

**NON CONFIDENTIAL SUMMARY OF
APPLICATION FOR EXTENSION OF
THE SAFEGUARD MEASURE IN
IMPLEMENTATION ON IMPORTS OF
MOTORCYCLES**

2012

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1. APPLICATION DETAILS

1.1. Applicant

The application for extension of the safeguard measure which is in implementation in imports of motorcycles was separately filed by Motorcycle Industrialists Association (MOTODER) in the name of a number of domestic producers and by two domestic producers (“Kuralkan Mot.Arç.Ürt. San. ve Dış Tic. A.Ş.” and “Ramzey Mot. San. ve Dış Tic. Ltd. Şti”). The details of all domestic manufacturers which are part of the application by providing information are given in ANNEX-I.

1.2. Definition and customs tariff subheading of the subject product

The subject product is defined as motorcycles of a cylinder capacity not exceeding 380 cm³ (mopeds inclusive) and cycles fitted with an auxiliary motor (whether or not with an attached sidecar). This product which will be called “motorcycle” hereinafter is classified as follows under the customs tariff subheading 87.11.

8711.10.00.00.11	Mopeds
8711.10.00.00.19	Others
8711.20.10.00.00	Scooters
8711.20.91.00.00	Of a cylinder capacity exceeding 50 cm ³ but not exceeding 80 cm ³
8711.20.93.00.00	Of a cylinder capacity exceeding 80 cm ³ but not exceeding 125 cm ³
8711.20.98.00.00	Of a cylinder capacity exceeding 125 cm ³ but not exceeding 250 cm ³
8711.30.10.00.00	Of a cylinder capacity exceeding 250 cm ³ but not exceeding 380 cm ³

2. IMPORTS OF SUBJECT PRODUCT

2.1. Course of total imports and unit prices

Imports			
Year	Quantity (pcs)	Value (USD)	Unit Price (USD per piece)
2007	33.378	60.268.874	1.806
2008	23.686	27.326.189	1.154
2009	16.203	17.549.746	1.083
2010	15.901	19.493.669	1.226
2011	39.268	52.637.651	1.340

Import data of the subject product for the period 2007-2011 are demonstrated above. While the annual quantity of imports decreased until 2010, it increased by 145 % in 2011.

Average unit price (1.806 in 2007) increased in 2011 following a decrease period until 2010.

2.2. Ratio of imports to domestic production

Increase in imports relative to domestic production is demonstrated below.

Ratio of imports to domestic production	2009	2010	2011
Imports/production (%)	19	11	16

2.3. Market share of imports

	2009	2010	2011
Estimated quantity of annual consumption (pcs)	166.662	159.539	225.800
Market share of dom. products	46%	79%	83%
Market share of imported products	54%	21%	17%

In the period 2009-2011 domestically produced products increased their market share.

2.4. Import data by country of origin

Import statistics by country of origin are present in ANNEX-II. In terms of quantity, 81% of total imports are originated from China and India in 2011.

3. DETAILS OF DOMESTIC PRODUCTION OF SUBJECT PRODUCT

Details of domestic production below are the compilation of the data of 6 domestic producers which provided sufficient information as part of the inquiry.

3.1. Consumption

Annual domestic consumption of the subject product is demonstrated below.

Consumption	2009	2010	2011
Quantity (pcs)	166.662	159.539	225.800
Change (%)	-	-4	42

Domestic market grew by 42% in 2011 after shrinkage in 2010.

3.2. Production

Production	2009	2010	2011
Quantity (pcs)	71.288	105.230	172.902
Change (%)	-	48	64

In the period 2009-2011, domestic production increased continuously.

3.3. Domestic sales

Domestic sales	2009	2010	2011
Quantity (pcs)	62.046	90.133	130.303
Change (%)	-	45	45

Domestic sales increased by annual rate of 45% after 2009.

3.4. Capacity

Capacity	2009	2010	2011
Quantity (pcs)	548.440	615.400	639.400
Change (%)	-	12	4

As production capacity increased in the period 2009-2011, capacity utilization rate increased with a higher rate by the help of significant rise in production.

Capacity utilization	2009	2010	2011
Rate (%)	13	17	27
Change (%)	-	32	58

3.5. Employment

Employment	2009	2010	2011
Quantity (persons)	679	824	988
Change (%)	-	21	20

The employment figure of domestic producers, 679 in 2009, increased 988 in 2011.

3.6. Productivity

Productivity	2009	2010	2011
Pcs per person	105	128	175
Change (%)	-	22	37

Productivity of domestic producers increased in the period 2009-2011.

3.7. End of period inventories

Inventories	2009	2010	2011
Quantity (pcs)	17.047	5.888	23.379
Change (%)	-	-65	297

While inventories of domestic producers decreased by 65% in 2010, it increased by 297% in 2011.

3.8. Profitability

Profitability	2009	2010	2011
Rate (%)	4,2	2,6	4,0
Change (%)	-	-38	54

Profit rates of the domestic producers have been between 2,6% and 4,2% in the period 2009-2011

4. CONCLUSION

While imports of the product subject to the safeguard measure radically decreased following the initiation of the measure in 15 August 2006, it increased in 2011 by 145% compared to that in 2010. Due to the fact that most of the motorcycles which were imported in the years 2005 and 2006 released in the following years, market share of domestic products started to increase significantly in 2010.

Taking into consideration domestic producers are still in the process of adjustment, the existing measure is considered to extend in order to prevent or remedy serious injury.

ANNEX-I: APPLICANT FIRMS

DOMESTIC PRODUCERS PARTICIPATING IN THE APPLICATION	
1	Asya Dış Ticaret Ltd.Şti.
2	Kuba Motosiklet
3	*Kuralkan Mot.Arç.Ürt. San. ve Dış Tic. A.Ş.
4	Üniteks Tekstil Gıda Mot. Araç. Tic. A.Ş.
5	*Ramzey Mot. San. ve Dış Tic. Ltd. Şti.
6	Salko Bisiklet
7	Uğur Mot. Arç. Mak. Tur. Tas. San. ve Tic. Ltd.Şti.
8	Yuki Mak.Mot. San. A.Ş

* Domestic producers which presented the petition independently from MOTODER

ANNEX-II: IMPORT STATISTICS BY COUNTRY OF ORIGIN

	2007			2008			2009			2010			2011		
	Value (USD)	Quantity (pcs)	Unit Price	Value (USD)	Quantity (pcs)	Unit Price	Value (USD)	Quantity (pcs)	Unit Price	Value (USD)	Quantity (pcs)	Unit Price	Value (USD)	Quantity (pcs)	Unit Price
ALL COUNTRIES	60.268.874	33.378	1.806	27.326.189	23.686	1.154	17.549.746	16.203	1.083	19.493.669	15.901	1.226	52.637.651	39.268	1.340
CHINA	17.959.921	25.834	695	12.896.476	12.978	994	7.411.652	8.138	911	13.832.599	13.561	1.020	30.700.657	28.612	1.073
INDIA	3.958.272	4.490	882	7.807.993	8.144	959	6.567.307	6.644	988	9.798	3	3.266	2.680.561	2.875	932
THAILAND	474.711	300	1.582	623.285	272	2.291	440.440	249	1.769	938.919	498	1.885	6.088.292	2.810	2.167
TAIWAN	598.013	420	1.424	1.620.201	953	1.700	476.898	273	1.747	1.769.725	862	2.053	5.224.193	2.328	2.244
ITALY	3.623.925	1.161	3.121	2.452.908	756	3.245	1.497.433	522	2.869	1.967.676	743	2.648	3.712.044	1.380	2.690
FRANCE	883.793	247	3.578	621.203	157	3.957	148.205	45	3.293	135.482	39	3.474	1.690.848	568	2.977
SPAIN	30.646.236	195	157.160	113.075	30	3.769	103.544	45	2.301	180.369	51	3.537	1.478.651	403	3.669
AUSTRIA	120.508	25	4.820	188.333	30	6.278	124.268	22	5.649	337.530	56	6.027	658.693	137	4.808
SOUTH KOREA	1.039.720	379	2.743	637.718	269	2.371	386.277	165	2.341				321.448	136	2.364
JAPAN	188.443	50	3.769	196.324	47	4.177	292.466	65	4.499	311.946	85	3.670	80.496	17	4.735
GERMANY	4.452	2	2.226							5.955	2	2.978	1.101	1	1.101
UNITED KINGDOM	3.112	1	3.112				23.295	10	2.330				667	1	667
BELGIUM	7.426	2	3.713												
BRAZIL	750.752	257	2.921	150.314	40	3.758	67.588	18	3.755						
CZECH REP.	7.356	14	525				5.063	4	1.266						
MOROCCO							5.310	3	1.770						
ISRAEL										3.670	1	3.670			
HUNGARY				13.800	9	1.533									