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VIA EMAIL

NON-CONFIDENTIAL

Rand McNally
Manager, Industrial Products Division
Trade and Anti-dumping Programs Directorate
Canada Border Services Agency
222 Queen Street, 9th Floor
Ottawa, ON
K1A 0L8

Dear Mr. McNally:

Re: Certain Concrete Reinforcing Bar – Request for Normal Value Review

I write on behalf of Çolakoğlu Metalurji A.S. (“Çolakoğlu”) to request that the CBSA initiate a review of the normal values last issued to Çolakoğlu on 18 December 2018. Çolakoğlu’s current prospective normal values are based on its sales and cost data for April and May 2018 and no longer reflect market conditions.

Çolakoğlu’s domestic selling prices and raw material costs have been declining steadily since June 2018, as summarized in the tables below.

Table 1 — Çolakoğlu Decrease in Domestic Selling Prices by Size Designation

Designation	Average Selling Price June 2018 USD/MT	Average Selling Price October 2020 USD/MT	Decrease
[
]

*For these designations, there were no sales in June 2018. Therefore, selling prices for May 2018 were used.

Table 2 – Çolakoğlu - Decrease in Raw Material Costs

Raw Material	Average Cost June 2018 USD/MT	Average Cost October 2020 USD/MT	Decrease
[
]

The significant and steady declines in Çolakoğlu's domestic selling prices summarized above reflect the significant gap between current prospective normal values and current selling prices in Turkey, as summarized in the table below.

Table 3 – Çolakoğlu – Current Normal Values versus Current Domestic Selling Prices

Designation	Current Normal Value USD/MT	Average Selling Price October 2020 USD/MT	Difference
[
]

The decline in domestic selling prices in Turkey should come as no surprise since it is consistent with the global decline in rebar prices acknowledged by the CBSA in its Statement of Reasons for Initiation for the Rebar 3 Investigation.¹

As a result of the significant misalignment between current prospective normal values and current market conditions, Çolakoğlu is unjustly prevented from fairly participating in the Canadian rebar market. These circumstances require that CBSA initiate a review of normal values (or reinvestigation) as part of the proper enforcement of measures under the *Special Import Measures Act*.

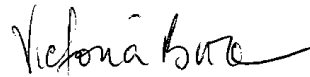
Çolakoğlu takes this opportunity to address concerns raised by ArcelorMittal Long Products Canada G.P., Gerdau Ameristeel Corporation and Max Aicher North America Ltd. (collectively, the “Domestic Producers”) in response to the request for a normal value review submitted to CBSA by ICDAS Celik Enerji Tersane ve Ulasim Sanayi A.S. (“ICDAS”) on 9 October 2020. The Domestic Producers argue that the object and purpose of SIMA is to protect the domestic industry. Çolakoğlu notes that the object and purpose of the CBSA's Trade and Anti-dumping Programs Directorate is to apply SIMA, as written. This includes ensuring that, pursuant to section 3, SIMA duties are equal to (not more or not less) than the margin of dumping. This necessarily requires updating normal values to reflect changes in market conditions. Normal values for Çolakoğlu and ICDAS were last

¹ Certain Concrete Reinforcing Bar – Initiation Statement of Reasons dated 7 October 2020 at para. 115.
<https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/rb32020/rb32020-in-eng.html#toc8>

updated nearly two years ago, during which time market conditions have changed significantly. While the Domestic Producers express concerns that normal values updated now may not reflect market conditions in the near future, those concerns are based on nothing more than speculation. As the CBSA is well aware, exporters are required to advise CBSA of changes in market conditions and to price their export sales in line with those changes regardless of what their normal values may be. In any event, should market conditions in the future change such that normal values are no longer considered to reflect those conditions, the Domestic Producers may make representations to the CBSA to that effect.

Çolakoğlu would be pleased to provide any further information you may require. If you have any questions, please do not hesitate to contact me.

Yours very truly,

A handwritten signature in black ink, appearing to read "Victoria Bazan", with a stylized flourish at the end.

Victoria Bazan