subsidies*” within the meaning of regulation 25(4).

11. The TRA appears to have dismissed this argument in the Original Decision, explaining its reasoning as follows at paragraphs 179 – 181 of the Final Determination:

“179. However, in accordance with regulation 25(1) of the Regulations, any countervailable subsidy that is received in the POI and confers its benefit directly within the POI can be included in the overall subsidy amount.

180. During the investigation, we established that all of the subsidies listed above were received in the POI; we also identified how much benefit they conferred directly within the POI, without needing to apportion benefits across wider periods.

181. Consequently, we determined that regulations 25(2) and 25(3) do not apply to these subsidies, and as a result, these subsidies do not need to be “qualifying countervailable subsidies” in order to be included in the overall subsidy amount.”

12. Milenyum Metal considers, however, that this does not represent an interpretation of regulation 25 that is supported by the text of the regulations. First, the TRA appears to suggest in paragraph 179 of the Final Determination that regulation 25(1) accords to it a discretion to include “*any countervailable subsidy that is received in the POI and confers its benefit directly within the POI in the overall subsidy amount*”. This is expanded upon by the TRA at paragraph 180 of the Final Determination, in which the TRA asserts that the mere fact that a subsidy was judged to be received in the POI allowed the TRA to proceed to simply establish how much benefit they conferred directly within the POI, without needing to apportion benefits across wider periods.

13. Such an approach is not consistent with regulation 25 of the Dumping and Subsidisation Regulations. The starting point in this regard is the title of regulation 25 itself (i.e., “*Determination of the amount of the countervailable subsidy that is attributable to the period of investigation*”) which indicates that the object and purpose of the provision as a whole is the issue of determining precisely how much of a given countervailable subsidy might be attributed to the POI.

14. To this end, it is clear that regulation 25(1) does not provide the TRA with the discretion it seemingly asserts at paragraph 179 of the Final Determination to conclude that, because a subsidy is received during the POI, it can simply proceed to consider that the whole benefit was conferred directly within the POI without engaging in any further examination as to the applicability of paragraphs (2) to (4) to the facts at hand (indeed the TRA states that it actually excluded the applicability of regulations 25(2) and 25(3) — and in doing so crucially excluded the possibility of benefitting from regulation 25(4)).

⁶ [Regulation 25\(4\)](#) of the Dumping and Subsidisation Regulations.

15. While regulation 25(1) establishes the general principle for determining the amount of the countervailable subsidy that is *attributable* to the POI, it is evident from the structure of regulation 25(1) that the TRA does not have a discretion to simply end the analysis there without considering the relevance of paragraphs (2) to (4) of regulation 25. Rather, regulation 25(1) is subject to an important qualification:

“(1) **Subject to paragraphs (2) to (4)**, the amount of the countervailable subsidy that is attributable to the period of investigation is the amount received in the period of investigation.”

16. Clearly, the implication of this qualification is that the TRA must consider the relevance of paragraphs (2) to (4) in **all** circumstances, and the mere revelation that a subsidy was received during the POI does not remove the need for this consideration in a given case — which the TRA indeed does not appear to have undertaken in the process which led to the Original Decision. Notably, regulation 25(3) provides that even where a [qualifying] countervailable subsidy is received during the POI, it may be the case that only part of this is actually attributable to the POI. This provision thus recognises the need for a thorough examination of whether a countervailable subsidy is attributable either in whole or in part to the POI, which remains possible even where the subsidy is received during the POI.

17. In failing to engage in the more thorough examination required under regulation 25 of the Dumping and Subsidisation Regulations, and instead following an approach of the nature outlined in paragraphs 179-181 of the Final Determination — which bypasses the requirements of regulation 25 — the TRA has applied an interpretation of regulation 25 which is consistent neither with the letter nor the purpose of that provision. Moreover, the TRA’s interpretation is clearly at odds with the fundamental principle of non-discrimination and equal treatment (see Subsection 2.1.3).

18. As a consequence, the TRA ultimately proceeded to establish a considerably higher Individual Subsidy Amount in respect of Milenyum Metal than might have been the case if it had given the required consideration to paragraphs (2) to (4) of regulation 25 of the Dumping and Subsidisation Regulations.

2.1.3 The calculation of the Individual Subsidy Amount should be undertaken in a non-discriminatory manner

19. Without prejudice, and in the alternative, to the submissions made in the preceding subsection (Subsection 2.1.2), Milenyum Metal respectfully submits that the application of regulation 25 to the calculation of the Individual Subsidy Amount has been founded on an unreasonable discrimination, which has caused — and threatens to continue to cause — significant prejudice to its legitimate commercial interests.

20. In particular, this discrimination flows from the operation of the definition of “*qualifying countervailable subsidy*” in regulation 25(4) and its effect on the operation of paragraphs 2 and 3 of regulation 25 of the Dumping and Subsidisation Regulations. By providing for what is in effect a *de minimis* threshold of 1%, yet conditioning the benefit of this on the requirement that only part of the qualifying countervailable subsidy is received during the POI, regulation 25 establishes a difference in treatment between the beneficiaries of any identified countervailable subsidy, which is unjustifiable on the basis of any objective considerations.

21. In this regard, Milenyum Metal wishes to draw the attention of the TRA to section 28(1) (Requirement to have regard to international obligations) of the TCBTA 2018,⁷ which in essence provides that in exercising their functions under Part 1 of the TCBTA 2018, which includes their functions in respect of subsidisation under Schedule 4 of the TCBTA 2018 by virtue of section 13(1) of the same Act, that the TRA and SoS “*must have regard to international agreements to which Her Majesty’s government in the United Kingdom is party that are relevant to the exercise of the function*”.

22. Of particular relevance in this context is the Agreement on Subsidies and Countervailing Measures (the “**SCM Agreement**”),⁸ to which the United Kingdom is party by virtue of its status as a Member of the World Trade Organization (“**WTO**”). Article 19 of the SCM Agreement frames the imposition and collection of countervailing duties by WTO Members and, in particular, imposes a non-discrimination obligation on WTO Members when imposing countervailing duties at Article 19.3:

“19.3 When a countervailing duty is imposed in respect of any product, such countervailing duty shall be levied, in the appropriate amounts in each case, on a non-discriminatory basis on imports of such product from all sources found to be subsidized and causing injury [emphasis added], except as to imports from those sources which have renounced any subsidies in question or from which undertakings under the terms of this Agreement have been accepted. Any exporter whose exports are subject to a definitive countervailing duty but who was not actually investigated for reasons other than a refusal to cooperate, shall be entitled to an expedited review in order that the investigating authorities promptly establish an individual countervailing duty rate for that exporter.”

23. It is evident from the plain meaning of the terms used in the first sentence of Article 19.3 of the SCM Agreement that the imposition of countervailing duties in respect of a product found to be subsidised and causing injury is required to be done on a non-discriminatory basis with respect to **all** imports of such products, with only limited exception being provided for in the first sentence of Article 19.3 (i.e., in respect of imports from sources which have renounced the subsidies at issue or from which undertakings under the terms of the SCM Agreement have been accepted).

⁷ [Section 28](#) of the TCBTA 2018.

⁸ [WTO Agreement on Subsidies and Countervailing Measures](#).

24. The imposition of countervailing duties pursuant to the application of regulation 25 of the Dumping and Subsidisation Regulations does not appear to be done in a manner that is consistent with the UK's non-discrimination obligation under Article 19.3 of the SCM Agreement. Instead, regulation 25 operates a discrimination in the imposition of countervailing duties, according to whether the entirety or only part of a countervailable subsidy is received in the POI. Where the entirety of a subsidy is received in the POI, the imports of the Good Concerned would not benefit from the application of the *de minimis* threshold under regulation 25(4). Thus, even where a subsidy was calculated to be of a value inferior to 1%, it would still be included in the composition of the final subsidy amount. By contrast, in the case that only part of a subsidy is received in the POI, the imports of the Good Concerned would benefit from the application of what is essentially a *de minimis* threshold in the notion of "qualifying countervailable subsidy", disregarding from the calculation of the subsidy amount any subsidy received in part outside the POI which is of a value less than 1%. The effect is that an overseas exporter of the Goods Concerned in the former case (i.e., where the entirety of a subsidy is determined to be received in the POI) would be subjected to a higher countervailing duty amount by virtue of mere chance with regard to the entirety of the countervailable subsidy happening to be deemed to be received during the POI.

25. Such a different treatment is clearly not justifiable because what really matters for the purpose of calculating the subsidy amount is the amount of the countervailable subsidy that is attributable to the POI, and not the amount of a countervailable subsidy which is received during the POI. If an overseas exporter receives – during the POI - a countervailable subsidy amounting to 0.5% of all the sales of the goods to which the countervailable subsidy is attributable, while another overseas exporter receives a countervailable subsidy of 1% during a longer period, so that the portion of subsidy attributable to the POI amounts to 0.5% of all the sales of the goods to which the countervailable subsidy is attributable, there is no valid reason why, in the first case, the 0.5% margin should be taken into account and in the other case not. The TRA's interpretation of regulation 25 is therefore contrary to the fundamental principle of equal treatment and non-discrimination.

26. Should the TRA conclude that its interpretation of regulation 25 is nevertheless correct, *quod non*, the inevitable conclusion would be that regulation 25 itself is illegal, and should therefore be disregarded, insofar as it is at odds with higher-ranking principles, such as the fundamental principle of equal treatment and non-discrimination, as well as the international obligations set out in the SCM Agreement, to which the United Kingdom is party.

27. As a consequence, Milenyum Metal respectfully submits that the TRA reconsider the application of regulation 25 in the calculation of the Individual Subsidy Amount and reiterates its request that the TRA disregard those subsidy values which were identified as being lower than the 1% threshold.

2.2 Ground 2: the calculation of the Individual Subsidy Amount is inherently flawed by errors in the calculation of the subsidy amount for the corporate-tax exemptions

2.2.1 The TRA should have determined the amount of the benefit conferred on the basis of a consistent allocation by turnover

28. At the outset, and as a preliminary submission, Milenyum Metal wishes to raise its concerns with respect to the approach of the TRA to the calculation of the benefit for the subsidy amount for the corporate-tax exemptions deemed to be countervailable.

29. In essence, Milenyum Metal considers that the methodology followed by the TRA in order to allocate the total benefits associated to the corporate-tax exemption ([**CONFIDENTIAL** – commercially sensitive information]) between the Goods Concerned ([**CONFIDENTIAL** – commercially sensitive information) and other goods ([**CONFIDENTIAL** – commercially sensitive information), and which focuses on the calculation of the profits generated by each of the two categories of goods during the POI, is manifestly inaccurate and therefore inappropriate.

30. In order to properly analyse where Milenyum Metal's profits have come from for the purposes of this calculation, the TRA would have needed to base its calculations on detailed information relating to sales and costs. Rather, the TRA has adopted something of a *hybrid* approach to the calculation of the benefit, allocating by turnover in every respect — with the exception of transport costs. This approach essentially amounts to guesswork in practice and is, as a result, not one which carries any realistic prospect of yielding a reasonably accurate calculation of profits — something which cannot be known without information on costs of production.

31. And in fact, the TRA's methodology results in the paradoxical situation whereby the sales of "other goods", i.e., ([**CONFIDENTIAL** – commercially sensitive information). If this was really the case, Milenyum Metal would better cease selling any product other than the Goods Concerned. In fact, taking the TRA's calculations for good, *quod non*, the Goods Concerned would have an exceptional (not to say, incredible) profitability of 15.4% despite the TRA itself acknowledging in Section H8.1 of the Final Recommendation that the normal rate of profit for the ironing board industry is approximately 5%. Based on the foregoing, it should be concluded that the methodology applied by the TRA is manifestly inappropriate, insofar as it artificially inflates Milenyum Metal's profits associated with the Goods Concerned.

32. Milenyum Metal therefore submits that such methodology should be disregarded in favour of an alternative - and more appropriate - methodology. In particular, Milenyum Metal considers that a more fair and objective methodology would be that of allocating the benefit associated with the corporate tax exemption on a turnover basis, which would at least have the advantage of being grounded on objective information as available in the existing evidence.

2.2.2 The calculation of the Individual Subsidy Amount has been affected by a manifest error in the determination of the subsidy amount for the corporate-tax exemptions

33. Without prejudice, and in the alternative, to the argument made in the previous subsection (Subsection 2.2.1), Milenyum Metal respectfully submits that the calculation of the Individual Subsidy Amount is incorrect, as having been based on a profit calculation in the determination of the subsidy amount for the corporate-tax exemptions which was itself incorrect.

34. In particular, Milenyum Metal wishes to draw the attention of the TRA to the figures used for transport costs in the context of this calculation. It appears in the Intermediate Subsidy Calculation that the TRA relied upon a figure for profit which reflected selling expenses incorporating approximately TRY ([CONFIDENTIAL – commercially sensitive information]) (approximately USD ([CONFIDENTIAL – commercially sensitive information])⁹ of transportation costs for export to the UK of a total quantity of ([CONFIDENTIAL – commercially sensitive information]) pieces¹⁰ of the Goods Concerned, most of which was sold under ([CONFIDENTIAL – commercially sensitive information]) terms. This would equate to a transport cost per piece of approximately USD 0.05, a figure which is manifestly too low to be realistic considering that – as explained – almost all UK sales of the Goods Concerned were made under ([CONFIDENTIAL – commercially sensitive information]) terms, which means that the associated transportation costs should include ([CONFIDENTIAL – commercially sensitive information]). The TRA's calculation is therefore affected by a manifest error and Milenyum Metal respectfully submits that no qualified observer could reasonably reach the conclusion that a figure of only TRY ([CONFIDENTIAL – commercially sensitive information]) of transportation costs for ([CONFIDENTIAL – commercially sensitive information]) pieces of ironing boards is an accurate one.

35. The above conclusion is further confirmed by the analysis of the calculation worksheet “*Up-to-date UK sales listing*” in the Excel file “*Intermediate Subsidy Calculations F- Final (NONC)*”, which shows that the figure of TRY ([CONFIDENTIAL – commercially sensitive information]) determined by the TRA was calculated by only taking into account ([CONFIDENTIAL – commercially sensitive information]) sales to the UK during the POI, therefore disregarding all ([CONFIDENTIAL – commercially sensitive information]) sales. However, as already explained, the vast majority of Milenyum Metal's sales to the UK during the POI were made on an ([CONFIDENTIAL – commercially sensitive information]) basis, with only a marginal share of transactions being conducted on a ([CONFIDENTIAL – commercially sensitive information]) basis. Therefore, the TRA's calculation disregarded all the transportation costs associated with these ([CONFIDENTIAL – commercially sensitive information]) sales. In addition, it appears that the transportation costs of Milenyum Metal's ([CONFIDENTIAL – commercially sensitive information]) sales to the UK during the POI were themselves not correctly calculated.

36. Bearing the above in mind, Milenyum Metal respectfully requests that the TRA reconsider its Original Decision with respect to the calculation of the Individual Subsidy Amount, in particular to ensure that the calculation of profits generated by the Goods Concerned is based on an accurate figure, which reasonably reflects ([CONFIDENTIAL – commercially sensitive information]) transportation costs (which represent the vast majority of Milenyum Metal's sales of the Goods Concerned during the POI). In particular, it is submitted that the total transportation cost related to the ([CONFIDENTIAL – commercially sensitive information]) containers shipped to the UK during the POI (out of ([CONFIDENTIAL – commercially sensitive information]) containers shipped by Milenyum Metal over the POI) can be estimated as TRY ([CONFIDENTIAL – commercially sensitive information]) (instead of TRY ([CONFIDENTIAL – commercially sensitive information]) used by the TRA in its calculation). This figure is calculated on the following basis:

⁹ Source: [x-rates.com](https://www.x-rates.com), on the basis of the average exchange rate USD-TRY in 2021 (approximately, 8,85 TRY/USD).
¹⁰ This figure can be seen in the worksheet “*Proportions*” of the Excel file “*Intermediate Subsidy Calculations F- Final (NONC)*”

Calculation of Milenyum Metal's Transportation Costs during the POI	
<p>Total ([CONFIDENTIAL – commercially sensitive information]) Transportation Costs for 2021¹¹ for a total of ([CONFIDENTIAL – commercially sensitive information]) shipments</p> <p>This figure is calculated on the following basis:</p>	<p>([CONFIDENTIAL – commercially sensitive information])</p>
<p>(a) Transportation from the factory gate to ([CONFIDENTIAL – commercially sensitive information]) Port</p>	<p>TRY ([CONFIDENTIAL – commercially sensitive information]) per container</p> <p>This figure is an estimate calculated on the basis of the following sample invoices¹² (see Annex 2):¹³</p> <p>([CONFIDENTIAL – commercially sensitive information])</p>
<p>(b) Port handling charges</p>	<p>USD ([CONFIDENTIAL – commercially sensitive information]) per container</p> <p>This figure is an average calculated on the basis of the following sample invoices¹⁴ (see Annex 3):</p> <p>([CONFIDENTIAL – commercially sensitive information])</p>
<p>Total ([CONFIDENTIAL – commercially sensitive information]) Cost</p> <p>((a) + (b)) x Total Number of Shipments</p>	<p>([CONFIDENTIAL – commercially sensitive information])</p>
<p>Number of UK ([CONFIDENTIAL – commercially sensitive information]) Shipments in 2021</p>	<p>([CONFIDENTIAL – commercially sensitive information]) shipments to the UK, of which</p> <p style="padding-left: 40px;">- ([CONFIDENTIAL – commercially sensitive information])</p>
<p>Total Cost for UK ([CONFIDENTIAL – commercially sensitive information]) Shipments in 2021</p>	<p>([CONFIDENTIAL – commercially sensitive information])</p>

¹¹ This information is contained in Milenyum Metal's Trial Balance, which was provided to the TRA during the Investigation.

¹² The relevant invoices are all recorded in Milenyum Metal's trial balances related to the year 2021, as can be seen from **Annex 2**.

¹³ Milenyum Metal has also provided in **Annex 1** further details of the account (([CONFIDENTIAL – commercially sensitive information]) indicated in the trial balances in which all transportation costs were received (highlighted blue).

¹⁴ The relevant invoices are all recorded in Milenyum Metal's trial balances related to the year 2021, as can be seen from **Annex 2**.

(Total ([CONFIDENTIAL – commercially sensitive information) Cost x Number of UK ([CONFIDENTIAL – commercially sensitive information) Shipments in 2021)	
Total Cost of UK ([CONFIDENTIAL – commercially sensitive information) Shipments in 2021	([CONFIDENTIAL – commercially sensitive information)
Total Transportation Cost of UK Shipments in 2021 ([CONFIDENTIAL – commercially sensitive information)	TRY ([CONFIDENTIAL – commercially sensitive information) (instead of TRY ([CONFIDENTIAL – commercially sensitive information) used by the TRA in its calculation).

37. Taking into account the above figures for transportation cost, the selling expenses associated with the sales of the Goods Concerned during the POI should be corrected, passing from approximately TRY ([CONFIDENTIAL – commercially sensitive information) to approximately TRY ([CONFIDENTIAL – commercially sensitive information). In turn, this would decrease the profit generated by the sales of the Goods Concerned during the POI to approximately TRY ([CONFIDENTIAL – commercially sensitive information) (from approximately TRY ([CONFIDENTIAL – commercially sensitive information)), resulting in a benefit of approximately TRY ([CONFIDENTIAL – commercially sensitive information) instead of approximately TRY ([CONFIDENTIAL – commercially sensitive information), corresponding to a subsidy amount of 2.357% instead of 3.066%.

3. THE OUTCOME SOUGHT

38. In light of the foregoing, Milenyum Metal respectfully requests that the TRA reconsider its original decision, and in particular that it:

- (i) disregards any subsidy amounts for countervailable subsidies which have been calculated to be lower than 1% in its calculation of the Individual Subsidy Amount;
- (ii) revisits the calculation of the subsidy amount for the corporate-tax exemptions deemed by the TRA to be countervailable subsidies, and in particular that it takes into account and bases its calculations on the information provided by Milenyum Metal in Subsection 2.2.2 of this Application with respect to the calculation of transportation costs, revising the profit calculation — and thus the subsidy amount — accordingly; and
- (iii) revises its calculation of the Individual Subsidy Amount to reflect points (i) and (ii), above.

39. Milenyum Metal stands ready to assist the TRA in the reconsideration process and welcomes any questions that the TRA may have in this regard.

Yours sincerely,

Gabriele Coppo