

Update: China Anti-Dumping Investigation - Who needs to register?

We are aware there is some confusion as to whether all Australian wine exporters to China need to register for the anti-dumping investigation recently initiated by the Chinese Ministry of Commerce (MOFCOM).

We are providing this update to assist Australian exporters to decide whether or not they wish to register, noting that the deadline to do so is 7 September 2020.

By way of background, the scope of the anti-dumping investigation is HSC 2204.21.00 (bottled wine in under 2 litre packages) for the 2019 calendar year. Ten companies were named in the application but three of those listed companies did not export to China in 2019 and, following discussions with the Department of Foreign Affairs and Trade (DFAT), we have advised them that they do not need to register.

We are aware that at least one additional large exporter to China intends to register and we are in discussions with a further large exporter to ascertain their intentions. Given there are over 2000 Australia wine exporters to China, it is not practical for all to register, noting that it is a resource-intensive process (see further below). What is important from a category perspective is that the group of registered companies provides a fair representation of the Australian wine export profile into China which we, along with DFAT, believe will be achieved if we have around 10 companies involved.

To reiterate, any other exporter can register but there is no obligation to do so. If you do register, you need to be fully aware of the process that you are agreeing to be part of. Registered exporters must be prepared to answer in full the questionnaire that is provided by MOFCOM. This questionnaire will need to be answered in simplified Chinese and contains over 80 pages of detailed questions surrounding costs of production, sales and marketing, business structure, routes to market etc. The questionnaire provided to the Australian barley industry as part of its recently concluded anti-dumping investigation is linked [here](#) as a guide to the sorts of questions and answers that would be required. It is important to note that if your answers are considered to be incomplete or do not satisfy MOFCOM, your business may be deemed uncooperative, which could adversely impact the whole investigation.

Regardless of any Australian wine companies' involvement in the investigation, should there be a final determination to impose duties, these duties are applied across all Australian wine exports to China. It is possible for differential rates to be applied to individual companies that are involved in the investigation (i.e. individual dumping margins), which may differ to the rate applying to all Australian imports (so-called 'residual rate'). We note, however, that following the Australian barley investigation, a general tariff was imposed on the industry with no differential company tariff for those that registered.

If you are considering registering (registrations are due by 7 September), then please contact Tony Battaglione at Australian Grape & Wine on 0413014807 or tony@agw.org.au. Australian Grape & Wine will seek to assist you with your registration.

Tony Battaglione
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