

NOTICE OF INITIATION

Ironing boards

Imported into the United Kingdom from the Republic of Turkey

Initiation of an Investigation into Alleged Subsidisation

Investigation No AS0020

The Trade Remedies Authority (TRA) makes the following Notice under paragraph 9(6) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (the Act) to initiate an investigation into alleged subsidisation.

The date of initiation of the investigation is 7 April 2022.

The decision to initiate the investigation follows an application lodged on behalf of the UK Ironing boards industry (the Application).

A non-confidential copy of the Application is available on our public file relating to this investigation.

HOW TO TAKE PART IN THE INVESTIGATION

Registration period

Anyone who wants to participate in the investigation can register their interest through the Trade Remedies Service at <https://www.trade-remedies.service.gov.uk/> by the **26 April 2022**.

Please contact AS0020@traderemedies.gov.uk if you have any difficulties using this service.

Anyone registering their interest after 26 April 2022 may not be able to participate fully in the investigation process.

Interested parties and contributors

Once registered, interested parties and contributors can submit comments on any issues relevant to the investigation through the Trade Remedies Service.

Interested parties may include:

- the government of the Republic of Turkey;

- any overseas exporter or importer of the goods concerned;
- any trade or business association of overseas producers, overseas exporters or importers of the goods concerned;
- any producer of the like goods in the UK; and
- any trade or business association of UK producers of the like goods.

Contributors are those, other than interested parties, who have notified the TRA that they would like to participate in the investigation.

SUMMARY OF THE INVESTIGATION

The Goods

The goods subject to investigation (the Goods Concerned) are:

Ironing boards made from iron or steel, whether or not free-standing, with or without a steam-soaking and/or heating top and/or blowing top, including sleeve boards, and essential parts thereof, i.e. the legs, the top and the iron rest.

Goods Concerned are subject to the following commodity codes:

7323 93 00 10; 7323 99 00 10; 8516 79 70 10; 8516 90 00 51

The applicant considers that the following are Like Goods for the purposes of this investigation:

The like goods produced by the UK industry are ironing boards made from iron or steel, whether or not free-standing, with or without a steam-soaking and/or heating top and/or blowing top, including sleeve boards, and essential parts thereof, i.e. the legs, the top and the iron rest, currently falling within CN codes 7323 93 00 10, 7323 99 00 10, 8516 79 70 10 and 8516 90 00 51.

The basic product type consists of steel legs, steel top, iron rest and textile cover. The primary use of all product types is the ironing of clothes.

Allegations of subsidisation and injury

The Application alleges that Goods Concerned imported into the United Kingdom from the Republic of Turkey were in receipt of countervailable subsidies. Details of the alleged subsidy practices are:

The applicant claims that ironing boards originating in the Republic of Turkey, and exported to the UK, benefit from countervailable subsidies as a result of Turkish producers being located within Turkish Free Zones.

Turkish Free Zones have been established across 18 regions between 1985 and 2000 and operate today. Free Zones are special sites within the country that are deemed to be outside of the customs territory where special regulatory treatment exists for the companies based in there. Some of the alleged Free Zone benefits are:

opportunity to benefit from tax advantages, opportunity to transfer profits, facilitation of foreign trade and trade facility free from customs duty procedure.

The applicant claims that the alleged subsidised imports have caused and are causing material injury to the applicant through price undercutting which has led to decreased domestic production, poor capacity utilisation and a reduction in employment. The material injury caused by the imported goods has also materialised in a decline in sales and decreased profitability. The value of sales to unrelated parties decreased leading to decreased profitability over the injury period. The applicant also decreased in market share over the same period and the alleged subsidised imports have also led to price depression of the United Kingdom industry. This alleged subsidisation has also caused a decline in the cash flow levels of the applicant, as well as an increase in the level of inventories of the like good and a reduction in investment opportunities.

SUMMARY OF THE INVESTIGATION PROCESS

The period of investigation is 1 January 2021 to 31 December 2021. In order to assess injury, the TRA will examine the period from 1 January 2018 to 31 December 2021.

The investigation will involve the following process:

- inviting parties to register their interest in the investigation;
- issuing questionnaires, where practicable, to:
 - all interested parties (including the Government of the Republic of Turkey) who have registered an interest in the investigation;
 - all contributors who have registered an interest in the investigation;
 - all UK producers, importers and overseas exporters identified in the Application; and
 - any trade or business association of UK producers, importers and overseas exporters identified in the Application.
- carrying out verification visits to further assess and examine information;
- analysing information gathered;
- determining whether subsidised goods are being imported into the UK and the importation of these goods is causing injury to the UK industry;
- determining the subsidy amount;
- determining an amount adequate to remove injury;
- considering whether applying a countervailing amount would be in the economic interest of the UK;
- publishing a Statement of Essential Facts. On publication, we will set a period of time, which will be no longer than 30 days, during which parties will be able to comment on the Statement of Essential Facts; and
- at the end of the investigation we will make a recommendation to the Secretary of State for International Trade (the Secretary of State) which may include provision for a countervailing amount to be applied. The Secretary of State will then decide whether to accept or reject that recommendation.

Our [Trade Remedies Guidance](#) provides more information about the investigations process.

Provisional Affirmative Determination

If, at any time during the investigation, we are satisfied that there are sufficient grounds for recommending imposition of a countervailing amount, we may make a provisional affirmative determination under paragraph 11 of Schedule 4 to the Act and make a recommendation to the Secretary of State under paragraph 13 of that Schedule that importers of the goods concerned are required to give a guarantee in respect of an estimated countervailing amount. We will only require a guarantee where we are satisfied that it is necessary to prevent injury being caused during the investigation to UK industry in the relevant goods, and that it meets the economic interest test.

Parties are invited to comment on the issue of making a provisional affirmative determination and requiring a guarantee throughout the investigation.

Sampling

Depending on the number of parties registering an interest in the investigation, we may consider it appropriate to limit examination to a sample of:

- overseas exporters;
- importers;
- categories of goods;
- UK producers;
- transactions for the purchase of the like goods in the UK; or
- anything else we consider it appropriate to sample.

Hearings

Interested parties can request a hearing by using the Trade Remedies Service at <https://www.trade-remedies.service.gov.uk/>.

For further information about hearings during an investigation, please see our [Meetings, Hearings and Visits Guidance](#).

Confidential information

Information provided during an investigation may be treated as confidential. Anyone requesting that information be treated as confidential must demonstrate why, and provide:

- a non-confidential summary of that information; or
- where that is not possible, a statement of reasons explaining why the information should be treated as confidential, and why it cannot be summarised.

FURTHER INFORMATION

Our [Trade Remedies Guidance](#) provides more information about the investigations process, including our requirements for [submitting and summarising confidential information](#).

Oliver Griffiths
Chief Executive Officer
Trade Remedies Authority

7 April 2022