

REQUEST FOR TARIFF QUOTA
Member State : TURKEY
Part I

1. Combined Nomenclature codes:

3902 10 00

2. Precise product description taking into account customs tariff criteria:

Polypropylene

For chemical product only (mainly chapter 28 + 29 of Combined Nomenclature):

Not applicable

3. i) CUS No (Reference number in European Customs Inventory of Chemicals):

0028971-4

- ii) CAS No (Chemical Abstracts Service Registry Number):

9003-07-0

iii) Other No:

Not applicable

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Part II

4. Further information including commercial denomination, mode of operation, intended use of the imported product, type of product in which it is to be incorporated and end-use of that product:

Commercial denomination

Polypropylene, commonly known by its abbreviation PP, is a thermoplastic polymer.

Mode of operation

PP is a thermoplastic polymer used in a wide variety of applications including packaging and labelling, textiles (e.g., ropes, thermal underwear and carpets), stationery, plastic parts and reusable containers of various types, laboratory equipment, loudspeakers, automotive components, and polymer banknotes. An addition polymer made from the monomer propylene, it is rugged and unusually resistant to many chemical solvents, bases and acids. General literature regarding polypropylene is attached as Annex 1.

Manufacturing process

Melt processing of PP can be achieved via extrusion and molding. Common extrusion methods include production of melt-blown and spun-bond fibers to form long rolls for future conversion into a wide range of useful products, such as face masks, filters, nappies (diapers) and wipes.

The most common shaping technique is injection molding, which is used for parts such as cups, cutlery, vials, caps, containers, housewares, and automotive parts such as batteries. The related techniques of blow molding and injection-stretch blow molding are also used, which involve both extrusion and molding.

The large number of end-use applications for polypropylene are often possible because of the ability to tailor grades with specific molecular properties and additives during its manufacture. For example, antistatic additives can be added to help PP surfaces resist dust and dirt. Many physical finishing techniques can also be used on PP, such

as machining. Surface treatments can be applied to PP parts in order to promote adhesion of printing ink and paints.

Product characteristics

PP is rigid, opaque, has good dimensional stability at high temperature and humidity conditions and tough. Technical data sheets regarding the most common grades of PP are attached as Annex 2.

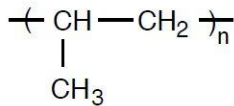
Intended use of the imported product

All industrial applications, including packaging, construction, automotive, electrics and electronics materials.

Type of product in which it is to be incorporated and end-use

A great range of products, including braid, bag, rug thread, rope, table cloth, doormat, filter fabric, seal, cord fabric, pipe, cable case, fishnet, brush.

5. Structural formula:



6. Products are subject to a patent:

No

7. Products are subject to an anti-dumping/anti-subsidy measure:

No

8. Name and addresses of firms known in Turkey and the EU approached with a view to the supply of identical, equivalent or substitute products (obligatory for quota requests):

Sole Turkish producer:

- PETKİM Petrochemicals Company
P.O. Box 12,
35800 Aliğa-İzmir
Turkey
Tel : +90 232 – 6161240
Fax : +90 – 232 – 616 12 48

EU producers:

- Total Petrochemicals
BE, Antwerp
BE, Feluy
- Borealis
AT, Schwechat
SE, Stenungsund
FI, Porvoo
- Sabic Europe
NL, Geleen
GB, Wilton (Teesside)
DE, Gelsenkirchen
- CompagniePétrochimique de Berre
FR, Aubette (Berre)
- Braskem
DE, Schkopau
DE, Wesseling



- Ineos
FR, Sarralbe
BE, Antwerp
BE, Geel
GB, Grangemouth
- Unipetrol
CZ, Litvinov
- ExxonMobil Chemical
BE, Meerhout
BE, Zwijndrecht
- Basell
DE, Hürth-Knapsack
ES, Tarragona
IT, Brindisi
IT, Ferrara
- Slovnaft Petrochemicals
SK, Bratislava
- Repsol Chemicals
ES, Tarragona
PT, Sines
- Hellenic Petroleum SA
GR, Thessaloniki
- PolychimIndustrie
FR, Dunkirk
- DucorPetrochemichals BV
NL, Rotterdam
- MOL Petrochemicals
HU, Tiszaújvaros



- Lukoil NeftochimBurgas AD
BG, Burgas
- Rompetrol Petrochemicals
RO, Navodari

Dates and results of these approaches:

As detailed below, the sole Turkish producer of polypropylene, PETKİM can only satisfy six percent of total domestic demand. Turkish converters have thus had to rely on imports to satisfy their needs. As evidenced by import statistics regarding the last three years, imports from preferential partners cannot satisfy total demand in Turkey and 870 KT has to be imported from non-preferential trading partners.

Since the domestic industry only produced 123 KT of PP in 2015, converters requested offers from EU producers. While these were unable to meet the great majority of requests for PP, they have, in recent years, been very careful not to submit any information that could be used to justify a tariff waiver. While unable to satisfy domestic demand, Turkish and EU producers of PP have generally obstructed requests for tariff waivers in recent rounds. It is submitted that the onus of demonstrating the absent of sufficient domestic/production should not only be placed on industrial users. Any objecting Turkish or EU producer should evidence that it can satisfy all requests - and the existing production deficit - and such evidence should be made available to concerned industrial users.

Reasons for the unsuitability of the products of these firms for the purpose in question:
Not applicable.

9. Calculation of tariff quota volume:

Annual consumption in Turkey: 2,040 KT

In KT	2013	2014	2015	2016 (anticipated)
Total Turkish Consumption	1,849	1,964	2,040	2,160

Source: ICIS

Estimated EU Consumption: 9,117 KT

Annual Turkish/EU production/capacity: 145 / 10,832 KT

In KT	2013	2014	2015	2016 (anticipated)
Total Turkish Production	119	96	123	136
Total EU Production	9,462	9,511	9,505	9,498
Total Turkish Production Capacity	145	145	145	145
Total EU Production Capacity	10,832	10,832	10,832	10,832

Source: ICIS

Requested tariff quota volume: 1,240 KT – The requested quota volume corresponds to the balance between domestic consumption on the one hand and domestic production and preferential imports on the other hand.

10. Special remarks:

- i) indication of similar tariff suspensions or quotas: A copy of the 10,000 quota in force for a grade of polypropylene is attached as Annex - 4.
- ii) indication of existing binding tariff information: Not applicable
- iii) other remarks: Not applicable

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Part III

11. Request submitted by:

T.C. Ekonomi Bakanlığı,
İthalat Genel Müdürlüğü
İnönü Bulvarı No:36,
06510 Emek
Ankara
Turkey
Tel: +90 312 204 75 00
E-mail: askiyaalma@ekonomi.gov.tr

12. Anticipated annual imports for 2017 (first year of the validity period requested):

- Value (in EUR): 2,565 M€
- Quantity (in weight and supplementary unit if applicable for the CN code in question): 2,100 KT

13. Current imports for 2015:

- Value (in EUR): 2,363 M€
- Quantity (in weight and supplementary unit if applicable for the CN code in question): 1,93 KT

14. Applicable duty rate at the time of the request (including preferential agreements, free trade agreements, if they exist for the origin of the requested goods):

Third country duty rate: 6,5 %

Preferential duty rate applicable: 0%

(EU, Israel, Croatia, Macedonia, Tunisia, Morocco, Palestine, Albania, Egypt, Kosovo, Georgia, Chile, Jordan, Mauritius, Montenegro, Serbia, EFTA countries, Bosnia Herzegovina, GSP+ beneficiaries, least-developed countries, GSP beneficiaries, Korea).

15. Estimated uncollected customs duties (in EUR) on an annual basis: 154 M€.

16. ..



17. Names and addresses of the user in the EU:

Name: Turkish Plastics Industry Foundation (PAGEV), on behalf of Turkish plastic converters.

Address: Halkalı Cad. No: 132/1 Tez-İs İş Merkezi Kat:4, Sefaköy / İstanbul - Turkey
Tel./Fax: 90 (212) 425 13 13 - 14 – 15 and +90 (212) 624 49 26
E-mail: pagev@pagev.org.tr

18. Declaration by the interested party that the imported products are not the subject of an exclusive trading agreement (join extra sheet – see Annex II to this communication) (obligatory)

The declaration is given as ANNEX -VI.

ANNEX-I: General literature

ANNEX-II: Technical Data Sheets

ANNEX-III: A presentation of Petkim

ANNEX-IV: Quota in force

ANNEX-V: Turkish Customs Tariff of Polypropylene

ANNEX-VI: Declaration by the interested party that the imported products are not the subject of an exclusive trading agreement