

NON-CONFIDENTIAL SUMMARY

OF THE APPLICATION FOR THE EXTENSION

OF THE SAFEGUARD MEASURE ON IMPORTS OF SALT

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1. GENERAL INFORMATION RELATED TO APPLICATION

1.1. Applicants:

TTA – Tütün, Tütün Mamulleri, Tuz ve Alkol İşletmeleri A.Ş., Koyuncu Nakliye Pazarlama and Tic. A.Ş. and Mutlucan Tuz Madencilik Turizm Petrol Nakliyat San. A.Ş applied for the extension of the safeguard measure on the imports of salts. Cihanbeyli Madencilik, Turizm, Nakliyat, Kimya San. A.Ş. also supports the application for the extension of the safeguard measure.

1.2. Domestic Producers

The applicants represent the important part of the domestic industry; the other producers are Oltu Mermer Mad. San. Tic. Ltd. Şti., Arif Potuk, Gökay İnşaat Tic. Ltd. Şti., Çan-Kaya Kaya Tuzu Nak. İnş. Tur. İth. İhr. San. Tic. A.Ş., Kristal Tuz Madencilik Petrol, Gıda. İnş. Tur. San. Tic. Ltd. Şti., Petrol Ürünleri Uluslararası Taş. İç-Dış Tic. A.Ş., Alkim Alkali Kimya A.Ş..

1.3. Customs Classification Numbers of The Product Subject to Application:

The product subject to application is salt for chemical transformation (separation of Na from Cl) for the manufacture of other products classified under 2501.00.31.00.00, salt denatured or for industrial uses classified under 2501.00.51.00.00, pure sodium chloride classified under 2501.00.99.10.00, rock salt classified under 2501.00.99.90.11, saltpan salt classified under 2501.00.99.90.12 and sea salt classified under 2501.00.99.90.13.

But, the rock salt classified under 2501.00.99.90.11, saltpan salt classified under 2501.00.99.90.12 and sea salt classified under 2501.00.99.90.13 have been combined under Customs Tariff Position 2501.00.99.90.00 as “others” by a change done in 2009 in the Turkish Customs Classification.

2. DETAILS RELATED TO THE IMPORTS OF THE PRODUCT SUBJECT TO APPLICATION

2.1. Imports in Absolute Terms

	Quantity (Kg)	Value (USD \$)
2006	417.616.935	10.547.156
2006 (1-7)	291.955.780	6.201.344
2006 (8-12)	143.534.891	4.772.679
2007	205.054.464	9.191.044
2008	256.164.727	15.779.210
2008 (1-2)	23.437.973	1.168.054
2009 (1-2)	8.710.533	460.119

The overall imports of the product subject to application has been continuously increased before being subject to measure, after the measure it has decreased compared to previous years. But, it has increased at a rate of 25 % in 2008 compared to the previous year.

2.2.Imports in Relative Terms

Imports/Production (%)	2006	2007	2008
Overall Imports	21	12	18

The ratio of the imports to the domestic production of the product subject to application has a parallel tendency with the market share.

2.3.Market Share of Imports

Market Share (%)	2006	2007	2008
Overall Imports	21	12	15

The market share of imports of the product subject to application decreased in 2007 after the measure taken, but increased in 2008 compared to the previous year.

3. DETAILS RELATED TO THE DOMESTIC PRODUCTION OF THE PRODUCT SUBJECT TO APPLICATION

3.1.Consumption

	2006	2007	2008
Consumption(Tons)	1.978.930	1.743.296	1.743.150
Change		-12	0

The consumption of the product decreased in the first year after measure, and did not change in 2008.

3.2.Production

	2006	2007	2008
Production (Tons)	1.969.045	1.725.228	1.435.611
Change		-12	-17

The production of the product subject to application, decreased at a rate of –12 % and –17 % in 2007 and 2008.

3.3.Capacity and Capacity Utilization Ratio

	2006	2007	2008
Capacity (Tons)	2.220.000	2.220.000	2.220.000
Capacity Utilization Ratio (%)	89	78	65

There is not any change in the domestic production capacity related to the product subject to application. The capacity utilization ratio decreased to 65% by decreasing at a rate of 17% in 2008.

3.4.Domestic Sales

	2006	2007	2008
Domestic Sales (Tons)	1.561.313	1.538.242	1.486.985
Change		-1	-3

The domestic sales of the domestic producer decreased at rates of –1 % and –3 % in 2007 and 2008.

3.5.Inventories

	2006	2007	2008
Inventories (Tons)	1.000.639	1.237.598	1.197.129
Change		24	-3
Inventories/ Domestic Sales (%)	64	80	81

The inventories of the domestic producers increased in the evaluated period. The same tendency is observed in the ratio of inventories to the domestic sales.

3.6.Employment

	2006	2007	2008
Employment (Person)	1.417	1.459	1.537
Change		3	5

The workers employed in the salt production has been increased at rates of 3% and 5% from 2006 to 2008.

3.7.Profitability:

The firm in domestic producers; TTA bear loss; the other firms gain profit except 2006.

3.8.Prices And Price Undercutting:

	2006	2007	2008
Average sale price of the domestic industry (\$/Tons)	23	29	29
Average unit price in overall imports (\$/Tons)	25	45	62
Average unit price in imports originating from Egypt (\$/Tons)	20	39	55

In the above table, the average sale prices of the domestic producer firms and sales prices of imported products are given.

4. CONCLUSION

The total imports of the product subject to application decreased in the first year after measure; but increased at a rate of 25 % in 2008 compared to the previous year.

Despite the safeguard measure being implemented, it is seen that there is a decrease in production, domestic sales, inventories and capacity utilization ratios of the domestic producers in the evaluation period.

As a result, extension of the safeguard measure is requested by taking into consideration that the domestic producers are still in an adaptation period to the market conditions and several of them were privatized.

Imports by Countires

Quantity: Kg
Value USD \$

YEARS	2006		2007		2008		2008 (1-2)		2009 (1-2)	
ÜLKE ADI	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
EGYPT	347.173.219	7.093.529	119.136.605	4.696.434	207.352.750	11.506.759	19.737.880	820.855	4.100.000	151.700
ITALY	45.893.823	2.198.525	51.660.466	2.914.235	37.311.034	2.938.142	8.185	9.681	2.790.661	231.970
BULGARIA	11.587.017	357.415	13.877.702	537.647	7.755.098	302.991	2.305.794	87.924	0	0
IRAN	9.816.610	103.174	18.689.850	192.075	1.462.700	14.627	981.200	9.812	1.712.600	18.650
GERMANY	1.656.014	404.960	958.318	462.351	1.128.419	468.607	162.048	84.011	25.504	7.450
İSRAEL	311.012	30.034	332.617	36.787	436.682	73.892	54.515	8.079	0	0
AUSTRIA	193.920	164.121	357.760	278.796	434.457	303.680	112.640	79.533	58.560	39.619
PRC	14.200	5.566	1.576	1.310	85.187	27.467	51.729	9.212	0	0
DENMARK	0	0	0	0	66.084	27.443			22.114	9.248
FRANCE	401.137	81.095	22.784	34.420	35.961	59.408	23.980	58.822	0	0
ENGLAND	525	2.224	5.172	13.936	25.771	9.739				
PAKISTAN	0	0	0	0	24.500	11.856				
USA	123.370	17.901	1.422	2.652	23.786	22.676	2	125	294	290
POLAND	2.000	2.238	1.000	1.306	16.586	754				
BELGIUM	60	451	4.375	9.661	3.725	6.998	0	0	800	1.192
TAIWAN	0	0	1.400	1.966	1.000	1.506				
NETHERLANDS	2.684	5.771	1.705	4.744	500	1.025				
SERBIA	0	0	507	1.655	477	1.518				
SWITZERLAND	0	0	5	171	10	122				
GREECE	0	0	1.000	192	0	0				
SPAIN	175.750	69.652	0	0	0	0				
GEORGIA	15.540	974	0	0	0	0				
TUNUSIA	0	0	0	0	0	0				
SYRIA	0	0	200	706	0	0				
INDIA	10	519	0	0	0	0				
MALAYSIA	250.044	9.007	0	0	0	0				
N. ZEALAND	0	0	0	0	0	0	0	0		
TOTAL	417.616.935	10.547.156	205.054.464	9.191.044	256.164.727	15.779.210	23.437.973	1.168.054	8.710.533	460.119