
DOC Investigation No. C-489-851
USITC Investigation Nos. 701-TA-__ and 731-TA-__
Total Pages: 1,229
Investigation
AD/CVD Operations
PUBLIC DOCUMENT

BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION OF THE
U.S. DEPARTMENT OF COMMERCE
AND THE
U.S. INTERNATIONAL TRADE COMMISSION

PETITIONS FOR THE IMPOSITION OF
ANTIDUMPING AND COUNTERVAILING DUTIES PURSUANT TO
SECTION 701 AND 731 OF THE TARIFF ACT OF 1930, AS AMENDED

VOLUME XIX:
TURKEY CVD PETITION

IN THE MATTER OF:

ALUMINUM EXTRUSIONS FROM COLOMBIA, THE DOMINICAN REPUBLIC, ECUADOR, INDIA,
INDONESIA, ITALY, MALAYSIA, MEXICO, THE PEOPLE'S REPUBLIC OF CHINA, SOUTH KOREA,
TAIWAN, THAILAND, TURKEY, THE UNITED ARAB EMIRATES AND VIETNAM

PETITIONERS:

U.S. ALUMINUM EXTRUDERS COALITION AND THE UNITED STEEL,
PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY,
ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION

ECONOMIC CONSULTANTS:

Richard F. DiDonna
Amy Sherman

WILEY TRADE ANALYTICS GROUP
2050 M Street, NW
Washington, DC 20036
(202) 719-7000

COUNSEL:

Alan H. Price
Robert E. DeFrancesco, III
Laura El-Sabaawi

WILEY REIN LLP
2050 M Street, NW
Washington, DC 20036
(202) 719-7000

October 4, 2023

TABLE OF CONTENTS

I.	The Department Should Impose Countervailing Duties On Imports Of Certain Aluminum Extrusions From Turkey.....	1
II.	The Name Of The Country In Which The Subject Merchandise Is Manufactured Or Produced.....	1
III.	Names And Addresses Of Turkish Aluminum Extrusion Producers And Exporters Believed To Benefit From Countervailable Subsidies.....	2
IV.	Product And Industry Background.....	2
	A. The Product	2
	B. Turkey’s Policies Confirm that Subsidies at the State and National Levels of Government Confer Benefits to Turkish Producers of Aluminum Extrusions	2
V.	Efforts To Obtain Information	3
VI.	The Date From Which The Department Should Measure Subsidies	5
VII.	Subsidy Programs.....	5
	A. Provision of Natural Gas for Less than Adequate Remuneration	6
	1. Financial Contribution.....	8
	2. Benefit	8
	3. Specificity.....	9
	B. Exemption from Property Tax.....	9
	1. Financial Contribution.....	10
	2. Benefit	11
	3. Specificity.....	11
	C. Deductions from Taxable Income for Export Revenue.....	11
	1. Financial Contribution.....	12
	2. Benefit	12
	3. Specificity.....	13
	D. Exemption of Exchange Tax for Foreign Exchange Transactions	13
	1. Financial Contribution.....	14
	2. Benefit	14
	3. Specificity.....	15
	E. Investment Incentive Scheme Program: Regional Investment Incentive Scheme	15
	1. Financial Contribution.....	16
	2. Benefit	17

3. Specificity.....	18
F. Project-Based Investment Incentive Program	18
1. Financial Contribution.....	19
2. Benefit	20
3. Specificity.....	21
G. Large Scale Investment Incentive Scheme	21
1. Financial Contribution.....	22
2. Benefit	22
3. Specificity.....	23
H. Strategic Investment Incentive Scheme	23
1. Financial Contribution.....	24
2. Benefit	24
3. Specificity.....	25
I. Export Credit Bank of Turkey Programs	25
1. Export Financing: Rediscount Loan Program	26
2. Export Financing: Export-Oriented Working Capital Credit (also known as Export-Oriented Business Investment Loans)	28
3. Specific Export Credit Program	29
4. Export Buyers Credit.....	31
J. Research and Development (“R&D”) Incentives Under Turkey’s R&D Law	32
1. Financial Contribution.....	33
2. Benefit	33
3. Specificity.....	34
K. Turquality Program	34
1. Financial Contribution.....	35
2. Benefit	35
3. Specificity.....	36
L. Provision of Land Provided Under Law No. 4916.....	36
1. Financial Contribution.....	37
2. Benefit	37
3. Specificity.....	37
M. Foreign Fair Support Program.....	38
1. Financial Contribution.....	38

2. Benefit.....	38
3. Specificity.....	39
N. Scientific and Technological Research Council of Turkey Grants.....	39
1. Financial Contribution.....	40
2. Benefit.....	40
3. Specificity.....	40
O. Inward Processing Certificates (Excluding Aspects Regarding “D-1” Certificates).....	40
1. Financial Contribution.....	42
2. Benefit.....	42
3. Specificity.....	42
VIII. Conclusion.....	42

I. THE DEPARTMENT SHOULD IMPOSE COUNTERVAILING DUTIES ON IMPORTS OF CERTAIN ALUMINUM EXTRUSIONS FROM TURKEY

Pursuant to 19 U.S.C. § 1671(a)(1) and (2), the Department of Commerce (“the Department”) is required to impose a countervailing duty (“CVD”) order on imported merchandise from a “Subsidies Agreement” country, where (1) producers/exporters of that merchandise benefit from countervailable subsidies, and (2) the imported merchandise materially injures or threatens to injure an industry in the United States. As a member of the World Trade Organization, the Republic of Türkiye (“Turkey”) is a “Subsidies Agreement” country under 19 U.S.C. § 1677(8)(A). Petitioners hereby allege that the Government of Turkey (“GOT”) maintains a system of economic programs and policies that have conferred, and continue to confer, countervailable subsidies to Turkish producers of certain aluminum extrusions, which are materially injuring the U.S. aluminum extrusion industry.

The following allegations identify subsidies that Petitioners have found through research of reasonably available public information, including many programs that the Department has found countervailable in previous CVD investigations, involving similar products produced in Turkey. Petitioners reserve the right to make further allegations of subsidies with respect to specific producers once the Department selects one or more Turkish producers as mandatory respondents.

II. THE NAME OF THE COUNTRY IN WHICH THE SUBJECT MERCHANDISE IS MANUFACTURED OR PRODUCED

The name of the country in which the subject merchandise is manufactured or produced is the Republic of Türkiye.

III. NAMES AND ADDRESSES OF TURKISH ALUMINUM EXTRUSION PRODUCERS AND EXPORTERS BELIEVED TO BENEFIT FROM COUNTERAVAILABLE SUBSIDIES

Petitioners have identified the names and addresses of Turkish aluminum extrusion producers and exporters believed to have benefited from countervailable subsidies and whose products are believed to have been exported to the United States. The names and contact information for Turkish producers and exporters are attached as **Exhibit I-8** to Volume I of this Petition. The information provided in this exhibit represents the best information reasonably available to Petitioners.

IV. PRODUCT AND INDUSTRY BACKGROUND

A. The Product

As detailed further in Volume I of this Petition, the product covered by this Petition is certain aluminum extrusions from the Republic of Türkiye.

B. Turkey's Policies Confirm that Subsidies at the State and National Levels of Government Confer Benefits to Turkish Producers of Aluminum Extrusions

The national government in Turkey maintains an extensive system of subsidies that provide support to industrial manufacturers and exporters, including those operating in the metals sector and aluminum sectors. For example, the Department recently found that the GOT conferred substantial assistance to common alloy aluminum sheet manufacturers and exporters in Turkey in the form of preferential lending, direct tax programs, indirect tax programs and grant programs.¹ Specifically, the Department countervailed nine distinct programs and certain other subsidies,²

¹ See Issues and Decision Memorandum accompanying *Common Alloy Aluminum Sheet from the Republic of Turkey*, 86 Fed. Reg. 13,315 (Dep't Commerce Mar. 10, 2021) (final affirm. countervailing duty deter. and final affirm. deter. of critical circumstances, in part) at 12-14 ("*Common Alloy Aluminum Sheet from Turkey* Final IDM").

² See *id.* at 12-14.

with respondents' margins ranging from 2.56% to 4.34%.³ The programs that the Department investigated targeted aluminum product manufacturers, and also manufacturers located in specific regions.

Additionally, in other recent investigations, including those involving *Steel Concrete Reinforcing Bar from the Republic of Turkey* (“*Steel Rebar*”), the Department has determined that the GOT provides countervailable subsidies to select Turkish industries and exporters.⁴ Additionally in *Steel Rebar*, the Department found that the GOT provided natural gas to steel producers at less than adequate remuneration.⁵ Consistent with the Department's determinations in previous investigations and administrative reviews, this Petition details several subsidy programs, including preferential lending programs, direct tax programs, indirect tax programs and grant programs that all provide countervailable subsidies to select Turkish industries and exporters, including the aluminum extrusions industry.

V. EFFORTS TO OBTAIN INFORMATION

Petitioners have conducted extensive research to document the subsidies that the GOT authorities provide to the aluminum extrusion industry in Turkey. This research included a review of sources including Turkish producer websites; market and industry research; news sources; Turkish government webpages and reports; and recent Department CVD investigations with respect to Turkey. The information contained in this Petition is sufficient to satisfy the CVD statutory requirements, pursuant to section 702(b)(1) of the of the Tariff Act of 1930, as amended

³ *Id.*

⁴ Issues and Decision Memorandum accompanying *Steel Concrete Reinforcing Bar from the Republic of Turkey*, 82 Fed. Reg. 23,188 (Dep't Commerce May 22, 2017) (final affirm. countervailing duty deter.).

⁵ *Id.* at 8-12.

(“the Act”). However, much of the information that would allow Petitioners to determine with certainty the amount of subsidy received by each of Turkey’s aluminum extrusion producers is difficult or impossible to obtain.

Additionally, Petitioners have examined all “reasonably available evidence” consistent with 19 U.S.C. § 1671a(b)(1); 19 C.F.R. § 351.202. As the Department is aware, the Department “‘shall’ initiate a CVD investigation ‘whenever an interested party’ files a petition ‘on behalf of an industry’ that ‘alleges the elements necessary for the imposition of the duty imposed by section 1671(a) of this title’ and provides ‘information reasonably available to the petitioner supporting those allegations.’”⁶ The Department “‘examine{s} the accuracy and adequacy of the evidence provided in the petition’ and, ‘on the basis of sources readily available to the {agency}’, decides ‘whether to initiate an investigation.’”⁷ The U.S. Court of International Trade has explained, that “‘{a} petition or subsequent subsidy allegation functions ‘like a civil complaint’ and is intended ‘to alert the agency to the possibility of a subsidy.’”⁸ Thus, “‘most subsidy petitions are granted unless the allegations are clearly frivolous, not reasonably supported by the facts alleged or omit important facts which are reasonably available to the petitioner.’”⁹

Pursuant to section 702(b)(1) of the Act, a petitioner only needs to support a subsidy allegation with “information reasonably available” to it.¹⁰ A petitioner is not required under the statute to provide all information necessary for the Department’s final determination with respect

⁶ See *Nucor Corp. v. United States*, 600 F. Supp. 3d 1225, 1229 (Ct. Int’l Trade 2022) (citation omitted).

⁷ See *id.*

⁸ See *id.* (citing *RZBC Grp. Shareholding Co. v. United States*, 100 F. Supp. 3d 1288, 1292 (Ct. Int’l Trade 2015)).

⁹ See *id.*

¹⁰ Section 702(b)(1) of the Tariff Act of 1930.

to an alleged program. The programs detailed in this Petition have been prepared pursuant to these guidelines. Specifically, as noted above, Petitioners have consulted all reasonably available information from public sources, including producer websites; market and industry research; news sources; Turkish government webpages and reports; and recent Department CVD investigations with respect to Turkey.

VI. THE DATE FROM WHICH THE DEPARTMENT SHOULD MEASURE SUBSIDIES

For purposes of 19 C.F.R. § 351.524(d)(2), the average useful life (“AUL”) of renewable physical assets in this industry – *i.e.*, in the manufacture of fabricated metal products such as an aluminum extrusion – is twelve years.¹¹ Accordingly, assuming that the period of investigation (“POI”) is calendar year 2022, Petitioners respectfully request that the Department investigate any allocable, non-recurring subsidies granted during the period from 2011 through 2022, and any outstanding loans or recurring subsidies provided during the presumptive POI.

VII. SUBSIDY PROGRAMS

The GOT grants subsidies to its producers of subject merchandise, including:

- provision of natural gas for less than adequate remuneration;
- federal tax programs;
- preferential lending;
- indirect tax programs; and
- grant programs.

The available evidence indicates that these programs constitute countervailable subsidies under section 771 of the Act because they are financial contributions, provide a benefit to

¹¹ See Internal Revenue Service, *How to Depreciate Property* (2022), excerpts attached as **Exhibit XIX-1**.

aluminum extrusion producers, and are specific. Provided below is a description of the various countervailable subsidies available to Turkish aluminum extrusion producers.

A. Provision of Natural Gas for Less than Adequate Remuneration

As the Department has previously determined, the GOT provides natural gas for LTAR to certain Turkish companies for power generation through Boru Hatlari Ile Petrol Tasima AS (“BOTAŞ”). Turkish aluminum extrusion producers use natural gas in the production process¹² and at least one Turkey aluminum extruder, ASAŞ, operates electrical plants that utilize natural gas for power generation.¹³ It is thus reasonable that ASAŞ and other subject producers purchased natural gas at LTAR from BOTAŞ.

Turkey’s market for natural gas is controlled by GOT BOTAŞ, a state-owned entity.¹⁴ BOTAŞ was established in 1974 and in 1995 was restructured as a State Owned Enterprise and continues in that role today.¹⁵ Indeed, the Department has recently found that BOTAŞ is a “government authority” within the meaning of the statute.¹⁶ Until 2001, BOTAŞ had monopoly rights, by law, on natural gas import, export, distribution, sales and pricing, pursuant to Decree No. 397.¹⁷ That year, Turkey formally abolished BOTAŞ’ de jure control over the natural gas

¹² ASAŞ 2021 Sustainability Report at 62, attached as **Exhibit XIX-2** (“Our trigeneration plant attracts attention with its low emission rates. By means of this plant with the natural gas input . . .”).

¹³ *Id.*, see also 2021 Annual Ownership Report of State Owned Enterprises, Republic of Türkiye, attached as **Exhibit XIX-4**.

¹⁴ BOTAŞ Website Excerpt, attached as **Exhibit XIX-3**.

¹⁵ *Id.*

¹⁶ Issues and Decisions Memorandum accompanying *Steel Concrete Reinforcing Bar From the Republic of Turkey*, 83 Fed. Reg. 63,472 (Dep’t Commerce Dec. 10, 2018) (prelim. results of countervailing duty admin. rev. and intent to rescind the rev. in part; 2016) at 19 (“*Reinforcing Bar from Turkey* Final IDM”).

¹⁷ Turoge Website Excerpt (provided as Exhibit V-26 in the Petition for the Imposition of the Antidumping and Countervailing Duties: *Steel Concrete Reinforcing Bar from Japan, Taiwan, and the Republic of Turkey* (Sept. 20, 2016)), excerpts attached as **Exhibit XIX-5**; International Energy Agency, *Energy Policies of IEA Countries: Turkey*

market, promulgating the Natural Gas Market Law (“Law No. 4646”).¹⁸ Under the plan, BOTAŞ’ monopoly over the Turkish natural gas market was to have ceased by 2009.¹⁹ However, the government’s “market liberalization plan” largely has not materialized. Indeed, according to the International Energy Agency,

BOTAŞ, a vertically integrated firm, dominates the natural gas sector. In addition to building and operating Türkiye’s natural gas infrastructure, BOTAŞ accounted for 1.88 Tcf (95%) of Türkiye’s natural gas imports, 1.87 Tcf {52.95 billion standard cubic meters} of total natural gas sales domestically, and about 21 Bcf of natural gas exports in 2022.²⁰

In 2022, natural gas consumption in Turkey was estimated to be 60.44 billion standard cubic meters.²¹ Accordingly, BOTAŞ appears to supply nearly all of Turkey’s domestic natural gas consumption. Of Turkey’s natural gas consumers in 2021, power plants comprised 28.6% and the industrial sector constituted 26.7% of gas consumption.

Accordingly, as even BOTAŞ admits, and as the Department has previously found,²² BOTAŞ is clearly an extension of the state. In sum, the GOT, through BOTAŞ, effectively owns

2009 Review (2009) at 70-71 (provided as Exhibit V-25 in the Petition for the Imposition of the Antidumping and Countervailing Duties: *Steel Concrete Reinforcing Bar from Japan, Taiwan, and the Republic of Turkey* (Sept. 20, 2016)), excerpts attached as **Exhibit XIX-5**.

¹⁸ *Id.*

¹⁹ See M. Oğuzcan Bulbul, *Liberalization of the Turkish Natural Gas Market*, *Rekabet Dergisi* Competition Journal, vol. 11, (Jan. 2010) at 20 (provided as Exhibit V-27 in the Petition for the Imposition of the Antidumping and Countervailing Duties: *Steel Concrete Reinforcing Bar from Japan, Taiwan, and the Republic of Turkey* (Sept. 20, 2016)), excerpts attached as **Exhibit XIX-5**.

²⁰ U.S. Energy Information Administration, *Country Analysis Brief: Türkiye* (July 11, 2023) at 3, attached as **Exhibit XIX-6** (footnotes omitted); see also Convert Units Website Excerpt, attached as **Exhibit XIX-7** (providing conversion of trillion cubic feet to billion cubic meter).

²¹ Zeynep Beyza Karabay, *Türkiye’s gas consumption estimate for 2022 shows year-on-year 18.8% rise*, AA Energy (Jan. 28, 2022), attached as **Exhibit XIX-8**; Semih Ergur, *Increasing Usage of Natural Gas in Turkey and Its Effect on Local Economy*, Climate Scorecard (June 5, 2022), attached as **Exhibit XIX-9**.

²² Letter from Republic of Turkey, Ministry of Economy, Directorate General of Exports, to Sec’y Commerce, re: *Response of the Government of Turkey in the Countervailing Duty Investigation on Steel Concrete Reinforcing Bar from the Republic of Turkey* (Jan. 2, 2014) (PUBLIC VERSION) at 13 and Exhibit. 5 (provided as Exhibit V-36 in the Petition for the Imposition of the Antidumping and Countervailing Duties: *Steel Concrete Reinforcing Bar from Japan, Taiwan, and the Republic of Turkey* (Sept. 20, 2016), excerpts attached as **Exhibit XIX-5**.

and controls the natural gas market in Turkey. In doing so, as set forth below, the government provides natural gas to Turkish aluminum extrusion producers for less than adequate remuneration.

1. Financial Contribution

As the Department previously determined, the GOT's provision of natural gas for less than adequate remuneration to a subject producer through BOTAŞ constitutes a countervailable subsidy. Pursuant to section 771(5)(D)(iii) of the Act, the provision of natural gas for less than adequate remuneration is a financial contribution.

2. Benefit

Pursuant to section 771(5)(E)(iv) of the Act, a benefit is conferred when the government provides a good or service for less than adequate remuneration. The Department's regulations set forth a hierarchy of three potential benchmarks to utilize in determining whether a good is provided for less than adequate remuneration: (i) market prices from actual transactions within the country under investigation ("tier one"); (ii) world market prices that would be available to purchasers in the country under investigation ("tier two"); or (3) an assessment of whether the government price is consistent with market principles ("tier three").²³ Though the preference is to use a "tier one" benchmark, where, as it should here, the Department determines that the government distorts the market for a good or service, prices for those goods and services in the country will be considered unreliable and are not an appropriate basis of comparison for determining whether there is a benefit.²⁴ Consistent with the Department's prior findings, because Turkey's entire market is

²³ See also 19 C.F.R. § 351.511(a)(2).

²⁴ See, e.g., *Certain Oil Country Tubular Goods From the People's Republic of China*, 74 Fed. Reg. 47,210, 47,219 (Dep't Commerce Sept. 15, 2009) (prelim. affirm. countervailing duty deter., prelim. negative critical circumstances deter.); Issues and Decision Memorandum accompanying *Certain Softwood Lumber Products from Canada*, 67 Fed. Reg. 15,545 (Dep't Commerce Apr. 2, 2002) (notice of final affirm. countervailing duty deter. and final negative critical circumstances deter.) at cmt. 34.

dominated by BOTAŞ, the agency should use an offshore benchmark to compare to Turkish domestic prices and conclude that this subsidy provides a benefit to aluminum extruders.²⁵ While actual transaction prices are not reasonably available, the Department has calculated benefit margins for this program in recent countervailing duty proceedings, ranging between 0.09 percent ad valorem²⁶ and 3.30 percent ad valorem.²⁷

3. Specificity

As demonstrated above, the power industry and industrial users receive natural gas rates that are disproportionately low, in accordance with section 771(5A)(D)(iii)(III) of the Act. These industrial users, including those in the metals industries, and powerplant users are the primary beneficiaries of subsidized natural gas costs. As such, the program is specific to a group of industries within the GOT, such as aluminum extrusion producers.

B. Exemption from Property Tax

As the Department has previously found, the GOT's property tax exemption program is countervailable.²⁸ Article 4 of the Property Tax Law No. 1319 (July 1, 2017) authorizes a permanent property tax exemption for all buildings located in Organized Industrial Zones ("OIZs"), Free Zones, or Technology Development Zones. Article 8 of Property Tax Law No.

²⁵ 19 C.F.R. § 351.511(a).

²⁶ Issues and Decision Memorandum accompanying *Countervailing Duty Investigation of Certain Hot-Rolled Steel Flat Products from the Republic of Turkey*, 81 Fed. Reg. 53,433 (Dep't Commerce Aug. 12, 2016) (final affirm. deter.) at 12.

²⁷ Issues and Decision Memorandum accompanying *Steel Concrete Reinforcing Bar from the Republic of Turkey*, 85 Fed. Reg. 16,056 (Dep't Commerce Mar. 20, 2020) (final results of countervailing duty admin. rev.; 2017) at 4.

²⁸ *Common Alloy Aluminum Sheet from Turkey* Final IDM at 12 and Appendix (finding the exemption from property tax countervailable for purposes of AFA).

1319 establishes the property tax rate of 0.2% for all non-residential buildings.²⁹ The GOT reports that there are currently 258 operational OIZs in Turkey, and 18 active Free Zones located close to the EU and Middle Eastern markets.³⁰ Turkish aluminum extruders are located in OIZs and may be located in Free Zones. For example, Ersaş Alüminyum A.Ş. Factory is located in the Tekirdağ Veliköy OIZ.³¹ P.M.S. Aluminyum Sanayi ve Ticaret A.S. Bursa is located in the Bura OIZ.³² Additionally, Tuna Aluminum Ltd. is located in Tekirdağ, which is a Free Trade Zone.³³ The Department should investigate whether these and additional Turkish aluminum extruders received benefits under this program during the POI.

1. Financial Contribution

This tax benefit provides a financial contribution in the form of revenue forgone by the GOT that would otherwise be due, pursuant to section 771(5)(D)(ii) of the Act.

²⁹ Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020) at 10-11, excerpts attached as **Exhibit XIX-10**.

³⁰ Presidency of the Republic of Türkiye Investment Office, *Investment Zones*, Website Excerpt, attached as **Exhibit XIX-11**; Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020) at 11, excerpts attached as **Exhibit XIX-10**; see also Republic of Türkiye Ministry of Trade, *General Directorate of Free Zones*, attached as **Exhibit XIX-12**.

³¹ See Ersaş Alüminyum A.Ş Website Excerpt, attached as **Exhibit XIX-13**; VOSB Website Excerpt, attached as **Exhibit XIX-14**; Investment Zones in Turkey, Presidency of the Republic of Turkey, Investment Office (appended) (Provided as Exhibit CVD-TR-11 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), excerpts attached as **Exhibit XIX-10**.

³² PMS Aluminyum Google Maps Excerpt, attached as **Exhibit XIX-15**; *Investment Zones in Turkey*, Presidency of the Republic of Turkey, Investment Office (appended) (Provided as Exhibit CVD-TR-11 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), excerpts attached as **Exhibit XIX-10**.

³³ Tuna Aluminium Google Maps Excerpt, attached as **Exhibit XIX-16**. The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 31, attached as **Exhibit XIX-17**; see also *10 insights to grow your business in Türkiye: The Turkish Tax System*, Presidency of the Republic of Türkiye Investment Office (Jan. 2022), attached as **Exhibit XIX-18**.

2. Benefit

This program provides a benefit to the recipient in the amount of the tax savings from the program, pursuant to 19 C.F.R. § 351.509(a)(1).

3. Specificity

This tax program is *de jure* specific under section 771(5A)(D)(iv) of the Act, because pursuant to the relevant law, as the Department has previously indicated, “it is limited to companies located in OIZs, free zones, industrial zones, technology development zones, and industrial sites.”³⁴

C. Deductions from Taxable Income for Export Revenue

As the Department has previously found, the GOT’s deductions from taxable income for export revenue program is countervailable.³⁵ Under Article 40 of the Income Tax Law 193, as amended by Law 4108 of June 1995, Turkish companies can receive tax deductions from gross income accrued from exporting, construction, maintenance, assembly, and overseas transportation

³⁴ Preliminary Decision Memorandum accompanying *Common Alloy Aluminum Sheet from the Republic of Turkey*, 85 Fed. Reg. 49,629 (Dep’t Commerce Aug. 14, 2020) (prelim. affirm. countervailing duty deter., prelim. affirm. deter. of critical circumstances in part, and alignment of final deter. with final antidumping duty deter.) at 15 (“*Common Alloy Aluminum Sheet from Turkey* Prelim IDM”).

³⁵ *Common Alloy Aluminum Sheet from Turkey* Final IDM at Appendix (finding the program countervailable for purposes of AFA); *see, e.g.*, Preliminary Decision Memorandum accompanying *Large Diameter Welded Pipe from the Republic of Turkey*, 83 Fed. Reg. 30,697 (Dep’t Commerce June 19, 2018) (prelim. affirm. countervailing duty deter. and alignment of final deter. with final antidumping duty deter.) at 14 (“*LDWP from Turkey* Prelim IDM”), unchanged Issues and Decision Memorandum accompanying *Large Diameter Welded Pipe from the Republic of Turkey*, 84 Fed. Reg. 6,367 (Dep’t Commerce Feb. 27, 2019) (final affirm. countervailing duty deter.) at 4, cmt. 3 (“*LDWP from Turkey* Final IDM”); Issues and Decision Memorandum accompanying *Certain Oil Country Tubular Goods from the Republic of Turkey*, 79 Fed. Reg. 41,964 (Dep’t Commerce July 10, 2014) (final affirm. countervailing duty deter. And final affirm. Critical circumstances deter.) at 13-14 (“*OCTG from Turkey* Final IDM”).

activities.³⁶ This program is administered by the Ministry of Finance.³⁷ The value of this deduction is capped at 0.5% of a company's foreign-exchange earnings, the benefit is recorded as a lump sum deduction on its annual income tax return and may include undocumented expenses. As noted below, Turkish aluminum extruders are significant exporters and thus could be eligible for or used this program, just like other downstream aluminum product producers.³⁸ Accordingly, the Department should initiate an investigation into whether aluminum extruders applied for or benefitted from this program.

1. Financial Contribution

This tax benefit provides a financial contribution in the form of revenue forgone by the GOT that would otherwise be due, pursuant to section 771(5)(D)(ii) of the Act.

2. Benefit

This program provides a benefit to the recipient in the amount of the tax savings from the program, pursuant to 19 C.F.R. § 351.509(a)(1).

³⁶ See Article 40 of Income Tax Law 193 of January 6, 1961, as amended by Law 4108 of June 1995 (Provided as Exhibit CVD-TR-4 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), excerpts attached as **Exhibit XIX-10**; see also Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020) at 7-8, attached as **Exhibit XIX-10**.

³⁷ Letter from Government of Turkey to Sec'y Commerce, re: *Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (June 15, 2020) (PUBLIC VERSION) at 6, excerpts attached as **Exhibit XIX-19**.

³⁸ ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20** (stating that the company "exports to more than 90 countries").

3. Specificity

This tax program is specific under section 771(5A)(A) and (B) of the Act, because the program is limited by law to export earnings.³⁹

D. Exemption of Exchange Tax for Foreign Exchange Transactions

As the Department has previously found, the GOT provides countervailable subsidies through the exemption of exchange taxes for certain foreign exchange transactions.⁴⁰ There are three relevant legal measures that provide the GOT with the authority to authorize these exemptions. First, there is Presidential Decree No. 1106, dated May 15, 2019 (“Decree No. 1106”).⁴¹ This Decree increased the banking and insurance transaction tax (“BITT”) rate to 0.1% on foreign exchange transactions except for the following types of transactions: (1) “{f}oreign exchange sales {between} banks and authorized institutions or {among} each other”; (2) foreign currency sales that are made to the Ministry of Treasury and Finance; and (3) “the payment of foreign currency loans, by the lender banks or banks that act as an intermediary in the use of the foreign currency loans.”⁴² Second, Presidential Decree No. 1149, dated June 17, 2019 (“Decree 1149”), amended Decree No. 1106 and amended the BITT exemption to include “{f}oreign exchange sales to enterprises {that have} an industrial registry certificate”, and “{f}oreign

³⁹ See, e.g., *LDWP from Turkey* Prelim IDM at 14, unchanged in *LDWP from Turkey* Final IDM at 4; *OCTG from Turkey* Final IDM at 13.

⁴⁰ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23 (unchanged in final).

⁴¹ Presidential Decree No. 1106 (May 15, 2019) (provided as Exhibit 15 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec’y Commerce, re: *Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (July 20, 2020), excerpts attached as **Exhibit XIX-21**).

⁴² *Id.* at Article 1, p. 6 (provided as Exhibit 15 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec’y Commerce, re: *Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (July 20, 2020), excerpts attached as **Exhibit XIX-21**).

exchange sales to exporters who are members of exporters' unions."⁴³ Finally, Law No. 7194, dated December 7, 2019, increased the BITT rate on foreign exchange transactions to 0.2 percent."⁴⁴ It appears that Decree No. 1106 was extended in May 2020.⁴⁵

In the recent *Common Alloy Aluminum Sheet from Turkey* investigation, one of the mandatory respondents received exemptions under this program.⁴⁶ The Department should initiate an investigation into this program to determine whether any of the aluminum extruders and/or affiliated exporters used this program, like other downstream aluminum product producers in Turkey.

1. Financial Contribution

This tax benefit provides a financial contribution in the form of revenue forgone by the GOT that would otherwise be due, pursuant to section 771(5)(D)(ii) of the Act.

2. Benefit

This program provides a benefit to the recipient in the amount of the tax savings from the program, pursuant to section 771(5)(E) of the Act and 19 C.F.R. § 351.509(a)(1).

⁴³ Presidential Decree No. 1149 (June 17, 2019) at Article 1, p. 9 (provided as Exhibit 15 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec'y Commerce, re: *Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (July 20, 2020), excerpts, attached as **Exhibit XIX-21**.

⁴⁴ Law No. 7194 (Dec. 7, 2019) at 11 (provided as Exhibit 15 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec'y Commerce, re: *Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (July 20, 2020), excerpts attached as **Exhibit XIX-21**.

⁴⁵ Orbitax, *Turkey's Banking and Insurance Transactions Tax Extended to Forex Sales* (May 28, 2020), attached as **Exhibit XIX-22**.

⁴⁶ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23 (unchanged in final).

3. Specificity

As the Department has found, this tax program specific under section 771(5A)(D)(i) and (iv) of the Act, because “the program is limited to firms that conduct certain types of foreign exchange transactions that were exempted by law in Decree Nos. 1106 and 1149.”⁴⁷

E. Investment Incentive Scheme Program: Regional Investment Incentive Scheme

As the Department has previously found, including with regard to downstream aluminum products specifically, the GOT’s regional investment incentive scheme is countervailable.⁴⁸ Annex 2A of the Council of Ministers’ Decree No. 2012/3305 provides several incentives that are available to producers in six regions throughout Turkey and vary based on the region and investment.⁴⁹ These schemes include: (1) customs duties exemptions; (2) value added tax (“VAT”) exemptions; (3) tax discounts; (4) social security premium employer share support; (5) investment land allocation; (6) interest support; (7) income tax stoppage support; and (8) social security premium support.⁵⁰ Annex 2A also sets forth the minimum investment amounts or capacities in each region and sector required to qualify for benefits under this program. “Main metal industry, metal casting industry other than iron – steel” is listed as sector code 27, and “metal goods” is listed as sector 28. The required fixed investments for both sector codes 27 and 28 are

⁴⁷ *Id.*; see, e.g., *LDWP from Turkey* Prelim IDM at 16, unchanged in *LDWP from Turkey* Final IDM at 4; *OCTG from Turkey* Final IDM at 13.

⁴⁸ *Common Alloy Aluminum Sheet from Turkey* Final IDM at 13.

⁴⁹ Council of Ministers’ Decree No. 2012/3305 at Annex 2A (appended) (Provided as Exhibit CVD-TR-21 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), excerpts attached as **Exhibit XIX-10**. The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 23-24, attached as **Exhibit XIX-17**.

⁵⁰ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023), attached as **Exhibit XIX-17**.

as follows: four million TRY (appx. USD \$148,293) in Region 1, three million TRY (appx. USD \$111,219) in Region 2, two million TRY in Region 3 (appx. USD \$74,146), one million TRY (appx. USD \$37,073) in Regions 4 and 5, and 500,000 TRY (appx. USD \$18,536) in Region 6.⁵¹ As indicated in the Guide to State Incentives for Investments in Türkiye document from the Presidency of Turkey, investment examples include but are not limited to imported and domestic machinery and equipment and construction costs.⁵²

In fact, in 2022 Turkish extruder Altek Metal received an 18 million-euro investment to build an aluminum recycling casthouse in Çerkezköy, Turkey.⁵³ Çerkezköy is located in the Tekirdağ region,⁵⁴ which is located in region 1.⁵⁵ With an 18 million euro investment, it is likely that Altek would meet the required investment eligibility criteria of four million TRY. Accordingly, Turkish aluminum extruders are eligible to receive benefits under this program and the Department should initiate an investigation to determine whether Altek and other extruders applied for or received benefits under this program.

1. Financial Contribution

- **Customs Duty Exemptions and VAT.** As the Department has noted, the “customs duty exemptions provided by this program constitute a financial contribution in the form of

⁵¹ Council of Ministers’ Decree No. 2012/13305 at Annex 2A (Provided as Exhibit CVD-TR-21 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), attached as **Exhibit XIX-10**.

⁵² The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 9, attached as **Exhibit XIX-17** (providing an example of the support received for sample investments with a total support rate of 59.6%).

⁵³ Light Metal Age Magazine, *Turkish Company, ltek Metal, Receives Investment to Build Aluminum Recycling Casthouse* (Mar. 3, 2022), attached as **Exhibit XIX-23**.

⁵⁴ Çerkezköy Wikipedia Excerpt, attached as **Exhibit XIX-24**.

⁵⁵ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 7, attached as **Exhibit XIX-17**.

revenue forgone within the meaning of section 771(5)(D)(ii) of the Act in the amount of the customs duty saved.”⁵⁶

- **Tax Reductions and Social Security Incentives.** As the Department has previously found concerning the tax deductions, “these tax reductions constitute a financial contribution in the form of revenue forgone within the meaning of section 771(5)(D)(ii) of the Act in the amount of the taxes saved.”⁵⁷ The same would apply to social security incentives.
- **Investment Land Allocation.** This program provides a financial contribution through the provision of a good, other than general infrastructure, within the meaning of section 771(5)(D)(iii) of the Act.
- **Interest Support.** This program provides a financial contribution in the form of direct transfer of funds to subject producers pursuant to section 771(5)(D)(i) of the Act.

2. Benefit

- **Customs Duty Exemptions and VAT.** As the Department previously found, the customs duty exemptions confers two benefits. First, this program confers a benefit “as a contingent-liability interest-free loan pursuant to 19 C.F.R. § 351.505(d)(1)” because “import duties remain payable to the GOT, with interest, if the exempted company fails its final onsite inspection.”⁵⁸ Second, this program provides a benefit in the form “of the tax savings to the company pursuant to section 771(5)(E) of the Act.”⁵⁹

⁵⁶ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 17.

⁵⁷ *Id.* at 19.

⁵⁸ *Id.* at 17.

⁵⁹ *Id.* at 19.

- **Tax Reductions and Social Security Incentives.** This program provides a benefit to the recipient in the amount of the customs duties forgone pursuant to 19 C.F.R. § 351.509(a)(1).
- **Land Allocation.** Pursuant to 19 C.F.R. § 351.511(a)(1)-(2), this program confers a benefit to the extent that the land is provided for less than adequate remuneration when compared to actual commercial land transactions within Turkey.
- **Interest Support.** Pursuant to 19 C.F.R. § 351.504(a), interest rate subsidies confer a benefit to the recipient equal to the provided amount.

3. Specificity

This program is specific under section 771(5A)(D)(i) and (iv) of the Act, because pursuant to the relevant law, as the Department has previously indicated, “the program is limited to firms making a minimum investment and to firms located in certain geographic regions.”⁶⁰

F. Project-Based Investment Incentive Program

The GOT introduced a new package of incentives for innovative, technology-oriented, research and development focused, high value-added projects that also help to reduce foreign dependency, in 2016.⁶¹ Eligible projects must be consistent with “the GOT’s national development plans and annual programs and have a minimum fixed investment of TRY 500 million.”⁶²

Turkey’s Guide to State Incentives document lists the incentives as: “Cash-back Support”; “VAT

⁶⁰ *Id.* at 17.

⁶¹ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 15, attached as **Exhibit XIX-17**; Ekin İnal & Mert Müstecaplıoğlu, *Turkish Government Launches Project-based Incentive Program to Boost Investments* Norton Rose Fullbright (Mar. 17, 2017), attached as **Exhibit XIX-25**.

⁶² See Countervailing Duty Investigation Initiation Checklist, *Common Alloy Aluminum Sheet from Turkey* (Mar. 30, 2020) at 16 (“Initiation Checklist”), attached as **Exhibit XIX-26**; The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 15, attached as **Exhibit XIX-17**.

{e}xemption”; “VAT {refund}”; “Customs Duty Exemption”; “Corporate Tax Reduction”; “Social Security Premium Support”; “Income Tax Withholding Support”; “Qualified Personnel Support”; “Energy Support”; “Interest Rate Support”; “Capital Contribution Support”; “Land Allocation”; “Infrastructure Support”; “Purchasing Guarantee”; and “Facilitation of Authorization/Permit/License Procedures.”⁶³ In the recent investigation on *Common Alloy Aluminum Sheet*, the Department previously initiated an investigation into this program.⁶⁴ As the Department has thus recognized, producers in the aluminum products industry qualify for this program. In fact, one of Turkey’s largest aluminum extruders, ASAŞ, has R&D centers and a strong R&D focus, noting that they “continue to develop new projects which serve lots of sectors by means of {their} innovative perspective and the technological investments which {they} have made.”⁶⁵ ASAŞ further advertises on its website that “ASAŞ is proud of being the first certified R&D Center in the sector in 2015.”⁶⁶ Consistent with its determination to initiate an investigation into this program for certain alloy aluminum sheet producers, the Department should investigate whether any aluminum extruders received benefits under this program.

1. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act and in the form of revenue forgone pursuant to section 771(5)(D)(ii) of the Act. Any provision of land would constitute the provision of a good other than general infrastructure pursuant to 771(5)(D)(iii) of the Act.

⁶³ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 15, attached as **Exhibit XIX-17**.

⁶⁴ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26.

⁶⁵ ASAŞ 2021 Sustainability Report at 70, attached as **Exhibit XIX-2**.

⁶⁶ ASAŞ Website Excerpt, *R&D*, attached as **Exhibit XIX-27**.

2. Benefit

- **Customs Duty Exemptions and VAT.** As the Department previously found, the customs duty exemptions confer two benefits. First, this program confers a benefit “as a contingent-liability interest-free loan pursuant to 19 CFR 351.505(d)(1)” because “import duties remain payable to the GOT, with interest, if the exempted company fails its final onsite inspection.”⁶⁷ Second, this program provides a benefit in the form “of the tax savings to the company pursuant to section 771(5)(E) of the Act.”⁶⁸
- **Tax Reductions and Social Security Incentives.** This program provides a benefit to the recipient in the amount of the customs duties forgone pursuant to 19 C.F.R. § 351.509(a)(1).
- **Land Allocation.** Pursuant to 19 C.F.R. § 351.511(a)(1)-(2), this program confers a benefit to the extent that the land is provided for less than adequate remuneration when compared to actual commercial land transactions within Turkey.
- **Interest Support, VAT Refunds, Qualified Personnel Support, Interest Rate Support and Energy Support.** Pursuant to 19 C.F.R. § 351.504(a), interest rate subsidies confer a benefit to the recipient equal to the provided amount.
- **Infrastructure Support.** The GOT does not define the type of infrastructure support provided, however, this support would confer a benefit as defined pursuant to section 771(5)(E) of the Act.

⁶⁷ See e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 17.

⁶⁸ See e.g., *id.* at 19.

3. Specificity

This program is *de jure* specific under section 771(5A)(D)(i) because it is limited to only those companies that implement projects consistent with the stated goals of the GOT.

G. Large Scale Investment Incentive Scheme

The GOT offers large scale investment incentives to companies operating in 12 different investment categories.⁶⁹ Specifically, Annex 3 of the Council of Ministers' Decree No. 2012/3305 lists the 13 designated industries, and includes investments in "fine metal production from ore,"⁷⁰ which would include the integrated aluminum extrusion producers.⁷¹ The petitioners further contend that the minimum investment threshold for metal production is lower than the applicable threshold for several other supported industries. The program provides several incentives: (1) customs duties exemptions; (2) VAT exemptions; (3) tax discounts; (4) social security premium employer share support; (5) investment land allocation; (6) income tax stoppage support; and (7) social security premium support." As metal producers, certain extruders are likely eligible for this program.⁷²

⁶⁹ Republic of Turkey Ministry of Economy, The Investment Incentive Program of Turkey, attached as **Exhibit XIX-28**.

⁷⁰ Council of Ministers' Decree No. 2012/3305 at Annex 3 (Provided as Exhibit CVD-TR-21 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), attached as **Exhibit XIX-10**.

⁷¹ Eti Alüminyum is an integrated aluminum producer in Turkey. Specifically, Eti is "Turkey's only integrated aluminum plant capable of aluminum from ore as well as handling production from mining to final product" and "offers a wide range of products, from window frames to aircraft." Eti Alüminyum Website Excerpt, attached as **Exhibit XIX-29**.

⁷² See Initiation Checklist at 14, attached as **Exhibit XIX-26**.

1. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act and in the form of revenue forgone pursuant to section 771(5)(D)(ii) of the Act. Any provision of land would constitute the provision of a good, other than general infrastructure pursuant to 771(5)(D)(iii) of the Act.

2. Benefit

- **Customs Duty Exemptions and VAT.** As the Department previously found, the customs duty exemptions can confer two benefits. First, this program confers a benefit “as a contingent-liability interest-free loan pursuant to 19 CFR 351.505(d)(1)” because “import duties remain payable to the GOT, with interest, if the exempted company fails its final onsite inspection.”⁷³ Second, this program provides a benefit in the form “of the tax savings to the company pursuant to section 771(5)(E) of the Act.”⁷⁴
- **Tax Reductions and Social Security Incentives.** This program provides a benefit to the recipient in the amount of the customs duties forgone pursuant to 19 C.F.R. § 351.509(a)(1).
- **Land Allocation.** Pursuant to 19 C.F.R. § 351.511(a)(1)-(2), this program confers a benefit to the extent that the land is provided for less than adequate remuneration when compared to actual commercial land transactions within Turkey.

⁷³ See e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 17.

⁷⁴ See e.g., *id.* at 19.

- **VAT Refunds, Qualified Personnel Support, Interest Rate Support.** Pursuant to 19 C.F.R. § 351.504(a), interest rate subsidies confer a benefit to the recipient equal to the provided amount.

3. Specificity

This program is *de jure* specific under section 771(5A)(D)(i) because it is limited to only 12 industries.

H. Strategic Investment Incentive Scheme

Designed to increase the manufacturing of products with high import dependency in Turkey, Article 8 of the Council of Ministers' Decree No. 2012/3305 authorizes the GOT to provide investment incentives to certain producers of strategic goods.⁷⁵ In order to qualify for these incentives, (1) the domestic productive capacity of the product must be less than the imports of the product, (2) the total import value of the product must be equal to at least USD 50 million in the past year, except if the product is not produced domestically, (3) the investment must create a minimum value-add of 40%, and (4) the product must have an import value of at least USD 50 million in the past year. Incentives include, “VAT {e}xemption for {m}achinery”, “VAT {e}xemption for {c}onstruction”, “{c}ustoms {d}uty {e}xemption”, “{c}orporate {t}ax {r}eduction of 50% of investment expenditures”, employers share social security premium support, “{l}and {a}llocation”, and “{i}nterest {r}ate {s}upport of TRY 50 {m}illion or 5% of the investment.”⁷⁶

⁷⁵ Council of Ministers' Decree No. 2012/3305 at Article 8 (Provided as Exhibit CVD-TR-21 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), attached as **Exhibit XIX-10**.

⁷⁶ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 14, attached as **Exhibit XIX-17**; Council of Ministers' Decree No. 2012/3305 at Article 8 (Provided as

The Department has initiated an investigation into this program in the recent CVD investigation, *Common Alloy Aluminum Sheet from Turkey*,⁷⁷ and in several other CVD proceedings.⁷⁸ While the Department found that the program was not used by the specific sheet producers investigated there, the Department should initiate an investigation to determine whether Turkish aluminum extruders benefitted from this program.

1. **Financial Contribution**

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act and in the form of revenue forgone pursuant to section 771(5)(D)(ii) of the Act. Any provision of land would constitute the provision of a good, other than general infrastructure pursuant to 771(5)(D)(iii) of the Act.

2. **Benefit**

- **Customs Duty Exemptions and VAT.** As the Department previously found the customs duty exemptions can confer two benefits. First, this program confers a benefit “as a contingent-liability interest-free loan pursuant to 19 CFR 351.505(d)(1)” because “import duties remain payable to the GOT, with interest, if the exempted company fails its final onsite inspection.”⁷⁹ Second, this program provides a benefit in the form “of the tax savings to the company pursuant to section 771(5)(E) of the Act.”⁸⁰

Exhibit CVD-TR-21 in Petitions for the Imposition of Antidumping and Countervailing Duties, *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey*, Vol. XXIII (Mar. 9, 2020)), attached as **Exhibit XIX-10**.

⁷⁷ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26, *see also* Initiation Checklist at 12-13, attached as **Exhibit XIX-26**.

⁷⁸ *See, e.g., OCTG from Turkey* Final IDM at 31; *Reinforcing Bar from Turkey* Final IDM at 16-19.

⁷⁹ *See e.g., Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 17.

⁸⁰ *See e.g., id.* at 19.

- **Tax Reductions and Social Security Incentives.** This program provides a benefit to the recipient in the amount of the customs duties forgone pursuant to 19 C.F.R. § 351.509(a)(1).
- **Land Allocation.** Pursuant to 19 C.F.R. § 351.511(a)(1)-(2), this program confers a benefit to the extent that the land is provided for less than adequate remuneration when compared to actual commercial land transactions within Turkey.
- **Interest Rate Support.** Pursuant to 19 C.F.R. § 351.504(a) interest rate subsidies confer a benefit to the recipient equal to the provided amount.

3. Specificity

This program is *de jure* specific under section 771(5A)(D)(i) because it is limited to firms that are making a minimum investment.

I. Export Credit Bank of Turkey Programs

Export Credit Bank of Turkey (“ExIm Bank”) is a wholly-government owned bank⁸¹ that is the “official export credit agency in Türkiye”⁸² and “plays an especially important role through its policies in support of exports”⁸³ As noted on ExIm Bank’s webpage:

Turk Eximbank conducts “International Credit and Guarantee” programs aimed at developing economic and political relations between Türkiye and other countries and “Credit Insurance” programs that cover export sector’s exposure against political and commercial risks, as well as “Export Credit” programs, which provide the export sector with low cost financing.⁸⁴

⁸¹ ExIm Bank 2022 Annual Report at 18, attached as **Exhibit XIX-30** (“The Undersecretariat of Treasury holds all of the Bank’s shares.”).

⁸² *Id.* at 5.

⁸³ ExIm Bank Website Excerpt, *Corporate*, attached as **Exhibit XIX-31**.

⁸⁴ *Id.*

Additionally, ExIm Bank’s “main objectives” include: “{i}ncreasing the volume of exports;” “{d}iversification of export goods and services;” {d}eveloping new export markets; {i}ncreasing the exporters’ share of international trade and providing necessary support for their initiatives; {g}aining competitiveness and bringing assurance to exporters, overseas contractors and investors on the international markets; and {p}romoting and supporting the production and sale of investment goods for export through overseas investments.”⁸⁵ In order to meet these objectives, the ExIm Bank provides “a variety of short, medium- and long-term cash and non-cash credit, insurance and guarantee programs” to certain entities, including “exporters, export-oriented manufacturers, and overseas investors and contractors {.”⁸⁶

As we detail below, the Department has investigated and found countervailable several of ExIm Bank’s programs.⁸⁷

1. **Export Financing: Rediscount Loan Program**

As the Department has previously found, the GOT, through the ExIm Bank, provides countervailable loans to certain exporters.⁸⁸ Under the rediscount program, the ExIm Bank offers two forms of financing: pre-shipment and post-shipment.

Through the pre-shipment program, the ExIm bank finances “exporters during the pre-shipment period at advantageous conditions” by providing export credits to exporters, which can

⁸⁵ ExIm Bank Website Excerpt, *Corporate*, attached as **Exhibit XIX-31**.

⁸⁶ *Id.*

⁸⁷ See, e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM; *OCTG from Turkey* Final IDM at 14-15; Issues and Decision Memorandum accompanying *Oil Country Tubular Goods from the Republic of Turkey*, 84 Fed. Reg. 68,115 (Dep’t Commerce Dec. 13, 2019) (final results of countervailing duty admin. rev.; 2017) at 4.

⁸⁸ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 20; see *LDWP from Turkey* Prelim IDM at 15, unchanged in *LDWP from Turkey* Final IDM at 4.

be used in several different foreign currencies.⁸⁹ Eligible beneficiaries are “{e}xporters, manufacturer-exporters, manufacturers that produce goods for export and foreign exchange earning services.”⁹⁰ The maximum amount of this financing for program limits “are determined within the scope of the operational manual. Firm limits are determined on a firm basis as a result of Bank’s analysis.”⁹¹ The post-shipment rediscount program provides post-shipments discounts to Turkish exporters and manufactures that export Turkish-origin goods, with a term of up to 360 days.⁹² The maximum amount of this financing is USD 350 million per company, and up to USD 400 million for foreign stock corporations.”⁹³

Turkish aluminum extruders are significant exporters and likely will have applied for or used this program. For example, one of Turkey’s largest aluminum extruders, ASAŞ, notes that it exports its products “to over 90 countries.”⁹⁴ Accordingly, the Department should initiate an investigation into whether aluminum extruders applied for or benefitted from this program.

a. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

⁸⁹ ExIm Bank Website Excerpt, *Rediscount Credit Program*, attached as **Exhibit XIX-32**; see also, ExIm Bank, *Interest and Profit Share Rates* (Sept. 19, 2022), attached as **Exhibit XIX-33** (providing 2022 interest rates).

⁹⁰ ExIm Bank Website Excerpt, *Rediscount Credit Program*, attached as **Exhibit XIX-32**.

⁹¹ *Id.*

⁹² ExIm Bank Website Excerpt, *Post Shipment Rediscount Credit Program*, attached as **Exhibit XIX-34**; see also ExIm Bank, *Interest and Profit Share Rates* (Sept. 19, 2022), attached as **Exhibit XIX-33** (providing 2022 interest rates).

⁹³ ExIm Bank Website Excerpt, *Post Shipment Rediscount Credit Program*, attached as **Exhibit XIX-34**.

⁹⁴ ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20**.

b. Benefit

Pursuant to 771(5)(E)(ii) of the Act and 19 C.F.R. § 351.504(a) this program confers a benefit “equal to the difference between the amount paid by the company for the loans” “and the amount the company would have paid on comparable commercial loans.”⁹⁵

c. Specificity

This program is export specific under section 771(5A)(B) of the Act because it is contingent on export performance.

2. Export Financing: Export-Oriented Working Capital Credit (also known as Export-Oriented Business Investment Loans)

As the Department has previously found, the ExIm Bank’s Export Oriented Working Capital Credit Program provides countervailable loans to certain manufacturers and exporters.⁹⁶ Specifically, ExIm Bank offers preferential medium- to long-term financing to certain entities including “{e}xporters, manufacturers, manufacturer-exporters,” through Export-Oriented Business Investment Loans. Particularly, loans from this program are for exporters’ and manufacturers’ purchases of “raw material, intermediate goods, final goods, final product purchasing transactions” within 180 days before the credit application, and for “electricity water, natural gas, personnel costs” for a period of 1 month.⁹⁷ The maximum limit for this financing is USD 75 million per company, and these loans may be issued in either Euros or in USD.⁹⁸

⁹⁵ See, e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 20.

⁹⁶ *Id.* at 20-21.

⁹⁷ ExIm Bank Website Excerpt, *Export-Oriented Working Capital Credit Program*, attached as **Exhibit XIX-35**.

⁹⁸ *Id.*

As noted above, Turkish aluminum extruders are significant exporters and likely will have applied for or used this program.⁹⁹ Accordingly, the Department should initiate an investigation into whether aluminum extruders applied for or benefitted from this program.

a. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

b. Benefit

Pursuant to 771(5)(E)(ii) of the Act and 19 C.F.R. § 351.504(a), this program confers a benefit “equal to the difference between the amount paid by the company for the loans” “and the amount the company would have paid on comparable commercial loans.”¹⁰⁰

c. Specificity

This program is export specific under section 771(5A)(B) of the Act because it is contingent on export performance.

3. Specific Export Credit Program

The Exim Bank provides preferential loans under its Export-Oriented Investment Credit Program. Specifically, the Exim Bank provides financing for machinery, equipment, and accessory expenditures, “which need a middle- or long-term financing because of their sustainability or long-term usage properties on the basis of the amount excluding vat.” Qualifying entities are listed as the following: “Manufacturers, manufacturer-exporters, firms operating foreign exchange earning services and exporters from Türkiye and companies with current

⁹⁹ See, e.g., ASAŞ Website Excerpt, *About Us* (noting that they export to over 90 countries), attached as **Exhibit XIX-20**.

¹⁰⁰ See, e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 21.

operating licenses regarding to produce or purchase-sale in free trade zones in Türkiye.”¹⁰¹ The financing limit is \$75 million and can be issued in either Euros or USD.¹⁰² These loans cannot be used to finance land, buildings, vehicles, used goods, or on construction expenditures.”¹⁰³

In the recent *Common Alloy Aluminum Sheet from Turkey* investigation, the Department initiated an investigation into this program,¹⁰⁴ but found that it did not confer a measurable benefit during the POI.¹⁰⁵ To the extent that any aluminum extruder producer purchased any of the qualifying items for manufacturing, they likely benefitted from this program.

a. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

b. Benefit

Pursuant to 771(5)(E)(ii) of the Act and 19 C.F.R. § 351.505, this program confers a benefit equal to the difference between the amount paid by the company for the loan and the amount the company would have paid comparable commercial loans.¹⁰⁶

c. Specificity

This program is export specific under section 771(5A)(A) and (B) of the Act because it is contingent on export performance.

¹⁰¹ ExIm Bank Website Excerpt, *Export-Oriented Investment Credit Program*, attached as **Exhibit XIX-36**.

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ *See e.g., Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26 (unchanged in final).

¹⁰⁵ *Id.*

¹⁰⁶ *See, e.g., id* at 20.

4. Export Buyers Credit

The Exim Bank's provision of preferential financing under its Export Buyers Credit program is countervailable. Specifically, the purpose of the program "is to provide financing to the foreign buyers/employers of Turkish exporters/contractors."¹⁰⁷ Under this program, beneficiaries are granted a 2-year repayment period for "the export of durable & nondurable consumer goods" and up to 10 years for the "export of capital goods & projects."¹⁰⁸ Beneficiaries are provided with four options under this scheme: international project loans, buyer's credits through domestic banks, buyer's credits through foreign banks, and buyer's credits through sovereign guarantee. Of relevance to aluminum extrusion producers are the credits through domestic and foreign banks. To facilitate the program through domestic and foreign banks, Exim Bank serves as the intermediary and "extend buyer's credit through foreign branches, subsidiaries and correspondent banks of domestic banks"¹⁰⁹ and through "credit lines granted to the reputable foreign banks after a thorough analysis."¹¹⁰

In the recent *Common Alloy Aluminum Sheet from Turkey* investigation, the Department initiated an investigation into this program.¹¹¹ Turkish extruders likely benefitted from this program.

a. **Financial Contribution**

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

¹⁰⁷ ExIm Bank Website Excerpt, *Buyer's Credits*, attached as **Exhibit XIX-37**.

¹⁰⁸ *Id.*

¹⁰⁹ ExIm Bank Website Excerpt, *Buyer's Credits Through Domestic Banks*, attached as **Exhibit XIX-38**.

¹¹⁰ ExIm Bank Website Excerpt, *Buyer's Credits Through Foreign Banks*, attached as **Exhibit XIX-39**.

¹¹¹ Initiation Checklist at 19-20, attached as **Exhibit XIX-26**.

b. Benefit

Pursuant to 771(5)(E)(ii) of the Act and 19 C.F.R. § 351.505, this program confers a benefit “equal to the difference between the amount paid by the company for the loan” “and the amount the company would have paid on comparable commercial loans.”¹¹²

c. Specificity

This program is export specific under section 771(5A)(A) and (B) of the Act because it is contingent on export performance.

J. Research and Development (“R&D”) Incentives Under Turkey’s R&D Law

As the Department has previously found, the GOT provides certain companies countervailable subsidies under its R&D law.¹¹³ Turkish Law No. 5746 on Supporting Research, Development and Design Activities, as amended, sets forth a number of incentives available for R&D investment projects.¹¹⁴ Specifically, the GOT provides companies that establish an R&D center, or carry out R&D projects, with a range of assistance including: (1) corporate income tax deductions for R&D and design expenses, (2) income tax exemptions for the salaries of R&D and support personnel; (3) contributions for employers social security premiums for R&D and support personnel; (4) stamp duty exemptions for all documentation on R&D and innovation facilities;

¹¹² See, e.g., *Common Alloy Aluminum Sheet from Turkey Prelim IDM at 20*.

¹¹³ See, e.g., *id.* at 22 (unchanged in final); Preliminary Decision Memorandum accompanying *Certain Quartz Surface from the Republic of Turkey*, 84 Fed. Reg. 54,841 (Dep’t Commerce Oct. 11, 2019) (prelim. affirm. countervailing duty deter., prelim. affirm. critical circumstances deter., and alignment of final deter. with final antidumping duty deter.) at 17-19 (“*Quartz from Turkey Prelim IDM*”), unchanged in Issues and Decision Memorandum accompanying *Certain Quartz Surface from the Republic of Turkey*, 85 Fed. Reg. 25,400 (Dep’t Commerce May 1, 2020) (final affirm. countervailing duty deter. and final affirm. deter. of critical circumstances, in part).

¹¹⁴ Law on Supporting Research, Development and Design Activities No. 5746 (Feb. 28, 2008) (provided as Exhibit 35 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec’y Commerce, re: *Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (June 15, 2020) (PUBLIC VERSION)), excerpts attached as **Exhibit XIX-19**.

(5) capital support for technology and innovation; (6) customs duty exemptions for imported goods used for R&D, and (7) insurance premium support.¹¹⁵ In 2021, this program was extended to 2028.¹¹⁶ Aluminum extruders likely benefitted from this program on their qualifying R&D activities. The Department has recently found that certain common alloy aluminum sheet producers used this program, and so it is known that metals producers, including those in the aluminum industry, have qualified for and used this program. Consistent with the Department's previous determination, the Department should initiate an investigation into this program to determine whether Turkish aluminum extrudes applied for and / or benefitted from these R&D incentives.

1. **Financial Contribution**

The tax incentives under this program constitute a financial contribution in the form of revenue forgone pursuant to section 771(5)(D)(ii) of the Act. The capital contribution incentives provide financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

2. **Benefit**

The tax incentives under this program confer a benefit in the amount of the tax saving pursuant to section 771(5)(E) of the Act and 19 C.F.R. § 351.509(a). Any customs duty exemptions confer a benefit in the amount of customs duty savings pursuant to 19 C.F.R.

¹¹⁵ *Id.* at Article 3.

¹¹⁶ Ekin İnal & Mert Müstecaplıoğlu, *Turkey has extended R&D and design centers incentive program*, Norton Rose Fulbright (Mar. 29, 2021), attached as **Exhibit XIX-40**.

§ 351.510(a). And pursuant to section 771(5)(E)(ii) of the Act and 19 C.F.R. § 351.504(a) any capital contribution confers a benefit equal to the capital contribution received by the company.¹¹⁷

3. Specificity

As the Department has previously found, this program is specific pursuant to section 771(5A)(D)(i) of the Act because it is “limited to enterprises that maintain technology center businesses, R&D centers, and design centers as specified in Article 1(2) of Law No. 5746.”¹¹⁸

K. Turquality Program

As the Department has previously found, the GOT provides countervailable benefits to certain companies “during the brand building process both at home and abroad” in order to “enhance branding efforts of companies and to create a positive public opinion for Turkish products.”¹¹⁹ The Overseas Branding of Turkish Products, Promotion of Turkish Product Image and Supporting Turquality® program is authorized pursuant to Communiqué No. 2006/4 of the Monetary-Credit and Coordination Council, dated May 11, 2006.¹²⁰ Under this program, the GOT offers financing and reimbursements for expenses including “international trademark registration, certification and quality marks, salaries of fashion/industrial designers and product development engineers, and promotional activities.”¹²¹ As GOT provided during the *Common Alloy Aluminum*

¹¹⁷ See, e.g., *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 22.

¹¹⁸ *Id.* at 22 (unchanged in final).

¹¹⁹ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23 (citing Letter from Government of Turkey to Sec’y Commerce, re: *Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (June 15, 2020) (PUBLIC VERSION) at 248, 254, excerpts attached as **Exhibit XIX-19**).

¹²⁰ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23; Communiqué No. 2006/4 of the Monetary-Credit and Coordination Council (May 11, 2006) (provided as Exhibit 39 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec’y Commerce, re: *Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (June 15, 2020) (PUBLIC VERSION)), excerpts attached as **Exhibit XIX-19**.

¹²¹ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23.

Sheet from Turkey investigation, the eligibility are also evaluated “according to their potential to create an international and positive brand image as a whole.”¹²²

In *Common Alloy Aluminum Sheet from Turkey*, one of the mandatory respondents reported receiving funds from this program.¹²³ Aluminum extruders also likely benefited from this program, for example through receiving funding for certification and quality marks, or those that are creating “international and positive brand image as a whole.” Indeed, aluminum extruder ASAŞ states on its website that it is “one of the most remarkable industrial enterprises of Turkey. . . . and export{s} to over 90 countries” and was “listed No 54 out of Top 100 companies in ISO 500 Turkey in 2021 {.”¹²⁴ Accordingly, the Department should initiate an investigation in to whether any Turkish aluminum extruders benefitted from this program during the POI and AUL period.

1. **Financial Contribution**

The grants under this program would provide financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

2. **Benefit**

Pursuant to section 771(5)(D)(i) of the Act and 19 C.F.R. § 351.504(a) the grant program confers a benefit equal to the amount of the grant received by the company.¹²⁵

¹²² *Id.* at 23 (citing Letter from Government of Turkey to Sec’y Commerce, re: *Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (June 15, 2020) (PUBLIC VERSION) at 254, attached as **Exhibit XIX-19**).

¹²³ *See id.* at 23-24.

¹²⁴ ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20**.

¹²⁵ *See, e.g., Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 23-24.

3. Specificity

As the Department has previously found, this program is specific pursuant to section 771(5A)(B) of the Act because it is contingent on export performance.¹²⁶

L. Provision of Land Provided Under Law No. 4916

As the Department has previously found, the GOT's provision of provided government-owned land is countervailable.¹²⁷ Although terminated in 2009,¹²⁸ Article 3 of Law No. 4916 provides that "immovables" (*i.e.*, real property) that belong to the Treasury can be sold to certain entities," including: "private companies and public institutions for purposes of developing industry, livestock, technology, small industrial sites, technology development zones, and housing."¹²⁹ To qualify, companies were required to make an industrial investment of at least USD 25 million "and employ at least one hundred people."¹³⁰

Although petitioners did not allege this subsidy during the investigation of *Common Alloy Aluminum Sheet from Turkey*, one of the mandatory respondents self-reported use of this program.¹³¹ And one of Turkey's largest aluminum extruders, ASAŞ, "was established in Gebze

¹²⁶ *Id.* at 24 (unchanged in final) ("As the GOT stated that applicants for funds under this program are evaluated according to their potential to create a positive international brand image, and because Assan reported that its application was reviewed by the "Exporters' Association Union," we also preliminarily determine that the program is contingent upon export performance and is specific pursuant to section 771(5A)(B) of the Act.").

¹²⁷ *See id.* at 25.

¹²⁸ *Id.* at 24 ("The GOT reported that this program was terminated in February 2009 by Article 32 of Law No. 5838.").

¹²⁹ *See* Law No. 4916 Regarding Making Amendments in Several Laws and Decree on Institution and Duties of Ministry of Finance at Article 3 (provided as Exhibit 17 in Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec'y Commerce, re: *Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey* (July 20, 2020), excerpts attached as **Exhibit XIX-21**; *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 24.

¹³⁰ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 24.

¹³¹ *Id.*

in 1990”.¹³² Likewise, another large producer, Burak Aluminyum, began production in 1984.¹³³ Accordingly, it is possible that these and other aluminum extruders could have received land from the GOT prior to the program’s termination in 2009. The Department should initiate an investigation to determine whether any aluminum extruders benefited from this program during the AUL.

1. Financial Contribution

As the Department has previously found, the program provides a financial contribution “form of the provision of a good (other than infrastructure) within the meaning of section 771(5)(D)(iii) of the Act.”¹³⁴

2. Benefit

Pursuant to section 771(5)(E)(iv) of the Act and 19 C.F.R. § 351.511(a)(1) the program confers a benefit equal to the amount of the grant received by the company.¹³⁵

3. Specificity

As the Department has previously found, this program is *de jure* specific pursuant to section 771(5A)(D)(i) of the Act because “it is limited to companies that satisfy the criteria as stated in Article 3 (*i.e.*, satisfying certain investment and employment thresholds).”¹³⁶

¹³² ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20**.

¹³³ Burak Aluminum Website Excerpt, attached as **Exhibit XIX-41**.

¹³⁴ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 24 (unchanged in final).

¹³⁵ *See, e.g., id.* at 24-25.

¹³⁶ *Id.*

M. Foreign Fair Support Program

As the Department has previously found, the GOT's foreign fair support program is countervailable.¹³⁷ According to the GOT's 2023 Incentive's Guide, the GOT reimburses companies for “{u}p to 75% of the participation cost” for domestic and international fairs.¹³⁸ In the recent CVD investigation of *Common Alloy Aluminum Sheet from Turkey*, the Department initiated an investigation into this program,¹³⁹ but found that there was no measurable benefit conferred to the respondents during the POI.¹⁴⁰ As Turkish aluminum extruders are exporters,¹⁴¹ it is likely that they have participated in trade fairs outside of Turkey, and thus could have qualified for and benefitted from this program. The Department should initiate an investigation to determine whether aluminum extruders benefited from this program.

1. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

2. Benefit

Pursuant to 19 C.F.R. § 351.504(a), this program confers a benefit equal to amount of reimbursement provided to the company.¹⁴²

¹³⁷ *Quartz from Turkey* Prelim IDM at 10-11.

¹³⁸ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 29, attached as **Exhibit XIX-17**.

¹³⁹ Initiation Checklist at 22-23, attached as **Exhibit XIX-26**.

¹⁴⁰ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26.

¹⁴¹ ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20** (stating that the company “exports to more than 90 countries”).

¹⁴² *See, e.g.*, Initiation Checklist at 22, attached as **Exhibit XIX-26**.

3. Specificity

This program is export specific under section 771(5A)(A) and (B) of the Act because it is contingent on export performance.

N. Scientific and Technological Research Council of Turkey Grants

According to the GOT's 2023 Guide to State Incentives for Investments in Türkiye, the GOT provides grants for certain R&D projects through the GOT's Scientific and Technological Research Council of Turkey ("TUBITAK").¹⁴³ Specifically, TUBITAK provides grants to support research, technology development, and innovation activities of Turkish companies. The TUBITAK "1515 Support Program has been commissioned to make Türkiye a global attraction center in certain scientific and technological areas."¹⁴⁴ The 1515 Frontier R&D Laboratory Support Program extends up to 75% of R&D budget, which cannot exceed TRY 10 million, for companies with "at least TRY 15 {m}illion of R&D expenditures in any year within the last three years."¹⁴⁵

In the recent CVD investigation of *Common Alloy Aluminum Sheet from Turkey*, the Department initiated an investigation into this program,¹⁴⁶ but found that there was no measurable benefit conferred to the respondents during the POI.¹⁴⁷ Turkish aluminum extruders have R&D centers.¹⁴⁸ Indeed, one of Turkey's largest extruders, ASAŞ, advertises on its website that it "is

¹⁴³ The Presidency of the Republic of Türkiye, *Guide to State Incentives for Investments in Türkiye* (Aug. 1, 2023) at 25, attached as **Exhibit XIX-17**.

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*; see also Initiation Checklist at 24, attached as **Exhibit XIX-26**.

¹⁴⁶ Initiation Checklist at 23, attached as **Exhibit XIX-26**.

¹⁴⁷ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26 (unchanged in the final).

¹⁴⁸ ASAŞ Website Excerpt, *About Us*, attached as **Exhibit XIX-20**.

proud of being the first certified R&D Center in the sector in 2015.”¹⁴⁹ Thus, it is likely that they would have qualified for and benefitted from this program. The Department should initiate an investigation to determine whether aluminum extruders benefited from this program.

1. Financial Contribution

This program provides financial contributions in the form of direct transfer of funds pursuant to section 771(5)(D)(i) of the Act.

2. Benefit

Pursuant to 19 C.F.R. § 351.504(a), this program confers a benefit equal to amount of reimbursement provided to the company.

3. Specificity

This program is *de jure* specific under section 771(5A)(D)(i) of the, or *de facto* specific Act because the beneficiaries of this program are limited in number

O. Inward Processing Certificates (Excluding Aspects Regarding “D-1” Certificates)

As the Department has previously found, the GOT’s Inward Processing D-3 certificates are countervailable.¹⁵⁰ The Inward Processing Certificate (“IPC”) program is administered by the Ministry of Economy and its implementation by the Ministry of Customs and Trade.¹⁵¹ Pursuant to the Ministry of Economy’s Decree on Inward Processing Regime No. 2005/8391, companies can receive one of two IPCs for the exemption from customs duties and VAT payments on raw

¹⁴⁹ ASAŞ Website Excerpt, *R&D*, attached as **Exhibit XIX-27**.

¹⁵⁰ *LDWP from Turkey* Prelim IDM at 19-21, unchanged in *LDWP from Turkey* Final IDM at 5.

¹⁵¹ Letter from the Republic of Turkey, Ministry of Economy, Directorate General of Exports to Sec’y Commerce, re: *Response of the Government of Turkey in Countervailing Duty Investigation on Large Diameter Welded Pipe from the Republic of Turkey* (Apr. 23, 2018) at 87 (PUBLIC VERSION), excerpts attached as **Exhibit XIX-42**.

materials and intermediate goods upon importation: D-1 and D-3 certificates.¹⁵² The Department has previously found that the D-1 certificates are not countervailable,¹⁵³ and as noted above, has found that D-3 certificates are countervailable. D-3 certificates can be used to receive customs duties and VAT exemptions used for imported goods used in the production of goods sold in the domestic market.¹⁵⁴ As the Department has previously recognized, while the D-3 certificates are not contingent on export performance, “receipt of D-3 certificates is contingent upon the firm holding an {IPC}, and that in granting IPCs, the GOT solicits information regarding the export activities of the applying firms.”¹⁵⁵

In the recent CVD investigation of *Common Alloy Aluminum Sheet from Turkey*, the Department initiated an investigation into the D-3 certificates,¹⁵⁶ but found that the program was not used during the POI.¹⁵⁷ Billets are one of the raw materials used to produce aluminum extrusions. Although the exact sources of billets for Turkish aluminum extruders are unknown, Turkey imports significant volumes of billets.¹⁵⁸ Additionally, Turkey only has one primary aluminum producer, which is not capable of supplying Turkey’s entire aluminum demand.¹⁵⁹ Thus, it is likely that aluminum extruders in Turkey could have qualified for this program and the

¹⁵² *Id.* at Exhibit 24; *see, e.g.*, Initiation Checklist at 8, attached as **Exhibit XIX-26**.

¹⁵³ Initiation Checklist at 8, attached as **Exhibit XIX-26**.

¹⁵⁴ Letter from the Republic of Turkey, Ministry of Economy, Directorate General of Exports to Sec’y Commerce, re: *Response of the Government of Turkey in Countervailing Duty Investigation on Large Diameter Welded Pipe from the Republic of Turkey* (Apr. 23, 2018) at Exhibit 24 (PUBLIC VERSION), excerpts attached as **Exhibit XIX-42**; *see, e.g.*, Initiation Checklist at 8, attached as **Exhibit XIX-26**.

¹⁵⁵ *LDWP from Turkey* Prelim IDM at 20.

¹⁵⁶ Initiation Checklist at 8, attached as **Exhibit XIX-26**.

¹⁵⁷ *Common Alloy Aluminum Sheet from Turkey* Prelim IDM at 26 (unchanged in the final).

¹⁵⁸ Halina Yermolenko, *Turkiye sharply increased the import of the billet in the first quarter*, GMK (May 9, 2023), attached as **Exhibit XIX-43**.

¹⁵⁹ Eti Alüminyum Website Excerpt, attached as **Exhibit XIX-29**.

Department should investigate whether any aluminum extruders received benefits under this program during the POI.

1. Financial Contribution

This program provides financial contributions in the form of revenue forgone pursuant to section 771(5)(D)(ii) of the Act.¹⁶⁰

2. Benefit

This program provides a benefit in the form “of the tax savings to the company pursuant to section 771(5)(E) of the Act.”¹⁶¹

3. Specificity

As the Department has previously found, this program is export specific under section 771(5A)(B) IPC eligibility, which is required to obtain a D-3 certificate, is contingent on export activities.¹⁶²

VIII. CONCLUSION

As detailed above, Turkish aluminum extrusion producers and exporters are benefiting from countervailable subsidies, which are causing material injury to the aluminum extrusion industry in the United States. Petitioners therefore request that the Department initiate a CVD investigation on imports of aluminum extrusions from Turkey, that the Department make affirmative determinations of countervailable subsidies, and that the U.S. International Trade Commission make an affirmative determination of material injury by reason of such unfairly traded imports.

¹⁶⁰ *LDWP from Turkey* Prelim IDM at 20 (unchanged in the final).

¹⁶¹ *Id.*

¹⁶² *LDWP from Turkey* Prelim IDM at 20 (unchanged in the final).

EXHIBIT LIST		
Exhibit No.	Description	Security
XIX-1	Internal Revenue Service, How to Depreciate Property (2022)	Public
XIX -2	ASAŞ 2021 Sustainability Report	Public
XIX -3	BOTAŞ Website Excerpt	Public
XIX -4	<i>2021 Annual Ownership Report of State Owned Enterprises</i> , Republic of Türkiye	Public
XIX -5	Excerpts of Petition for the Imposition of the Antidumping and Countervailing Duties: <i>Steel Concrete Reinforcing Bar from Japan, Taiwan, and the Republic of Turkey</i> (Sept. 20, 2016)	Public
XIX -6	U.S. Energy Information Administration, <i>Country Analysis Brief: Türkiye</i> (July 11, 2023)	Public
XIX-7	Convert Units Website Excerpt	Public
XIX-8	Zeynep Beyza Karabay, <i>Turkiye's gas consumption estimate for 2022 shows year-on-year 18.8% rise</i> , AA Energy (Jan. 28, 2022)	Public
XIX-9	Semih Ergur, <i>Increasing Usage of Natural Gas in Turkey and Its Effect on Local Economy</i> , Climate Scorecard (June 5, 2022)	Public
XIX-10	Excerpts of Petitions for the Imposition of Antidumping and Countervailing Duties, <i>Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey</i> , Vol. XXIII (Mar. 9, 2020)	Public
XIX-11	Presidency of the Republic of Türkiye Investment Office, <i>Investment Zones</i> , Website Excerpt	Public
XIX-12	Republic of Türkiye Ministry of Trade, <i>General Directorate of Free Zones</i>	Public
XIX-13	Ersaş Alüminum A.Ş Website Excerpt	Public
XIX-14	VOSB Website Excerpt	Public
XIX-15	PMS Aluminyum Google Maps Excerpt	Public

EXHIBIT LIST		
Exhibit No.	Description	Security
XIX-16	Tuna Aluminium Google Maps Excerpt	Public
XIX-17	The Presidency of the Republic of Türkiye, <i>Guide to State Incentives for Investments in Türkiye</i> (Aug. 1, 2023)	Public
XIX-18	<i>10 insights to grow your business in Türkiye: The Turkish Tax System</i> , Presidency of the Republic of Türkiye Investment Office (Jan. 2022)	Public
XIX-19	Excerpts from Letter from Government of Turkey to Sec'y Commerce, re: <i>Response of the Government of Turkey to Initial Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey</i> (June 15, 2020) (PUBLIC VERSION)	Public
XIX-20	ASAŞ Website Excerpt, <i>About Us</i>	Public
XIX-21	Excerpts from Letter from Republic of Turkey, Ministry of Trade, Directorate General of Exports, to Sec'y Commerce, re: <i>Response of the Government of Turkey to Supplemental Questionnaire in Countervailing Duty Investigation on Common Alloy Aluminum Sheet from the Republic of Turkey</i> (July 20, 2020)	Public
XIX-22	Orbitax, Turkey's Banking and Insurance Transactions Tax Extended to Forex Sales (May 28, 2020)	Public
XIX-23	Light Metal Age Magazine, <i>Turkish Company, Itek Metal, Receives Investment to Build Aluminum Recycling Casthouse</i> (Mar. 3, 2022)	Public
XIX-24	Çerkezköy Wikipedia Excerpt	Public
XIX-25	Ekin İnal & Mert Müstecaplıoğlu, <i>Turkish Government Launches Project-based Incentive Program to Boost Investments</i> Norton Rose Fulbright (Mar. 17. 2017)	Public
XIX-26	Countervailing Duty Investigation Initiation Checklist, <i>Common Alloy Aluminum Sheet from Turkey</i> (Mar. 30, 2020)	Public
XIX-27	ASAŞ Website Excerpt, R&D	Public

EXHIBIT LIST		
Exhibit No.	Description	Security
XIX-28	Republic of Turkey Ministry of Economy, <i>The Investment Incentive Program of Turkey</i>	Public
XIX-29	Eti Aluminyum Website Excerpt	Public
XIX-30	ExIm Bank 2022 Annual Report	Public
XIX-31	ExIm Bank Website Excerpt, <i>Corporate</i>	Public
XIX-32	ExIm Bank Website Excerpt, <i>Rediscount Credit Program</i>	Public
XIX-33	ExIm Bank, <i>Interest and Profit Share Rates</i> (Sept. 19, 2022)	Public
XIX-34	ExIm Bank Website Excerpt, <i>Post Shipment Rediscount Credit Program</i>	Public
XIX-35	ExIm Bank Website Excerpt, <i>Export-Oriented Working Capital Credit Program</i>	Public
XIX-36	ExIm Bank Website Excerpt, <i>Export-Oriented Investment Credit Program</i>	Public
XIX-37	ExIm Bank Website Excerpt, <i>Buyer's Credits</i>	Public
XIX-38	ExIm Bank Website Excerpt, <i>Buyer's Credits Through Domestic Banks</i>	Public
XIX-39	ExIm Bank Website Excerpt, <i>Buyer's Credits Through Foreign Banks</i>	Public
XIX-40	Ekin İnal & Mert Müstecaplıoğlu, <i>Turkey has extended R&D and design centers incentive program</i> , Norton Rose Fulbright (Mar. 29, 2021)	Public
XIX-41	Burak Aluminum Website Excerpt	Public
XIX-42	Excerpts from Letter from the Republic of Turkey, Ministry of Economy, Directorate General of Exports to Sec'y Commerce, re: <i>Response of the Government of Turkey in Countervailing Duty Investigation on Large Diameter Welded Pipe from the Republic of Turkey</i> (Apr. 23, 2018) at 87 (PUBLIC VERSION)	Public

EXHIBIT LIST		
Exhibit No.	Description	Security
XIX-43	Halina Yermolenko, <i>Turkiye sharply increased the import of the billet in the first quarter</i> , GMK (May 9, 2023)	Public