

REPUBLIC OF TURKEY
MINISTRY OF TRADE
Directorate General for Exports

Ref : 69000267-140-02

Case Code: TS0002
Transition Review
01/01/2019 – 31/12/2019

Non-Confidential Version

22 June 2020

Department for International Trade
Trade Remedies Investigations Directorate
North Gate House
21-23 Valpy Street
Reading
Berkshire
RG1 1AF
United Kingdom

RE: *Response of the Government of Turkey in the Transition Review of Countervailing Duty on Rainbow Trout from the Republic of Turkey*

Dear Sir/Madam,

We, the Government of the Republic of Turkey (GOT), submit herewith our response to the questionnaire in the Transition Review of Countervailing Duty on Rainbow Trout (TS002) from the Republic of Turkey.

We request that certain information contained in the response to be accorded proprietary treatment since this information relates to specific usage of the GOT support programs and other information that is not publicly available. The public disclosure of this proprietary information would cause substantial harm to the competitive positions of the respondents.

Please contact the undersigned should you require clarification of any aspects of this submission.

Respectfully submitted,



SECTION A: General information

This questionnaire is responded for the sampled companies by the Department of International Trade (Department), namely

- Selina Balık İşleme Tesisi İthalat İhracat A.Ş.
- Kemal Balıkçılık İhracat Ltd. Şti
- Özpekler İnşaat Taahhüt Dayanikli Tüketim Malları Su Ürünleri Sanayi ve Ticaret Ltd. Şti.

The Government of Turkey (the GOT) is ready to cooperate with the Department for further questions for these companies or affiliated and related companies.

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:

Government dept./ body/ organisation:	The Ministry of Trade of The Republic of Turkey
Name (point of contact):	
Position:	
Address:	The Ministry of Trade – The Republic of Turkey Söğütözü Mah. 2176. Sk. No:63 06530 Çankaya / ANKARA
Telephone No:	+90 312 204 75 00
Email:	
Website:	https://www.trade.gov.tr/

A2 – About the sector

1. Please provide a description of the sector producing rainbow trout and the relevant upstream industries, including the main inputs/raw materials industries. Please detail any changes over the past 5 financial years such as entry to or exit from the sectors and mergers or acquisitions.

As of 2020, there are 1507 trout producer facilities in Turkey. The capacity of 64,4% of these producers are between 0-49 tons/year, 18,4% are 50-249 tons/year and 17,1% are 250+ tons/year.

In 2019, 123.089 tons of trout are produced (9.411 tons in seas, 113.678 tons in inland waters) in Turkey.



Appendix reference:

2. Please describe the main distribution channels in the rainbow trout sector and the degree of any upstream or downstream vertical integration.

Trout which is produced in Turkey may be supplied to the domestic market or exported by Turkish companies.

Appendix reference:

3. Please describe any forms of government involvement with either domestic producers of rainbow trout or upstream raw materials suppliers.

There is no government involvement with either domestic producers of rainbow trout or upstream raw materials suppliers.

Appendix reference:

4. Please specify any changes to laws or government regulations that have affected the sector for rainbow trout since the start of the POI.

There are no changes to laws or government regulations that have affected the sector for rainbow trout during the POI. However, there has been a change which was put into force in 2016 regarding the direct subsidies. Please see relevant section for the details of the change.

Appendix reference:

5. Please describe the ownership structure of your domestic industry that produces rainbow trout. In your response, indicate what share of the industry is represented by state invested enterprises (SIEs), state owned enterprises (SOEs), foreign-invested enterprises (FIEs) and domestically-owned private enterprises.

Neither the Government of Turkey nor any public or private entity under the control of government, holds direct or indirect ownership interest in any of rainbow trout producers.

Appendix reference:

6. Please complete **Annex 1, A2 – Domestic manufacturers & traders** listing all domestic manufacturers and traders of the goods subject to review operating in the POI. Where the government is represented in the company or is a shareholder in it, please:

- provide a description and diagram of the organisational structure covering all subsidiaries and associated companies; and
- attach copies of the last two annual reports.



Please see **Exhibit 3**. There is no company of which government is represented or is a shareholder in it.

Appendix reference:

7. Please complete **Annex 1, A2 – Domestic upstream suppliers** listing all domestic upstream suppliers of main upstream inputs/raw materials related to the production of the good subject to review in the POI. Where the government is represented in the company or is a shareholder in it, please:
- provide a description and diagram of the organisational structure covering all subsidiaries and associated companies; and
 - attach copies of the last two annual reports.

Please see **Exhibit 3** for all hatcheries for trout production in Turkey. There is no company of which government is represented or is a shareholder in it.

Appendix reference:

8. Please use the table below to provide details of any industry associations that represent producers of rainbow trout (both national and regional).

ANSWER:

Central Union of Aquaculture (SUYMERBİR) and producer associations under SUYMERBİR are as follows:

Name of industry association	Level of representation (e.g. national)	Address	Website	Contact details (email/telephone no.)
Su Ürünleri Yetiştiricileri Üretici Merkez Birliği – Central Union of Aquaculture (SUYMERBİR)	National	Mustafa Kemal Mah. 2127. Sok. Manolya Apt. No: 34/5 Çankaya / ANKARA	http://suymerbir.org.tr	info@suymerbir.org.tr Phone: 0536 266 4828 0312 417 8051 Fax: 0312 417 8052
MUĞLA ALABALIK YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Cumhuriyet Mahallesi, İnönü Caddesi,		



		Hanımağa Apt. No:18/2 Seydikemer / MUĞLA		
ANTALYA İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	TOKLU Balık Çiftliği Ünsal Mahallesi, 5160 Sokak, No: 77/A, Kepez/ANTALYA		
ÇAMELİ ALABALIK YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Elmalı Mahallesi, No:302, 20980 Çameli / DENİZLİ		
ISPARTA İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Gazi Kemal Mahallesi, 120 Dalboyunoğlu Caddesi, No: 2, Daire: 2 Merkez / ISPARTA		
BURDUR İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Hakan Su Ürünleri Konak Mahallesi, Yeni Balık Hali, No: 1, PK: 49 BURDUR		
RİZE İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Çağlayan Market Fındıklı RİZE		
TRABZON İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Su Ürünleri Merkez Araştırma Enstitüsü Müdürlüğü Vali Adil Yazar Cad, No:14 Kaşüstü, Yomra, 61250, TRABZON		
BODRUM VE MİLAS SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Atatürk Mahallesi, 270 Sokak, No: 5/1 Güllük, Milas / MUĞLA		
BATMAN İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Yeşiltepe Mahallesi, 2315 Sokak, No: 67, Merkez / BATMAN		
ELAZIĞ İLİ VE İLÇELERİ İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Kallar Mahallesi, Aşağı Çarşı İçi, No: 76 Keban / ELAZIĞ		
MİLAS İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Baharlı Sanayi Sitesi, 4. Cadde, No: 64 Milas MUĞLA		



KÜTAHYA İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	MERSU Su Ürünleri Yem San. ve Tic. AŞ. Karasu Mevkii PK: 4 Bozüyük / BİLECİK		
MALATYA ALABALIK YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Eski Kışla Caddesi İstanbulluoğlu İş Hanı Kat 3 No: 81 Merkez / MALATYA		
KAYSERİ İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Organize Sanayi Bölgesi 8. Cad. No: 27 Merkez / KAYSERİ		
KAHRAMANMARAŞ İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Suçatı Mah. Fırınz Sokak, No: 70/A On İki Şubat / KAHRAMANMAR AŞ		
VAN İÇ SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Vali Mithat Bey Mah, Hastane Cad, Nedim Odabaş İş Merkezi B Blok, Kat: 2 No:34 İpek Yolu /VAN		
SİNOP-SAMSUN SU ÜRÜNLERİ YETİŞTİRİCİLERİ ÜRETİCİ BİRLİĞİ	Regional	Küplüağzı Köyü Yakakent / SAMSUN		
S.S. SÜRGÜ SU ÜRÜNLERİ KOOPERATİFİ	Local	Sürgü Beldesi / Doğanşehir MALATYA		

+Add additional rows as required

A3 Imports and exports

1. Please complete **Annex 1, A3 – Imports and exports** with quarterly data on import and export volumes and values of the like goods, for the past 5 calendar years. Please specify in the annex whether values are based on ex-works, CIF, FOB, etc.

ANSWER:

Please see [Exhibit 3](#).

2. Please complete **Annex 1, A3 – Upstream imports and exports** with quarterly data for the past 5 calendar years on import and export volumes for the following upstream inputs to rainbow trout (*Oncorhynchus mykiss*):



- Juveniles;
- Fish Eggs.

Please specify in the annex whether values are based on ex-works, CIF, FOB, etc.

ANSWER:

Please see **Exhibit 3** for the Turkey's imports and exports of trout egg (0511.91.90).

On the other hand, the Government of Turkey does not have information regarding the tariff codes of the juveniles. However, we are ready to provide the information if the Department provide us with the tariff codes of juvenile.



SECTION B: Government involvement in the sector producing rainbow trout

B1 – Roles and responsibilities of government

1. Answer the following questions in relation to both the central and regional government and/or any public bodies. Please identify and describe the specific roles of all levels of government that are involved in the activities below. Such roles could relate to administration, government policies, regulations or decisions affecting the relevant sectors, both direct and indirect. Please provide contact details for the officials responsible for the roles you identify, including mailing address, email address and telephone number.
 - a. Involvement in policy, economic regulation and decision-making activities related to the production of rainbow trout and main inputs/raw materials.

There is no government involvement in policy, economic regulation and decision-making activities related to the production of rainbow trout and main inputs/raw materials.

Appendix reference:

- b. Involvement in the manufacture, sale, purchase or acquisition of rainbow trout and the main inputs/raw materials used in their production.

There is no government involvement in the manufacture, sale, purchase or acquisition of rainbow trout and the main inputs/raw materials used in their production.

Appendix reference:

- c. The general supervision of the sector for rainbow trout, with reference to the management and administration of any SIEs or SOEs that operate within it.

There is no SIE or SOE which supervises the sector of rainbow trout.

Appendix reference:

- d. Any requirements affecting market entry for production of rainbow trout and main inputs/raw materials, including any environmental regulations affecting either sector.



All producers which are planning to establish a facility for production of aquacultural products, are obliged to apply to the Ministry of Agriculture and Forestry (MAF) to obtain an aquaculture certificate. This application should include project details of the facility, all environmental and feasibility reports of the applicant.

Appendix reference:

- e. The integration of producers of rainbow trout and main inputs/raw materials.

There is no government involvement in the integration of producers of rainbow trout and main inputs/raw materials.

Appendix reference:

- f. The provision of industrial policy and guidance related to the rainbow trout and/or the main inputs/raw materials sectors.

There is no industrial policy and guidance related to the rainbow trout and/or the main inputs/raw materials sectors.

Appendix reference:

- g. Any regulation of land-use affecting production of rainbow trout and/or main inputs/raw materials.

There is no regulation of land-use affecting production of rainbow trout and/or main inputs/raw materials.

Appendix reference:

- h. Any banking or financial regulations relating to production of rainbow trout and/or main inputs/raw materials.

There is no banking or financial regulation relating to production of rainbow trout and/or main inputs/raw materials.

Appendix reference:

- i. The inspection and investigation of facilities that produce rainbow trout, e.g. health and safety compliance, environmental standards and quality assurance.

Trout producer facilities are subject to investigations by the MAF for the health and safety compliance, environmental standards and quality assurance.

Appendix reference:



- j. The issuing of import licenses and certificates for raw materials used in the production of rainbow trout.

The MAF issues sanitary certificate for the importation of fish eggs according to their compliance with the health standards.

Appendix reference:

- k. The implementation of export controls, including the issuing of export licensing relating to rainbow trout and the main inputs/raw materials.

There is no implementation of export controls, including the issuing of export licensing relating to rainbow trout and the main inputs/raw materials.

Appendix reference:

- l. The imposition and supervision of taxation, including export taxes, export tax rebates and value added tax (including any rebates) in relation to rainbow trout and main inputs/raw materials.

There is no implementation and supervision of taxation, including export taxes, export tax rebates and value added tax (including any rebates) in relation to rainbow trout and main inputs/raw materials.

Appendix reference:

B2 – Laws and regulations

1. Please list and provide a copy of any laws, regulations, directives or guidelines specific to the regulation of the price of rainbow trout and the main inputs/raw materials used to produce them. In your answer, please specify the relevant government authorities responsible for each law or regulation.

There is no laws, regulations, directives or guidelines specific to the regulation of the price of rainbow trout and the main inputs/raw materials used to produce them.

Appendix reference:

2. Please list and provide a copy of any laws, regulations, directives or guidelines specific to investment in projects related to rainbow trout and main inputs/raw materials used in their production. In your answer, please specify the relevant government authorities responsible for each law or regulation.

There is no laws, regulations, directives or guidelines specific to investment in projects related to rainbow trout and main inputs/raw materials used in their production.



	Appendix reference:

B3 – Taxes and tariffs

1. Please provide a schedule for the last 5 calendar years showing the corporate tax rates applicable to producers of both rainbow trout and main inputs/raw materials. Please explain any differences in taxation rates between and whether these differences are due to government policies.

Corporate tax rates do not differ between sectors. Corporate tax rate were 20% in 2016 and 2017 and 22% between 2018-2020.

	Appendix reference:
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2. In relation to the question above, please indicate and provide details of any industry-specific tax exemptions or tax rebates.

There is no industry-specific tax exemptions or tax rebates.

	Appendix reference:
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3. Please detail the tariff rates and/or quotas applying to imports and exports of rainbow trout and/or main inputs/raw materials during the past 5 calendar years.

*There is no quotas applying to imports and exports of rainbow trout and/or main inputs/raw materials during the past 5 calendar years. Please see **Exhibit 1** for the tariff rates applied to imports of rainbow trout.*

	Appendix reference:
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4. Please provide a schedule for value added tax (VAT) or equivalent export rebates applicable to exports of rainbow trout and/or main inputs/raw materials for the last 5 calendar years.

All exports are exempted from VAT. There is no export rebates applicable to exports of rainbow trout and/or main inputs/raw materials.

	Appendix reference:
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5. If any export quotas have applied to rainbow trout and/or main inputs/raw materials during the last 5 calendar years, please specify the relevant government authorities responsible for setting and monitoring the quotas.

There is no export quotas have applied to rainbow trout and/or main inputs/raw materials during the last 5 calendar years.



Appendix reference:

B4 – Financial assistance

1. Please provide details of any financial assistance provided, in the last 5 calendar years, by the Government of Turkey (GoT) for production of rainbow trout or its main inputs/raw materials.

Please see Section C below.

Appendix reference:

2. Please provide details of any government involvement in the issuance of debt and/or equity instruments to any company involved in the production of rainbow trout and/or the main inputs/raw materials industry in the last 5 calendar years. In each case, please provide:
 - name and address of each relevant company;
 - reasoning for the form of financial instrument(s) used;
 - the number and value of shares or bonds;
 - the period of investments; and
 - the rate of return(s) and/or expected yields.

There is no government involvement in the issuance of debt and/or equity instruments to any company involved in the production of rainbow trout and/or the main inputs/raw materials industry.

Appendix reference:

3. If any of the instruments identified in the question above are listed in any securities exchange in Turkey or abroad, please identify:
 - the name of the securities exchange; and
 - any known trading restrictions by the company and/or the securities exchange.

N/A

Appendix reference:

4. Please indicate and specify the value of the GoT's guarantee(s) for any commercial loans provided to any companies involved in producing rainbow trout or main inputs/raw materials in the last 5 calendar years.

There is no GoT's guarantee(s) for any commercial loans provided to any companies involved in producing rainbow trout or main inputs/raw materials.



Appendix reference:

B5 – Market access and government policy initiatives

1. Please provide details on whether any producers of rainbow trout or main inputs/raw materials operating in your country have required any types of licenses for production, or government verification for entering the market in the last 5 calendar years? If so, please substantiate your answer with evidence.

All producers which are planning to establish a facility for production of aquacultural products, are obliged to apply to the MAF to obtain an aquaculture certificate. This application should include project details of the facility, all environmental and feasibility reports of the applicant.

Appendix reference:

2. Please indicate and explain any restrictions (such as limits or quotas) placed on the production and/or export of rainbow trout in Turkey in the last 5 calendar years. Please substantiate your answer with evidence.

There is no restrictions (such as limits or quotas) placed on the production and/or export of rainbow trout in Turkey.

Appendix reference:

3. Please identify and provide details of any government policies and/or initiatives that directly or indirectly affect the rainbow trout sector or the aquaculture industry.

There is no specific policies and/or initiatives that directly or indirectly affect the rainbow trout sector or the aquaculture industry. The MAF is responsible to regulate the standards regarding environment, quality and food safety by inspecting all aquaculture industry.

Appendix reference:

4. Please identify and explain the GoT's economic, industrial, social strategies, plans or frameworks, in effect since the start of POI, that directly or indirectly affect producers of rainbow trout or main inputs/raw materials. Please substantiate your answer with evidence.

There is no economic, industrial, social strategies, plans or frameworks of the GOT, in effect since the start of POI.

Appendix reference:



SECTION C: Subsidies

C1 – Subsidy programmes

The programmes being considered by this transition review are listed in **Table 1 – Subsidy programmes**. Please note that programme titles listed are to the best of TRID’s knowledge and may differ from official programme titles used by the GoT.

Please use this section of the questionnaire to provide any information you have on the programmes listed in the table below. You can also provide information on any other subsidy programmes that you believe relate to the production and/or sale of the goods subject to review. To be relevant to this review, programmes should have conferred a benefit to producers of rainbow trout during the POI.

Table 1 - Subsidy programmes

No.	Subsidy name	Subsidy type
1	Direct subsidies to producers of trout (<i>Decree No. 2019/1691</i>)	Grant
2	Direct subsidies to organic producers of trout	Grant
3	Specific support for juveniles scheme	Grant
4	Subsidised discarding fishing vessels scheme (<i>Article 4 paragraph (9) of the Decree No. 2012/36</i>)	Grant
5	Subsidised insurance scheme	Grant
6	Subsidised consultancy scheme	Grant
7	Subsidised Loans scheme	Loan
8	Subsidised fuel scheme (<i>General Communique on Special Consumption Tax Serial No.6 of 31 December 2003</i>)	Tax exemption
9	Investment encouragement certificate: – Tax related incentives scheme	Tax exemption
10	Investment encouragement certificate: – Social Security Premium Support (SSP) programme	Grant
11	Investment encouragement certificate: – Interest support for interest rates paid credit	Loan guarantee
12	Investment encouragement certificate: – Land allocation scheme	Provision of goods and services

+ Add additional rows as required



1. Please review the list in **Table 1** and use the text box below to record any programmes you do not recognise. For the programmes you do recognise, please also use the box to provide its official name and the subsidy type below. In addition, please include any such programmes in the table above and answer the questions that follow with reference to these programmes.

Investment incentive program (IEP) consists of 4 separate incentive schemes: “Regional Investment Incentive Scheme” (RIIS), “Large Scale Investment Incentive Scheme” (LSIIS), “Strategic Investment Incentive Scheme” (SIIS) and “General Investment Incentive Scheme” (GIIS). The scope of each incentive scheme under the Decree No. 2012/3305 varies with different aspects of support measures. Therefore, these 4 programs are responded as one program under IEP.

The remaining names and the types of the programs provided in Table 1 are correct.

Appendix reference:

2. Please indicate in the text box below if the GoT is aware of any other programmes that constitute a subsidy and which are not addressed in **Table 1** or in the question above. This includes any market development assistance programmes or domestic support programmes that are related to the production of rainbow trout and conferred a benefit during the POI.

Please add any such programmes to **Table 1**, clearly indicating the subsidy type and name of the programme.

GOT is not aware of any programmes that are related to production of trout that conferred a benefit responded companies during the POI.

Appendix reference:

Program No.1: Direct subsidies to producers of trout

C2 – General information on programmes

- the policy objective and/or purpose of the programme;

ANSWER:



The purpose of the program is to encourage the increase in efficiency, diversity and quality of production, to ensure sufficient food supply, to increase the hygiene and technical infrastructure of the production facilities.

- the nature or form of the subsidy;

ANSWER:

The nature of this program is grant.

- the nature of benefits or concessions granted;

ANSWER:

A company each year can apply to direct support for its annual production amount pertaining to that year. For 2019, the support amount was 0,75 TL/kg for production up to 350 tons/year. No support is granted for trout production exceeding 350 tons/year.

On the other hand, as it is stated in question 4 of the Section A2, there has been a substantial change in determining the eligibility of companies since the original investigation. Back then, a company was able to obtain support for its all facilities. However, since 2016, if the same natural person and legal entities have more than one fish farming establishments located within the same potential area in the seas, in the same dam lake or dam lakes separated to within the same region defined by the Ministry, these fish farming establishments are considered as a single fish farming establishment and payments of support are made accordingly.

Therefore, the total amount of the support and the support amount per kilo have significantly decreased since 2016.

	Supported Amount (kg)	Total Support (€)	Average Support per Unit (€/kg)
2013	107.693.847	25.183.509	0,23
2014	89.310.570	18.455.816	0,21
2015	83.942.383	16.594.545	0,2



2016	66.598.735	11.913.825	0,18
2017	62.461.873	10.590.408	0,17
2018	53.390.032	6.616.582	0,12

- when the programme was established;

ANSWER:

This program established in 2003.

- the duration of the programme; and

ANSWER:

There is not any specific determined duration for this program.

- the laws and regulations under which the subsidy is granted (including English translations);

ANSWER:

The MAF publishes a Decree regarding the agricultural supports to be provided for that year. For 2019, the support is granted according to the Decree No 2019/1691 Regarding the Agricultural Supports to be Provided in 2019. Please see **Exhibit 2** for the relevant Decree.

- how the programme operates; and

ANSWER:

A company applies to the MAF every year to obtain a support for its production in that year. MAF evaluates the application which includes all details of the trout production of the company. Following the approval of the documents submitted and the completion of the required monitoring, inspections and controls in the plants; the support payment summaries/inventories are prepared by the provincial/district directorates of the MAF.



- which GoT authority administers the programme and the types of records that they maintain for a programme (e.g. company-specific files, accounting records, programme databases, budget approvals, etc.)

ANSWER:

MAF is responsible for administering the program. The data on products and payment amounts are recorded in the aquaculture registration system of which MAF keeps the records of registered farmers, such as their contact information, sales, production, etc.

1. Please provide details of future changes expected to the programmes listed in **Table 1**.

There is no anticipated changes in programme.

Appendix reference:

C3 – Programme eligibility

Please answer each of the following questions for **all** programmes listed in **Table 1** above. Your responses should include information on any additional programmes that have been identified and added to the table in the process of completing this questionnaire.

In the questions that follow, please use the programme numbers listed in **Table 1** to refer to programmes and substantiate responses with evidence.

1. For each programme, please explain the application process, including details of any application fees charged by the relevant government authority.

Please see our response to question named “how the programme operates” under section C2.

Appendix reference:

2. For each programme, please describe the decision-making process used by the relevant government authority to approve or reject an application. Please clearly indicate any differences in the process across different types of subsidies or programmes.



Please see our response to question named “how the programme operates” under section C2.

Appendix reference:

3. Please answer the following questions regarding eligibility for each programme:

- a. Please specify whether eligibility for the programme is at all conditional on a company’s export performance. If so, please provide details of the criteria that apply.

No. Eligibility is not conditional on a company’s export performance.

Appendix reference:

- b. Please specify whether eligibility for the programme is at all conditional on a company’s use of domestic goods over imported goods and, if so, please provide details.

No. Eligibility is not conditional on a company’s use of domestic goods over imported goods.

Appendix reference:

- c. Please specify whether eligibility for the programme is at all conditional upon, or limited to, the location of companies or industries within specific regions. If so, please specify the companies or industries and the designated regions.

No. Eligibility is not conditional on the location of companies or industries within specific regions.

Appendix reference:

- d. Please specify whether eligibility for the programme is limited to any individual or groups of companies and/or industries. If so, please detail the relevant companies and/or industries and the laws that govern this criterion.

No. Eligibility is not limited to any individual or groups of companies and/or industries.

Appendix reference:

C4 – Subsidy received under the programmes



1. Please complete **Annex C4 – Programme beneficiaries** identifying **all** companies that accrued or received a subsidy (or subsidies) under the programmes during the POI. This may include benefits from programmes that were in place well before the POI. Please add additional rows as required.

Please ensure the columns under ‘Programme information’ are populated using the exact information in **Table 1**, ensuring any programme(s) detailed in Section C1 are included.

ANSWER:

Please see **Exhibit 3** for Government Questionnaire Annex tables.

2. Please identify and provide copies of any contractual agreements between the GoT and any companies that were beneficiaries under the programme (e.g. loan contracts, grant contracts, etc.).

N/A

Appendix reference:

3. For **each** programme beneficiary listed in **Annex C4 – Programme beneficiaries**, please answer the following questions:

- a. Please explain the subsidy (or subsidies) provided to the beneficiary. Include an explanation of whether the subsidy was one-off or recurring, including the years it recurred and whether the subsidy varied between years. Please also explain how the subsidy stated in **Annex C4** has been estimated, including the methodology and assumptions used (if relevant).

Please see our response to question named “the nature of benefits or concessions granted” under section C2.

Appendix reference:

- b. Please indicate what functions the company performs and specify whether the nature of any such functions could be recognised as being equivalent to those of a Foreign Authority.

N/A

Appendix reference:



- c. Please state whether any of the company’s functions are undertaken on behalf of the GoT and specify whether the company is required to support the GoT’s policies.

No.

Appendix reference:

- d. If the company has been trusted, vested or tasked with any responsibility normally associated with a Foreign Authority please specify the nature and function of this responsibility and provide copies of the relevant legal instruments or regulations.

N/A

Appendix reference:

- e. Please indicate whether the company has the authority to entrust or direct a private body to undertake responsibilities or functions on behalf of the Foreign Authority.

No.

Appendix reference:

- 4. For **each** SIE and SOE identified in **Annex C4**, if any, please answer the following questions:

- a. Please indicate any payments and/or injections of funds provided by the GoT to the SIE/SOE (e.g. grants, awards, purchase of shares, injection of capital funds etc.). Please detail the date, amount and the reason(s) for the provision.

N/A

Appendix reference:

- b. Please identify and provide details on whether the SIE/SOE has any financial liabilities with any financial institutions in which the GoT holds an interest.

N/A

Appendix reference:

- c. Please detail how each SIE/SOE funds its operations.



N/A

Appendix reference:

d. Please explain how and to whom the SIE/SOE distributes its profits.

N/A

Appendix reference:

e. Please explain how the performance of the SIE/SOE is measured, specifying which authority in the GoT inspects or reviews its performance (e.g. output and quality performance, employee performance, financial performance etc.) Include an explanation of what action, if any, is taken by such authorities if its performance targets are not met.

N/A

Appendix reference:

f. Please provide details of any official GoT reporting methods and/or procedures with which the SIE/SOE must comply.

N/A

Appendix reference:

[Program No.2: Direct subsidies to organic producers of trout](#)

ANSWER:

As the European Commission already concluded, this program is not operational since 2015. The last year for a company to receive benefits from this program was 2016. Therefore, questions are not responded¹.

[Program No.3: Specific support for juveniles scheme](#)

¹ Recital 24 of the COMMISSION IMPLEMENTING REGULATION (EU) 2018/823 of 4 June 2018 terminating the partial interim review of the countervailing measures applicable to imports of certain rainbow trout originating in the Republic of Turkey



ANSWER:

As the European Commission already concluded, this program is not operational since 2013. The last year for a company to receive benefits from this program was 2014. Therefore, questions are not responded².

Program No.4: Subsidised discarding fishing vessels scheme (Article 4 paragraph (9) of the Decree No. 2012/36)

ANSWER:

Fishery products are mainly classified under four categories: Sea Fish, Other Sea Products, Aquaculture Production and Freshwater Products. Rainbow Trout, whether produced in inland waters or marine waters, is falling under the category of “Aquaculture Production” and hence, is not subject to fishing/hunting activities. Accordingly, trout production is not relevant with the use of fishing boats/vessels and therefore, fishing boats/vessels under the scope of this program. Therefore, questions are not responded.

Program No.5: Subsidised insurance scheme

C2 – General information on programmes

- the policy objective and/or purpose of the programme;

ANSWER:

Following a risk analysis and an assessment process, aquaculture products grown in seas and inland waters are covered by the Agriculture Insurance Pool (TARSİM) considering the general and technical conditions accepted for aquaculture products. In this manner, deaths arising from diseases, pollution and poisoning beyond the farmer’s control, all natural hazards,

² Recital 60 of the COMMISSION IMPLEMENTING REGULATION (EU) No 1195/2014 of 29 October 2014 imposing a provisional countervailing duty on imports of certain rainbow trout originating in Turkey



accidents, predators and algal bloom are covered. The policy holder/insured shall present relevant documents to insurer and to the TARSİM³.

- the nature or form of the subsidy;

ANSWER:

A premium is calculated for the policy holder/insurer. The amount of premium support provided by the Government and the insurance premium to be paid by the policy holder/insured are separately indicated in the policy. Hence, the policy holder/insured only pays the insurance premium excluding premium support provided by the Government within the context of Article 13 of the Law 5363.

- the nature of benefits or concessions granted;

ANSWER:

A premium is calculated for the policy holder/insurer. The amount of premium support provided by the Government and the insurance premium to be paid by the policy holder/insured are separately indicated in the policy. Hence, the policy holder/insured only pays the insurance premium excluding premium support provided by the Government within the context of Article 13 of the Law 5363.

- when the programme was established;

ANSWER:

This program has been administered since 2007.

- the duration of the programme; and

ANSWER:

There is not any specific determined duration for this program.

³ Recital 90 of the COMMISSION IMPLEMENTING REGULATION (EU) No 1195/2014 of 29 October 2014 imposing a provisional countervailing duty on imports of certain rainbow trout originating in Turkey



- the laws and regulations under which the subsidy is granted (including English translations);

ANSWER:

Please see **Exhibit 4** for the Agricultural Insurance Law No. 5363 and Decree No. 2018/380 regarding Risks, Products and Regions which will be included to the Scope by Agricultural Insurance Pool in 2019 and Premium Support Rates.

- how the programme operates; and

ANSWER:

A premium is calculated for the policy holder/insurer. The amount of premium support provided by the Government and the insurance premium to be paid by the policy holder/insured are separately indicated in the policy. Hence, the policy holder/insured only pays the insurance premium excluding premium support provided by the Government within the context of Article 13 of the Law 5363.

- which GoT authority administers the programme and the types of records that they maintain for a programme (e.g. company-specific files, accounting records, programme databases, budget approvals, etc.)

ANSWER:

TARSİM keeps the details of the insurance of the companies.

C3 – Programme eligibility

Please answer each of the following questions for **all** programmes listed in **Table 1** above. Your responses should include information on any additional programmes that have been identified and added to the table in the process of completing this questionnaire.

In the questions that follow, please use the programme numbers listed in **Table 1** to refer to programmes and substantiate responses with evidence.



1. For each programme, please explain the application process, including details of any application fees charged by the relevant government authority.

Please see our response to question named "how the programme operates" under section C2.

Appendix reference:

2. For each programme, please describe the decision-making process used by the relevant government authority to approve or reject an application. Please clearly indicate any differences in the process across different types of subsidies or programmes.

Please see our response to question named "how the programme operates" under section C2.

Appendix reference:

3. Please answer the following questions regarding eligibility for each programme:
 - a. Please specify whether eligibility for the programme is at all conditional on a company's export performance. If so, please provide details of the criteria that apply.

No. Eligibility is not conditional on a company's export performance.

Appendix reference:

- b. Please specify whether eligibility for the programme is at all conditional on a company's use of domestic goods over imported goods and, if so, please provide details.

No. Eligibility is not conditional on a company's use of domestic goods over imported goods.

Appendix reference:

- c. Please specify whether eligibility for the programme is at all conditional upon, or limited to, the location of companies or industries within specific regions. If so, please specify the companies or industries and the designated regions.

No. Eligibility is not conditional on the location of companies or industries within specific regions.

Appendix reference:



- d. Please specify whether eligibility for the programme is limited to any individual or groups of companies and/or industries. If so, please detail the relevant companies and/or industries and the laws that govern this criterion.

No. Eligibility is not limited to any individual or groups of companies and/or industries.

Appendix reference:

C4 – Subsidy received under the programmes

1. Please complete **Annex C4 – Programme beneficiaries** identifying **all** companies that accrued or received a subsidy (or subsidies) under the programmes during the POI. This may include benefits from programmes that were in place well before the POI. Please add additional rows as required.

Please ensure the columns under ‘Programme information’ are populated using the exact information in **Table 1**, ensuring any programme(s) detailed in Section C1 are included.

ANSWER:

Please see **Exhibit 5** for program beneficiaries.

2. Please identify and provide copies of any contractual agreements between the GoT and any companies that were beneficiaries under the programme (e.g. loan contracts, grant contracts, etc.).

N/A

Appendix reference:

3. For **each** programme beneficiary listed in **Annex C4 – Programme beneficiaries**, please answer the following questions:
- a. Please explain the subsidy (or subsidies) provided to the beneficiary. Include an explanation of whether the subsidy was one-off or recurring, including the years it recurred and whether the subsidy varied between years. Please also explain how the subsidy stated in **Annex C4** has been estimated, including the methodology and assumptions used (if relevant).

Please see our response to question named “the nature of benefits or concessions granted” under section C2.



Appendix reference:

- b. Please indicate what functions the company performs and specify whether the nature of any such functions could be recognised as being equivalent to those of a Foreign Authority.

N/A

Appendix reference:

- c. Please state whether any of the company’s functions are undertaken on behalf of the GoT and specify whether the company is required to support the GoT’s policies.

No.

Appendix reference:

- d. If the company has been trusted, vested or tasked with any responsibility normally associated with a Foreign Authority please specify the nature and function of this responsibility and provide copies of the relevant legal instruments or regulations.

N/A

Appendix reference:

- e. Please indicate whether the company has the authority to entrust or direct a private body to undertake responsibilities or functions on behalf of the Foreign Authority.

No.

Appendix reference:

- 4. For **each** SIE and SOE identified in **Annex C4**, if any, please answer the following questions:

- a. Please indicate any payments and/or injections of funds provided by the GoT to the SIE/SOE (e.g. grants, awards, purchase of shares, injection of capital funds etc.). Please detail the date, amount and the reason(s) for the provision.

N/A



Appendix reference:

- b. Please identify and provide details on whether the SIE/SOE has any financial liabilities with any financial institutions in which the GoT holds an interest.

N/A

Appendix reference:

- c. Please detail how each SIE/SOE funds its operations.

N/A

Appendix reference:

- d. Please explain how and to whom the SIE/SOE distributes its profits.

N/A

Appendix reference:

- e. Please explain how the performance of the SIE/SOE is measured, specifying which authority in the GoT inspects or reviews its performance (e.g. output and quality performance, employee performance, financial performance etc.) Include an explanation of what action, if any, is taken by such authorities if its performance targets are not met.

N/A

Appendix reference:

- f. Please provide details of any official GoT reporting methods and/or procedures with which the SIE/SOE must comply.

N/A

Appendix reference:

Program No.6: Subsidised consultancy scheme

ANSWER:

The objective of this program is supporting individuals and institutions, which provide



agricultural consultancy services to agricultural enterprises, and enabling agricultural extension and consultancy system to reach a pluralistic, efficient and productive structure.

The beneficiaries are not the producers but the individuals and institutions, which provide agricultural consultancy services. Therefore questions are not responded.

Program No.7: Subsidised Loans scheme

C2 – General information on programmes

- the policy objective and/or purpose of the programme;

ANSWER:

The objective of this program is to support the agricultural development in Turkey.

- the nature or form of the subsidy;

ANSWER:

T.C. Ziraat Bankası (the Bank) and Agricultural Credit Cooperatives (ACC) provide low interest rate loans to agricultural production.

- the nature of benefits or concessions granted;

ANSWER:

Loan applications, which are related to the financing of agricultural activities of real and legal persons, are assessed. For aquaculture farming, discount rates on the effective interest rates for the “investment loan” and “operation loan” are 100 % and 100 %, respectively, with a credit line maximum of 100.000 TL. For the credit amounts between 100.001 – 5.000.000 TL the discount rates are 100 % and 50 %, respectively.

- when the programme was established;

ANSWER:



This program has been administered since 2004.

- the duration of the programme; and

ANSWER:

There is not any specific determined duration for this program.

- the laws and regulations under which the subsidy is granted (including English translations);

ANSWER:

Please see **Exhibit 6** for the Decree No. 2018/11188 regarding the Providing Credits with Low Interest Rates to Agricultural Production by T.C Ziraat Bankası and Agricultural Credit Cooperatives.

- how the programme operates; and

ANSWER:

Since the incurred losses resulted from default on payment are not compensated by the Treasury, the Bank and ACCs carefully evaluate the loan applications. In this sense, the creditworthiness of the producers, loan allocation criteria, maturities, collateralization of loans, repayment conditions and other respective issues are determined within the context of the respective procedures and regulatory principles of the Bank and ACCs in accordance with the prevailing banking procedures in Turkey. In other words, the Bank and ACCs evaluate the applicants according to their own risk assessment due to the capital risk.

- which GoT authority administers the programme and the types of records that they maintain for a programme (e.g. company-specific files, accounting records, programme databases, budget approvals, etc.)

ANSWER:

The Ministry of Treasury and Finance is responsible for administrating the legislations.



The Bank and ACC is responsible for the evaluate and conclude the applications of the companies.

C3 – Programme eligibility

Please answer each of the following questions for **all** programmes listed in **Table 1** above. Your responses should include information on any additional programmes that have been identified and added to the table in the process of completing this questionnaire.

In the questions that follow, please use the programme numbers listed in **Table 1** to refer to programmes and substantiate responses with evidence.

1. For each programme, please explain the application process, including details of any application fees charged by the relevant government authority.

Please see our response to question named “how the programme operates” under section C2.

Appendix reference:

2. For each programme, please describe the decision-making process used by the relevant government authority to approve or reject an application. Please clearly indicate any differences in the process across different types of subsidies or programmes.

Please see our response to question named “how the programme operates” under section C2.

Appendix reference:

3. Please answer the following questions regarding eligibility for each programme:
 - a. Please specify whether eligibility for the programme is at all conditional on a company’s export performance. If so, please provide details of the criteria that apply.

No. Eligibility is not conditional on a company’s export performance.

Appendix reference:

- b. Please specify whether eligibility for the programme is at all conditional on a company’s use of domestic goods over imported goods and, if so, please provide details.



No. Eligibility is not conditional on a company's use of domestic goods over imported goods.

Appendix reference:

- c. Please specify whether eligibility for the programme is at all conditional upon, or limited to, the location of companies or industries within specific regions. If so, please specify the companies or industries and the designated regions.

No. Eligibility is not conditional on the location of companies or industries within specific regions.

Appendix reference:

- d. Please specify whether eligibility for the programme is limited to any individual or groups of companies and/or industries. If so, please detail the relevant companies and/or industries and the laws that govern this criterion.

*Agricultural production can be subject to these loans. The list of the subjects of the credits are provided at **Exhibit 6**.*

Appendix reference:

C4 – Subsidy received under the programmes

1. Please complete **Annex C4 – Programme beneficiaries** identifying **all** companies that accrued or received a subsidy (or subsidies) under the programmes during the POI. This may include benefits from programmes that were in place well before the POI. Please add additional rows as required.

Please ensure the columns under 'Programme information' are populated using the exact information in **Table 1**, ensuring any programme(s) detailed in Section C1 are included.

ANSWER:

Sampled companies did not use any loan from Agricultural Credit Cooperative. The confidentiality requirements in the Banking Law No. 5411 do not allow the Bank to release such information. Therefore, information regarding the loans used from Ziraat Bankası can be obtained from sampled companies.



2. Please identify and provide copies of any contractual agreements between the GoT and any companies that were beneficiaries under the programme (e.g. loan contracts, grant contracts, etc.).

N/A

Appendix reference:

3. For **each** programme beneficiary listed in **Annex C4 – Programme beneficiaries**, please answer the following questions:

- a. Please explain the subsidy (or subsidies) provided to the beneficiary. Include an explanation of whether the subsidy was one-off or recurring, including the years it recurred and whether the subsidy varied between years. Please also explain how the subsidy stated in **Annex C4** has been estimated, including the methodology and assumptions used (if relevant).

Please see our response to question named “the nature of benefits or concessions granted” under section C2.

Appendix reference:

- b. Please indicate what functions the company performs and specify whether the nature of any such functions could be recognised as being equivalent to those of a Foreign Authority.

N/A

Appendix reference:

- c. Please state whether any of the company’s functions are undertaken on behalf of the GoT and specify whether the company is required to support the GoT’s policies.

No.

Appendix reference:

- d. If the company has been trusted, vested or tasked with any responsibility normally associated with a Foreign Authority please specify the nature and function of this responsibility and provide copies of the relevant legal instruments or regulations.

N/A



Appendix reference:

- e. Please indicate whether the company has the authority to entrust or direct a private body to undertake responsibilities or functions on behalf of the Foreign Authority.

No.

Appendix reference:

4. For **each** SIE and SOE identified in **Annex C4**, if any, please answer the following questions:

- a. Please indicate any payments and/or injections of funds provided by the GoT to the SIE/SOE (e.g. grants, awards, purchase of shares, injection of capital funds etc.). Please detail the date, amount and the reason(s) for the provision.

N/A

Appendix reference:

- b. Please identify and provide details on whether the SIE/SOE has any financial liabilities with any financial institutions in which the GoT holds an interest.

N/A

Appendix reference:

- c. Please detail how each SIE/SOE funds its operations.

N/A

Appendix reference:

- d. Please explain how and to whom the SIE/SOE distributes its profits.

N/A

Appendix reference:

- e. Please explain how the performance of the SIE/SOE is measured, specifying which authority in the GoT inspects or reviews its performance (e.g. output and quality performance, employee performance, financial performance etc.) Include an explanation of what action, if any, is taken by such authorities if its performance targets are not met.



N/A

Appendix reference:

- f. Please provide details of any official GoT reporting methods and/or procedures with which the SIE/SOE must comply.

N/A

Appendix reference:

**Program No.8: Subsidised fuel scheme
(General Communique on Special Consumption Tax Serial No.6 of 31
December 2003)**

ANSWER:

Fishery products are mainly classified under four categories: Sea Fish, Other Sea Products, Aquaculture Production and Freshwater Products. Rainbow Trout, whether produced in inland waters or marine waters, is falling under the category of “Aquaculture Production” and hence, is not subject to fishing/hunting activities. Accordingly, trout production is not relevant with the use of fishing boats/vessels and therefore, fishing boats/vessels under the scope of this program. Therefore, questions are not responded.

Program No.9: Investment encouragement certificate: Tax related incentives scheme

Program No.10: Investment encouragement certificate: Social Security Premium Support (SSP) programme

Program No.11: Investment encouragement certificate: Interest support for interest rates paid credit

Program No.12: Investment encouragement certificate: Land allocation scheme

Investment incentive program (IEP) consists of 4 separate incentive schemes: “Regional Investment Incentive Scheme” (RIIS), “Large Scale Investment Incentive Scheme” (LSIIS), “Strategic Investment Incentive Scheme” (SIIS) and “General Investment Incentive Scheme” (GIIS). The scope of each incentive scheme under the Decree No. 2012/3305 varies with different aspects of support measures.

Therefore, these 4 programs are responded as one program under IEP.

C2 – General information on programmes

- the policy objective and/or purpose of the programme;

ANSWER:

The government policy behind IEP is to steer savings into high added value investments, to boost production and employment, to encourage regional, large scale and strategic investments with high research and development content for increasing international competitiveness, to increase foreign direct investments, to reduce regional development disparities, to promote investments for clustering, environment protection and R&D.

- the nature or form of the subsidy;

ANSWER:

Pursuant to the current Decree No. 2012/3005 IEP consists of 4 separate incentive schemes: Regional Investment Incentive Scheme (RIIS), Large Scale Investment Incentive Scheme (LSIIS), Strategic Investment Incentive Scheme (SIIS) and General Investment Incentive Scheme (GIIS).

A company should have an investment incentive certificate issued by Ministry of Industry and Technology (MoIT) to have a support under IEP.

The scope of each incentive scheme under the Decree No. 2012/3305 varies with different aspects of support measures which are provided in the table below:

- 1) Customs Duty Exemption: Investment machinery and equipment imported within the scope of the incentive certificate are exempted from customs duty set in the Import Regime Decree. The customs duties are exempted for the companies, which have an incentive certificate, during import operations under the control of the Ministry of Trade.



- 2) Value Added Tax (VAT) Exemption: Investment machinery and equipment imported and/or locally provided within the scope of the incentive certificate are exempted from VAT. The companies, which have an incentive certificate, do not pay VAT for the machinery and equipment under the control of Ministry of Treasury and Finance.

VAT paid for domestically purchased or imported machinery (i.e., normal purchases not under the GIIS program) can be offset in the same month or in the coming months depending on the company's VAT balance, while companies that receive a VAT exemption through the GIIS can claim an exemption when the machinery and equipment is domestically purchased or imported. In either scenario, the company does not pay the VAT – it is either exempted (under the GIIS) or used as an offset (purchases not made under the GIIS) and, thus, there is no financial contribution because there is no revenue forgone. Program participants are not better off than any other company which purchases machinery and equipment without participating under the GIIS and, therefore, the program is not specific in conferring its benefit.

In its Issues and Decision Memorandum for the Final Determination in the Countervailing Duty Investigation of Certain Quartz Surface Products from Turkey, dated April 27, 2020, USDOC found that VAT portion of the RIIS – VAT and Customs Duty Exemption program does not provide a benefit under 19 CFR 350.510(a) by stating “...*The record evidence supports a finding that this is a normal VAT system, which under our practice does not confer a benefit. Thus, in accordance with 19 CFR 351.510(a), we determine that the VAT exemption portion of this program confers no benefit.*”

- 3) Interest Rate Support: This support is available for investment loans, borrowed to finance the investment, with a maturity of at least one year for Regional Investments (Region 3, 4, 5 and 6), Strategic Investments, R&D and Environment Investments. MoE covers a portion of the interest/profit share of the loans that do not exceed 70% of the fixed investment amount registered on the certificate for a specific period which would not exceed 5 years. The amount of interest rate support and the support rate is limited for each region differently. For example, the maximum amount of interest rate support is 500.000 TL for Region 3; 600.000 TL for Region 4; 700.000 TL for Region 5 and 900.000 TL for Region 6.
- 4) Social Security Premium (SSP) Support for Employer's Share: For any additional employment created by an investment with an incentive certificate under Regional, Large Scale and Strategic Investment Incentive Schemes, the amount corresponding to the employer's share of the social security premium on legal minimum wage, paid by the investor, is covered by the Social Security Institution. In order for an investor to benefit from this support, the project should be concluded and a completion visa should be granted.
- 5) Tax Reduction: Reduced income or corporate tax rates are applied for the companies until the total deduction reaches the “contribution amount”. There are two different rates for the implementation of this support; “contribution rate” and “discount rate”.



The discount rate is used to find the reduced income/corporate tax rate of the company. The contribution rate is used to find the total deduction. Multiplication of contribution rate with total investment amount gives the contribution amount. The Ministry of Treasury and Finance applies reduced income/corporate tax rate for the company until total deduction reaches the contribution amount.

- 6) Land Allocation: State-owned lands are allocated for investments with incentive certificate under large scale, strategic and regional incentive schemes in accordance with the rules and principles defined by the Ministry of Treasury and Finance, depending on the availability of such land in the provinces where investments are made.
- 7) VAT Refund: VAT collected on the building & construction expenses made for Strategic Investments is rebated provided that the fixed investment amount is over 500 million TL.
- 8) Social Security Premium Support for Employee's Share (Only for Region 6) : This scheme allows for the Ministry to cover the employee's share of the social security premium paid by the investor to the Social Security Institution in the amount corresponding to the legal minimum wage, for additional personnel recruited for new investments in Region 6. This support is available for Regional, Large Scale and Strategic investments in Region 6 only and for 10 years.
- 9) Income Tax Withholding Support (Only for Region 6): For additional employment created by the investments to be realized within the scope of the incentive certificates issued for Region 6, the income tax that is calculated on the basis of the portion of the employees' wages that corresponds to the minimum wage is not levied. This support is available for the investments in Region 6 only for 10 years.

- the nature of benefits or concessions granted;

ANSWER:

Please see our response above.

- when the programme was established;

ANSWER:

The Decree No. 2012/3305 was put into force on June 15, 2012.



- the duration of the programme; and

ANSWER:

There is not any specific determined duration for this program.

- the laws and regulations under which the subsidy is granted (including English translations);

ANSWER:

Please see **Exhibit 7** for the Decree No 2012/3305.

- how the programme operates; and

ANSWER:

The companies which meet the eligibility criteria can apply for an incentive certificate to the MoIT. Thereafter, companies benefit from support measures during the specified investment period by the help of the incentive certificate.

- which GoT authority administers the programme and the types of records that they maintain for a programme (e.g. company-specific files, accounting records, programme databases, budget approvals, etc.)

ANSWER:

Ministry of Industry and Technology is responsible for administering the program. The Ministry of Industry and Technology is located in Mustafa Kemal Mahallesi Dumlupınar Bulvarı 2151.Cadde No:154/A 06530 Çankaya /ANKARA. MoIT keeps records of the details of the certificates of the companies.

C3 – Programme eligibility

Please answer each of the following questions for **all** programmes listed in **Table 1** above. Your responses should include information on any additional programmes that have been identified and added to the table in the process of completing this questionnaire.



In the questions that follow, please use the programme numbers listed in **Table 1** to refer to programmes and substantiate responses with evidence.

1. For each programme, please explain the application process, including details of any application fees charged by the relevant government authority.

Please see our response to question named "how the programme operates" under section C2.

Appendix reference:

2. For each programme, please describe the decision-making process used by the relevant government authority to approve or reject an application. Please clearly indicate any differences in the process across different types of subsidies or programmes.

Please see our response to question named "how the programme operates" under section C2.

Appendix reference:

3. Please answer the following questions regarding eligibility for each programme:

- a. Please specify whether eligibility for the programme is at all conditional on a company's export performance. If so, please provide details of the criteria that apply.

No. Eligibility is not conditional on a company's export performance.

Appendix reference:

- b. Please specify whether eligibility for the programme is at all conditional on a company's use of domestic goods over imported goods and, if so, please provide details.

No. Eligibility is not conditional on a company's use of domestic goods over imported goods.

Appendix reference:

- c. Please specify whether eligibility for the programme is at all conditional upon, or limited to, the location of companies or industries within specific regions. If so, please specify the companies or industries and the designated regions.



No. Eligibility is not conditional on the location of companies or industries within specific regions.

Appendix reference:

- d. Please specify whether eligibility for the programme is limited to any individual or groups of companies and/or industries. If so, please detail the relevant companies and/or industries and the laws that govern this criterion.

No. Eligibility is not limited to any individual or groups of companies and/or industries.

Appendix reference:

C4 – Subsidy received under the programmes

1. Please complete **Annex C4 – Programme beneficiaries** identifying **all** companies that accrued or received a subsidy (or subsidies) under the programmes during the POI. This may include benefits from programmes that were in place well before the POI. Please add additional rows as required.

Please ensure the columns under ‘Programme information’ are populated using the exact information in **Table 1**, ensuring any programme(s) detailed in Section C1 are included.

ANSWER:

Please see **Exhibit 8** for the list of the certificates of the sampled companies.

2. Please identify and provide copies of any contractual agreements between the GoT and any companies that were beneficiaries under the programme (e.g. loan contracts, grant contracts, etc.).

N/A

Appendix reference:

3. For **each** programme beneficiary listed in **Annex C4 – Programme beneficiaries**, please answer the following questions:
- a. Please explain the subsidy (or subsidies) provided to the beneficiary. Include an explanation of whether the subsidy was one-off or recurring, including the years it recurred and whether the subsidy varied between years. Please also



explain how the subsidy stated in **Annex C4** has been estimated, including the methodology and assumptions used (if relevant).

Please see our response to question named “the nature of benefits or concessions granted” under section C2.

Appendix reference:

- b. Please indicate what functions the company performs and specify whether the nature of any such functions could be recognised as being equivalent to those of a Foreign Authority.

N/A

Appendix reference:

- c. Please state whether any of the company’s functions are undertaken on behalf of the GoT and specify whether the company is required to support the GoT’s policies.

No.

Appendix reference:

- d. If the company has been trusted, vested or tasked with any responsibility normally associated with a Foreign Authority please specify the nature and function of this responsibility and provide copies of the relevant legal instruments or regulations.

N/A

Appendix reference:

- e. Please indicate whether the company has the authority to entrust or direct a private body to undertake responsibilities or functions on behalf of the Foreign Authority.

No.

Appendix reference:

4. For **each** SIE and SOE identified in **Annex C4**, if any, please answer the following questions:



- a. Please indicate any payments and/or injections of funds provided by the GoT to the SIE/SOE (e.g. grants, awards, purchase of shares, injection of capital funds etc.). Please detail the date, amount and the reason(s) for the provision.

N/A

Appendix reference:

- b. Please identify and provide details on whether the SIE/SOE has any financial liabilities with any financial institutions in which the GoT holds an interest.

N/A

Appendix reference:

- c. Please detail how each SIE/SOE funds its operations.

N/A

Appendix reference:

- d. Please explain how and to whom the SIE/SOE distributes its profits.

N/A

Appendix reference:

- e. Please explain how the performance of the SIE/SOE is measured, specifying which authority in the GoT inspects or reviews its performance (e.g. output and quality performance, employee performance, financial performance etc.) Include an explanation of what action, if any, is taken by such authorities if its performance targets are not met.

N/A

Appendix reference:

- f. Please provide details of any official GoT reporting methods and/or procedures with which the SIE/SOE must comply.

N/A

Appendix reference:



D1 – Programme-specific questions

Relating to the subsidy schemes available to holders of the investment incentive certificate (IIC) listed as programmes 9 to 12 in **Table 1** of Section C, the scheme divides Turkey into six development regions based on the economic and industrial conditions of the region:

1. In relation to the four identified sub-programmes referenced above for the production of rainbow trout, could you please confirm for us into which development region Turkey's provinces fall?

*Please see Annex 1 of the Decree No 2012/3305 which is provided at **Exhibit 7**.*

2. Our research finds that investments worth TL 1 million in the first two development regions are eligible for an IIC and that investments worth TL 500,000 in the remaining four regions are eligible for an IIC. Under the IIC scheme, could you please provide the number of investments in relation to the four identified sub-programmes for the production of rainbow trout, as well as the monetary value of the investments?

*There is no record kept on specifically production of trout. **Exhibit 8** provides the number of investments and monetary value of the investments of the sampled companies.*

3. For each of the four identified sub-programmes, does the operation of the scheme vary by each development region? If so, in what way are they different?

No, operation of the sub programmes does not vary by each development region.

4. Are the conditions to meet for the subsidy different depending on the development region?

Minimum investment amount can vary on regions.

5. Are the benefits received from the subsidy different depending on the development region?

Amounts of the benefits may vary depending on the development region. Please see our responses under section C.2.

6. Is there any published guidance on how the regions affect the subsidy granted? If so, attach a copy.



*The Decree No. 2012/3305 which regulates IEP is attached at **Exhibit 7**.*

Appendix reference:



SECTION E: Next steps and declaration

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 and understand that the information submitted may be subject to verification by the UK Trade Remedies Investigations Directorate.

Government representative:

Government body: The Ministry of Trade of the Republic of Turkey

22 June 2020



SECTION F: Checklist and appendices

This section is an aid to ensuring all sections of this questionnaire are completed.

Section	Please tick if you have responded to all questions
Section A – General information	✓
Section B – Government involvement in the rainbow trout sector	✓
Section C – Subsidies	✓
Section D – Supplementary questions	✓
Section E – Next steps and declaration	✓

+Add additional rows as required

Please list any appendices that you have referenced in your responses and are attaching with this questionnaire.

Appendix reference	Document title
Exhibit 1	Tariff Rates Applied to Imports of Rainbow Trout
Exhibit 2	Decree regarding the Agricultural Supports to be Granted in 2019
Exhibit 3	Annexes A2 Dom. Manufacturers & traders, A2 Dom. Upstream suppliers, A3 Imports and Exports, A3 Upstream Imports & Exports, C4 Program beneficiaries
Exhibit 4	Agricultural Insurance Law No. 5363 and Decree on Risks, Products and Regions which will be included to the Scope by Agricultural Insurance Pool in 2019 and Premium Support Rates
Exhibit 5	Program 5 Beneficiaries
Exhibit 6	Decree No. 2018/11188 regarding the Providing Credits with Low Interest Rates to Agricultural Production by T.C Ziraat Bankası and Agricultural Credit Cooperatives
Exhibit 7	Decree No. 2012/3305
Exhibit 8	List of the IEP Certificates of the Sampled Companies