

**Priority question for written answer P-003347/2019
to the Commission**

Rule 138

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Subject: Unfair competition by Turkey vis-à-vis the EU

The Pension Fund of the Turkish Armed Forces (OYAK) has an almost 50% share in the Erdemir group, the main producer of Turkish steel, which accounts for 25% of national production.

In 2018, the Erdemir group accounted for 25% of Turkish exports to the EU, amounting to EUR 368 million.

The Turkish State contributes to development programmes in the steel industry drawn up by the Ministry of Science and Technology and the Ministry of Development through interventions in respect of production costs.

This state intervention could assume the form of a state subsidy and therefore be contrary to WTO rules.

Imports from Turkey rose 35% in the first quarter of 2019 - around 682 000 tonnes of steel - on the back of a 65% increase in 2018.

Furthermore, it is possible that the Turkish Armed Forces receive funds that can be used for military purposes through the exports of the Erdemir group.

In the light of the above, will the Commission say:

1. Is it aware of this situation?
2. What specific and immediate measures will it take to counter this latest example of market distortion and unfair competition by Turkey that compounds the problems caused by Chinese and Indonesian products?