

Executive Summary

Of the

**Request for an expiry review of the countervailing measures
concerning imports of certain rainbow trout originating in turkey
under Regulation (EU) 2016/1037 of 8 June 2016**

Submitted by Gide Loyrette Nouel on behalf of the Danish Aquaculture Organisation

1. BACKGROUND

Following the initiation of an anti-subsidy investigation on 15 February 2014 concerning trout originating in Turkey, the European Commission imposed definitive countervailing duties through Commission implementing regulation (EU) 2015/309 of 26 February 2015 ranging from 6,9% to 9,5%. These measures were set to expire on 26 February 2020.

The Danish Aquaculture Organisation (TDAO), on behalf of the Union producers of certain rainbow trout, lodges the present expiry review request with the Commission to renew the countervailing measures applicable to Turkish imports of certain rainbow trout for another five-year period.

2. APPLICATION

TDAO acts on behalf of its members as well as the individual producers of the product concerned. The expiry review request is further supported by the Italian, French and Spanish national associations for the product concerned, respectively API, CIPA and APROMAR, on behalf of their members.

The applicant is therefore acting on behalf of the EU trout industry and fulfils the representativeness requirement as set out in Article 10(6) of Regulation (EU) 2016/1037 of 8 June 2016.

2.1. The product concerned

The product concerned by this request is the same as that covered by Regulation (EU) 2015/309 of 26 February 2015 imposing a definitive countervailing duty on imports of certain rainbow trout originating in Turkey and is defined by the Applicant as "*rainbow trout (*Oncorhynchus mykiss*) live weighing 1.2 kg or less each, or fresh, chilled, frozen and/or smoked, in the form of whole fish (with heads on), whether or not gilled, whether or not gutted, weighing 1.2 kg or less each, or with heads off, whether or not gilled, whether or not gutted, weighing 1 kg or less each, or in the form of fillets weighing 400 g or less each originating in Turkey*".

With regards to the customs classification, the product concerned currently falls within CN codes ex 0301 91 90, ex 0302 11 80, ex 0303 14 90, ex 0304 42 90, ex 0304 82 90 and ex 0305 43 00.

2.2. Likelihood of recurrence of subsidization

The Applicant demonstrated that the Turkish government has continued to provide support in the form of countervailing subsidies to its domestic trout industry and that there is a strong likelihood of recurrence of subsidization.

The overall level of subsidization provided by the Turkish government has remained unchanged or even increased since the original investigation. In addition to the agricultural subsidies - direct subsidy for production of trout per kg, closed system aquaculture, trout over 1 kg and trout brood stocks -, the Applicant identified other subsidy schemes currently in place: subsidy for fish farming in soil ponds, financial support for agricultural publishing and consulting services, state supported insurance for the aquaculture sector and state supported loans for aquaculture.

2.3. Likelihood of recurrence of injury

The Applicant demonstrates that there is a strong likelihood of recurrence of subsidy and injury to the EU injury, should the existing countervailing measures lapse.

Measures against unfair imports of trout from Turkey, imposed at the level of subsidization, were effective to some extent to grant relief to EU trout farmers immediately following the imposition of definitive measures. However, considering the significant difference between the level of subsidization (6.7% - 9.5%) and the level of injury (17% - 37%), Turkish imports continued to enter the EU market and at low prices.

Due to this continued increase of unfair imports from Turkey and the continued undercutting of EU sales prices, the EU industry has continued to suffer injury. The imposition of countervailing measures in 2015 has provided some relief to the industry, but the level of the measures was insufficient to effectively let the EU industry recover from the injurious effect of Turkish imports. Nevertheless, it remains clear that countervailing measures are still needed to provide protection to the EU industry from unfair Turkish imports.

Without any protection in the form of the current countervailing measures, the EU market would quickly be flooded again with unfair imports from Turkey, which would have a devastating impact on the already vulnerable EU trout industry. EU trout farmers have had to deal with increasing costs, but due to the pressure of unfair imports, they were unable to increase their sales price. They are thus losing sales volumes because of cheaper imports and suffer decreasing profitability because of increased costs, stable prices and decreasing sales volumes.

Furthermore, the EU remains the most attractive export destination for Turkish rainbow trout: EU trout consumption has increased above global average since 2016 while consumption level in Turkey remains low ; geographically, the EU remains the most logical export destination for trout ; and the exchange rate of the Turkish Lira has drastically decreased since the measures were imposed. The applicant also pointed towards certain dubious practices conducted by Turkish trout exporters which further illustrate their intent to continue exporting to the EU.

3. CONCLUSION

Both the continued increase of unfair imports from Turkey and the vulnerability of the EU trout industry on the EU market, which remains highly attractive, provide ample *prima facie* evidence of likelihood of recurrence of Turkish imports' injurious subsidization, should the countervailing measures lapse. It therefore justifies the extension of the measures for another five-year period in order to offer the protection necessary to the EU industry against unfair subsidized imports of trout from Turkey.

4. INTERESTED PARTIES

Turkish Exporters
ABALIOĞLU SU ÜRÜNLERİ.GIDA TAR.İNŞ.İTH.İHR.SAN.TİC.LTD.ŞTİ.
ABALIOĞLU YEM SOYA VE TEKS.SAN .A.Ş.
ADASU ÜRÜN. TURZ.İNŞ. VE TIC. LTD. ŞTİ.
AHMET BEDİRHANOĞLU KUZEY BALIK
AKGÖL BALIKÇILIK SU ÜRN.ÜR.HAY.HAY.ÜRN.BAK.İNŞ.MAL.İTH.İHR.LTD.ŞTİ.
AKYOL SU ÜRN.ÜRT.TAŞ.KOM.İTH.İHR.PAZ.SAN. VE TIC. LTD ŞTİ
ALİMA SU ÜRÜNLERİ VE GIDA SAN.TİC A.Ş
ANTALYA BALIK TURİZM GIDA TAŞ. İNŞ.SAN.VE TIC.A.Ş.
ASYA SÖĞÜT SU ÜRÜNLERİ ÜRETİM DAHİLİ PAZ.VE İHR. LTDŞTİ
BAFA SU ÜRÜNLERİ YAVRU ÜRETİM MERKEZİ SANAYİ TICARET AŞ
BAL-PI GIDA SAN.VE TIC.LTD.ŞTİ
BANDIRMA BALIKÇILIK GIDA NAKLİYAT SOĞUK HAVA TESİSLERİ AKARYAKIT TURİZM LTD.ŞTİ.
BAYPA BAYHAN SU ÜRÜNLERİ SAN.TİC.A.Ş.
BLUE FİSH SU ÜRÜNLERİ VE PETROL İTHALAT İHRACAT SANAYİ VE TİCARET ANONİM ŞİRKETİ
CALLUT TARIM TURİZM VE SU ÜRÜN İTH.İHR.SAN TIC LTD ŞTİ.
DERSU ALABALIK ÜR.TUR.TİC.SAN. LTD.ŞTİ.
DRS GIDA VE SU ÜRÜNLERİ ÜRETİM SANAYİ VE TİCARET LİMİTED ŞİRKETİ
ERBA SU ÜRÜNLERİ İTHALAT İHRACAT SAN. VE TİC. LTD.ŞTİ
FOKACI SU ÜRÜNLERİ GIDA PAZ.NAK.SAN.VE TİC.LTD.ŞTİ
GLOBAL POINT LOJİSTİK TİC.LTD.ŞTİ
GMS SU ÜRÜNLERİ ÜRETİM İTH. PAZ. SAN. VE TIC. LTD ŞTİ
GÜLPORT LİMAN HİZMETLERİ TİC. A.Ş.
GÜMÜŞDOĞA SU ÜRÜN.ÜRETİM İHR VE İTH.AŞ
GÜMÜŞDOĞA SU ÜRÜNLERİ ÜRETİM İHRACAT İTHALAT AŞ
GÜMÜŞ-YEL SU ÜRÜNLERİ ÜRETİM İHRACAT VE İTHALAT LTD ŞTİ
HAKAN KOMANDİT ŞİRKETİ
HAMBURG GIDA SANAYİ TİCARET ANONİM ŞİRKETİ
İLKER ÖZER ÖZER GIDA SU ÜRÜN. İTHALAT İHRACAT VE TİCARETİ
İSKELE SU ÜRÜNLERİ HAYV.GIDA TUR.İNŞ.PAZ.İHR.LTDŞTİ
KARAKÖY SU ÜRÜNLERİ ÜRETİM PAZ.TİC.İHR. VE İTH.LTDŞTİ
KAYHANLAR SU ÜRÜNLERİ PAZ VE NAK.TİC.LTD.ŞTİ
KEBAN ALABALIK SU ÜRÜNLERİ.GIDA ÜRT.PAZ.SAN.VE TİC.A.Ş
KEMAL BALIKÇILIK İHR.LTD.ŞTİ.
KIRIŞ GIDA MADDELERİ SU ÜRÜNLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
KLC GIDA ÜRÜNLERİ İTH.İHR.VE TİC.A.Ş.
KOCAMAN BALIKÇILIK İHRACAT VE İTHALAT TİCARET ANONİM ŞİRKETİ
KOPUZMAR SU ÜRÜNLERİ SAN.VE DİŞ TİC.A.Ş.
KUZEY BALIKÇILIK GIDA TUR.İTH.İHR.SAN. VE TİC.A.Ş.
LERÖY TURKEY SU ÜRÜN. SAN. VE TIC. A.Ş.
MER SU ÜRÜNLERİ HAYVANCILIK NAKLİYE PAZARLAMA İTH. İHR. SAN .VE T İC. A.Ş.
MERSİN ÜNİVERSAL DENİZ.Gİ.İNŞ PET.İTH.İHR.SAN.LTD.ŞTİ.
MİTTOS SU ÜRÜNLERİ.TURZM.PETROL NAK.ENERJ.HAYV.İHR.İTH.SAN.VE TİC.LTD.ŞTİ.
MORE SU ÜRÜNLERİ TİC.A.Ş.
NEBA DİŞ TİC.LTD.ŞTİ
ÖMER YAVUZ BALIKÇILIK SU ÜRÜNLERİ. SAN.VE TİC.LTD.ŞTİ
ÖNDER SU ÜRÜNLERİ TURİZM.SAN. TİC.LTD.ŞTİ.

ÖZER GIDA SANAYİ VE DIŞ TİCARET LTD. ŞTİ.
ÖZGÜ SU ÜRÜN. ÜRET. TAS. KOMIS. İTH. İHR. PAZ. SAN. VE TIC. LTD ŞTİ
ÖZPEKLER İNŞAAT TAAHHÜD DAYANIKLI TÜKETİM MALLARI SU ÜRÜNLERİ SANAYI VE TICARET LIMITED ŞİRKETİ
ÖZPEKLER İTH.İHR. SU ÜRÜN.SAN VE TİC.LTD.ŞTİ.
PAKYÜREK DIŞ TİC.LTD.ŞTİ.
PENTA SU ÜRÜNLERİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ
S.S.YAPAĞLI KÖYÜ TARIMSAL KAL. KOOPERATİFİ
ŞAHLANLAR GIDA SAN VE TICARET LTD. ŞTİ
SEARAY SU ÜRÜNLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
SEÇKİN TURİZM BALIKÇILIK SAN. VE TİC.LTD.ŞTİ.
SELİNA BALIK İŞLEME TESİSİ İTHALAT İHRACAT VE TİCARET ANONİM ŞİRKETİ
SUSAN GIDA SAN.VE TİC. AŞ
TERNAEBEN GIDA VE SU ÜRÜNLERİ İTHALAT VE İHRACAT SANAYI TICARET AŞ
TRUST İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ
TUMAY BALIKÇILIK GIDA DIŞ TİCARET SANAYİ ANONİM ŞİRKETİ
ULUTURHAN BALIKÇILIK TURİZM TİCARET VE LİMİTED ŞİRKETİ
YAHYA DENİZER GIDA MADDELERİ TİC. VE NAK. LTD. ŞTİ.
YAMAĞOĞLU İNŞAAT TAAHHÜT VE DIŞ TİCARET LTD. ŞTİ.
YAŞAR DIŞ TİC.A.Ş
YAVUZLAR OTOMOTİV BALIK.SAN.VE TİC.LTD.ŞTİ.
ZEON DIŞ TİC.SU ÜRÜNLERİ TARIM HAYVANCILIK SAN VE TİC.A.Ş
EU Associations of Producers (and their members)
Danish Aquaculture Organisation
Comité Interprofessionel des Produits de l'Aquaculture (CIPA)
Polish Trout Breeders Association
Asociación Empresarial de Acuicultura de España (APROMAR)
Associazione Piscicoltori Italiani (API)
Verband der Deutschen Binnenfischerei und Aquakultur e. V. (VDBA)
British Trout Association
Federation of European Aquaculture Producers (FEAP)