

Annex 1 List of Anti-dumping Duty Rates for Relevant Australian Companies

Name of Company	Tax rates
I. Sampled Companies	
Treasury Wine Estates Vintners Limited	175.6%
Casella Wines Pty. Limited	170.9%
Australia Swan Vintage Pty Ltd	116.2%
II. Other Cooperative in the Investigation	
Australia Farm and Land Investment Pty Ltd	167.1%
Accolade Wines Australia Limited	167.1%
Octava Wines Pty Ltd	167.1%
Australian Vintage Limited	167.1%
Pernod Ricard Winemakers Pty Ltd	167.1%
Bogdan Investments Pty Ltd	167.1%
Brown Brothers Milawa Vineyard Pty. Limited	167.1%
Agreen Pty Ltd	167.1%

Dorrien Estate Winery Pty Ltd	167.1%
Ferngrove Vineyards Pty Ltd	167.1%
Fowles Wine Pty Ltd	167.1%
Furunde Wine Co. Pty Ltd	167.1%
Kilikanoon Wines Pty Ltd	167.1%
The Red Kangaroo Wine Company Pty. Ltd.	167.1%
Chapel Hill Winery Pty Ltd	167.1%
Portia Valley Wines Pty Ltd	167.1%
Zilzie Wines Pty Ltd	167.1%
S. Smith & Son Pty. Limited	167.1%
Terra Felix Pty. Ltd.	167.1%
Australian Food & Beverage Group Pty Ltd	167.1%
Wingara Wine Group Pty Ltd	167.1%
III. All Others	218.4%

Final Ruling of the Ministry of Commerce of the People's Republic of China on Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia

In accordance with the *Regulations of the People's Republic of China on Anti-Dumping* (hereinafter referred to as "*Anti-Dumping Regulations*"), on 18 August 2020, the Ministry of Commerce (hereinafter referred to as "Investigating Authority") released the No. 34 Announcement in 2020 deciding to initiate the anti-dumping investigation into relevant imported wines originating in Australia.

The Investigating Authority conducted an investigation into whether the Product under Investigation had been dumped and the dumping margin, whether the Product under Investigation had injured the domestic wine industry and the degree of injury, and the causal link between dumping and injury. In accordance with the investigation results and the *Anti-Dumping Regulations*, the Investigating Authority made the final ruling as follows:

I. Investigation Proceedings

(I) Initiating the investigation and notification

1. Initiating the investigation

On 6 July 2020, the China Alcoholic Drinks Association (hereinafter referred to as the "Applicant") filed a formal application with the Investigating Authority for an anti-dumping investigation into relevant imported wines originating in Australia on behalf of the domestic wine industry.

The Investigating Authority reviewed the application materials and deemed that the Applicant was in line with the provisions of Articles 11, 13 and 17 of the *Anti-Dumping Regulations* regarding domestic industry application filing for anti-dumping investigations. Moreover, the application contained the information and related evidence required to initiate an anti-dumping investigation as provided by Articles 14 and 15 of the *Anti-Dumping Regulations*.

In accordance with the above review results and Article 16 of the *Anti-Dumping Regulations*, the Investigating Authority released the announcement regarding initiating the investigation on 18 August 2020, deciding to initiate the investigation into relevant imported wines originating in Australia. The investigation period is from 1 January 2019 to 31 December 2019 (hereinafter referred to as "Anti-Dumping Investigation Period"). The injury investigation period is from 1 January 2015 to 31 December 2019 (hereinafter referred to as "Injury Investigation Period").

The Australian Government and Australian Grape & Wine Incorporated claimed in the Comments that the application failed to satisfy the standards for initiating the investigation in terms of the Applicant eligibility, the identification of dumping, injury and the causal link between them and the evidence, so the Investigating Authority should terminate this anti-dumping investigation.

The Investigating Authority held in the Preliminary Ruling that it had reviewed the application before the initiation of the investigation, and believed that the Applicant was in line with the provisions of Articles 11, 13 and 17 of the *Anti-Dumping Regulations* regarding domestic industry application filing for anti-dumping investigations. Moreover, the application contained the information and related evidence required to initiate an anti-dumping investigation as provided by Articles 14 and 15 of the *Anti-Dumping Regulations*. After Preliminary Ruling was released, no stakeholders raised any objection to it.

2. Notification of Initiating the Investigation

Before deciding to initiate the investigation, the Investigating Authority notified the Australian Embassy in China (hereinafter referred to as "Australian Embassy") about its receipt of the application for the anti-dumping investigation into the domestic barley industry in accordance with Article 16 of the *Anti-Dumping Regulations*.

On 18 August 2020, the Investigating Authority released the announcement of initiating the investigation, and provided the public text of the announcement and application to the Australian Embassy. On the same day, the Investigating Authority notified the Applicant and Australian enterprises listed in the application of the initiation of the investigation.

3. Publicity

In the announcement, the Investigating Authority notified the stakeholders that they could have access to the public version and non-confidential summary of the confidential version of the information related to the anti-dumping investigation through the MofCom Trade Remedy Public Information Office.

On the date of the initiation of the investigation, the Investigating Authority publicized the public version of the application and non-confidential summary of the confidential version of the application through the Public Information Consulting Office of Trade Relief Measures of the Ministry of Commerce, and posted the electronic version on the website of the Ministry of Commerce.

(II) Investigation Prior to Preliminary Ruling

1. Registration for Investigation

Within the specified period, a number of Australian producers and traders and Chinese importers and

producers registered at the Investigating Authority to participate in the investigation as required by the announcement. To be specific, these Australia producers included Australia Farm and Land Investment Pty Ltd, Accolade Wines Australia Limited, Octtava Wines Pty Ltd, Australian Vintage Limited, Pernod Ricard Winemakers Pty Ltd, Bogdan Investments Pty Ltd, Brown Brothers Milawa Vineyard Pty. Ltd, Agreen Pty Ltd, Dorrien Estate Winery Pty Ltd, Ferngrove Vineyards Pty Ltd, Treasury Wine Estates Vintners Limited, Fowles Wine Pty Ltd, Furunde Wine Co. Pty Ltd, Kilikanoon Wines Pty Ltd, The Red Kangaroo Wine Company Pty. Ltd., Casella Wines Pty. Limited, Chapel Hill Winery Pty Ltd, Portia Valley Wines Pty Ltd, Zilzie Wines Pty Ltd, S. Smith & Son Pty. Limited, Terra Felix Pty. Ltd., Australian Food & Beverage Group Pty Ltd, Australia Swan Vintage Pty Ltd, and Wingara Wine Group Pty Ltd, while Australian traders involved were Endeavour Group Limited, Haobo Development Pty Ltd (literal translation), Liquorland (Australia) Pty Ltd, Greenlife Holdings Pty Ltd, South Australian Wine Group Pty Ltd, Yang Li Co., Ltd. (literal translation). Chinese importers who have registered for investigation incorporated Pernod Ricard (China) Spirits & Wines Co., Ltd., Guangzhou Dragon's Journey Winery Co., Ltd., Jiufu Shengming (Beijing) Trading Co., Ltd., Yantai Changyu Pioneer

International Co., Ltd., Zhejiang Sunrise International Wine Co., Ltd.; the following Chinese producers also submitted their registrations: Beijing Fengshou Wine Co., Ltd., Beijing Dragon Seal Wines Co., Ltd., Changli Diwang Brewing Co., Ltd., Gansu Mogao Industrial Development Co., Ltd., Kweichow Moutai Distillery (Group) Changli Wine Industry Co., Ltd., Hebei Martin Wine Co., Ltd., Hebei Shacheng Jiahe Wine Industry Co., Ltd., Heilongjiang Qinggu Winery Co., Ltd. (literal translation), Huailai Rongchen Winery Co., Ltd. (literal translation), Huailai Amethyst Manor Winery Co., Ltd. (literal translation), Chateau Junding Co., Ltd., Bodega Langes (Qinhuangdao) Co., Ltd., Ningxia Helan Qingxue Vineyard Co., Ltd., Ningxia Hengsheng Xixia King Wine Co., Ltd., Ningxia Leirensou Winery Co., Ltd., Ningxia Yangyang International Wine Estate Co., Ltd., Penglai Guobin Winery Co., Ltd., Qinhuangdao Chateau Kings International Co., Ltd., Qingdao Huadong Winery Co., Ltd., Shandong Taila Winery Co., Ltd., Shanxi Chateau Rongzi Co. Ltd., Tianming Minquan Wine Co., Ltd., Tonghua Wantong Wine Co., Ltd., Turpan Loulan Wine Co., Ltd., Wei Long Grape Wine Co., Ltd., Shangri-la Winery Co., Ltd., Xinjiang Aroma Manor Wine Co., Ltd., Xinjiang Ruitai Qinglin Wine Co., Ltd. (literal translation), Xinjiang Tangting Xialu Winery Co., Ltd., Xinjiang West Region Pearl Winery Co., Ltd., Xinjiang Les Champs D'or Winery Co., Ltd.,

Xinjiang Sunyard Wine Co., Ltd., Xinjiang Zhongfei Wine Brewery Co., Ltd. (literal translation), Yantai Kastinon Wine Co., Ltd, Yantai Changyu Pioneer Wine Company Limited, Imperial Horse International Winery (Ningxia) Co., Ltd., Yunnan Gaoyuan Wine Co., Ltd., Sino-French Joint-Venture Dynasty Winery Ltd., COFCO Greatwall Wines & Spirits Co., Ltd., CITIC Guoan Wine Co., Ltd.

2. Sampling Investigation

Since a number of concerned enterprises had registered for the investigation, pursuant to Article 20 of the *Anti-Dumping Regulations and Interim Rules on Sampling in Anti-Dumping Investigations*, the Investigating Authority decided to conduct the anti-dumping investigation through sampling.

On 15 September 2020, the Investigating Authority released the *Notice on the Issuance of Questionnaire on the Sampling Investigation of Relevant Wines Anti-Dumping Cases*, distributed sampling questionnaires on the dumping to the stakeholders, and recovered a pile of responses submitted by lots of Australian producers and exporters within a certain period.

Australian Grape & Wine Incorporated and Treasury Wine Estates Vintners Limited submitted the comments on the sampling questions on 11 September 2020 and 25 September 2020, respectively. Australian Grape & Wine

Incorporated claimed that in order to make sure that the selected "samples" could represent Australian wine exporters in a proper way, the samples should include those exporters with small exports whose wines were made of different grape varieties from different producing regions. Treasury Wine Estates Vintners Limited claimed that the samples should be representative enough in sales and production. Pernod Ricard Winemakers Pty Ltd suggested in its Response that the Investigating Authority should select at least 4 Australian exporters as mandatory respondents to guarantee the statistical validity of these samples, and petitioned to become one of the samples.

The Investigating Authority reviewed the responses and comments on the above sampling questionnaire, and initially decided to conduct sampling based on the responses received; those Australian producers having submitted responses were sequenced based on their reported exports, and Top 3 producers with the most exports were selected as the samples. On 28 September 2020, the Investigating Authority distributed *Notice on Sampling of Relevant Wines Anti-Dumping Cases*, notified the stakeholders of the above initial sampling scheme, results and other facts and solicited comments publicly. Pernod Ricard Winemakers Pty Ltd submitted its comments within the stipulated period and claimed that it should be

selected as one of the samples based on product exports, consistency in anti-dumping and countervailing duty investigations and statistical validity etc.

The Investigating Authority reviewed the information and claims submitted by relevant stakeholders. According to the Investigating Authority, the exports-based samples selected in this investigation not only had the most exports but also covered different kinds of products, so they were quite representative. Meanwhile, in order to complete the anti-dumping investigation in a timely manner, selecting three samples is the most practical scheme for the Investigating Authority. On 10 October 2020, the Investigating Authority distributed the Notice on the Issuance of Questionnaire on Relevant Wines Anti-Dumping Cases, and decided to conduct sampling by sequencing those Australian producers based on their exports reported in their responses received by the Investigating Authority and selecting Top 3 enterprises with the most exports as the samples, as proposed in the Notice on Sampling of Relevant Wines Anti-Dumping Cases. Finally, Treasury Wine Estates Vintners Limited, Casella Wines Pty. Limited and Australia Swan Vintage Pty Ltd were selected as the samples.

Australian Food & Beverage Group Pty Ltd claimed in its comments on the Preliminary Ruling that the data and

client records of the selected samples could not reflect its actual situation since it was a small and medium-sized family wine enterprise, so it requested an independent assessment by the Investigating Authority. Australian Government claimed in its comments on the Disclosure of Basic Facts Relied on by the Final Ruling that the Investigating Authority should not hinder the exporters who had not been chosen as the sampled companies from voluntarily submitting the responses at the very beginning, and that the Investigating Authority failed to incorporate Pernod Ricard Winemakers Pty Ltd into the sampled companies, which breached the sampling rules of WTO. The Investigating Authority held that, first, as mentioned above, three samples were chosen because it was the greatest and most practical number for the Investigating Authority, and that independent review of other companies would impede the timely completion of the investigation. Besides, the three samples selected based on exports not only had the most exports but also covered different kinds of products, so they were quite representative. Second, since Australian Food & Beverage Group Pty Ltd did not provide any claim when the Investigating Authority was soliciting comments on the sampling scheme and also did not voluntarily submit the response to the anti-dumping investigation questionnaire, it would hinder the timely

completion of the investigation if it was independently assessed in the current stage. Third, the Investigating Authority did not hinder any Australian company from voluntarily submitting its response. As a matter of fact, the Investigating Authority released the questionnaire on the official website of MofCom for the first time and clearly pointed out in the notice that unsampled companies were also allowed to voluntarily submit their responses. During the Investigation Period, no Australian company voluntarily submitted a response. To sum up, the Investigating Authority did not conduct an independent review of other companies.

3. Product type classification.

Since the product under investigation and its like products involved numerous types, and different types of products were significantly different in costs and prices, for a fair comparison of costs and prices, the Investigating Authority initially decided to conduct an investigation by classifying the product under investigation and its like products into different groups and soliciting comments on such classification in the anti-dumping investigation questionnaire.

By taking into account relevant comments of stakeholders and referring to Chinese and overseas classification standards of wines, the Investigating Authority

concluded 18 product control codes for the classification of the product under investigation and its like products based on eight major product features, including type, colour, sugar level, specifications, variety, vintage, and large and small producing regions.

Casella Wines Pty. Limited, Treasury Wine Estates Vintners Limited and Australia Swan Vintage Pty Ltd successively proposed in their comments that there was inconsistency in the standards developed by the Investigating Authority and the applicable Wine Australia label rules to Australian producers in terms of the "variety" among the aforementioned product control codes. Such inconsistency was mainly revealed in two aspects: firstly, the Investigating Authority required that a single grape variety reported shall account for no less than 75% among all grape varieties, while this percentage under Wine Australia label rules is 85%. Secondly, the Investigating Authority demanded that in case that a single grape variety had a percentage less than 75%, two grape varieties with the most significant percentage shall be reported in sequence; In contrast, according to Wine Australia label rules, if a single grape variety has a percentage less than 85%, more than two grape varieties can be identified, or no grape variety is identified. However, once identified, the total proportion of all grape varieties identified shall be no

less than 85% and sequenced in descending order. The above stakeholders claimed that Wine Australia label rules and labelling practices in actual operations generally accepted by Australian producers should be followed to avoid the misunderstanding of the respondents and ensure data accuracy and consistency.

The Investigating Authority held after a review that firstly, product control codes adopted aimed to classify the product under investigation and its like products into different groups, which aligned with the goal of Wine Australia label rules. Product control codes were developed by the Investigating Authority based on cost and price differences so as to ensure fair comparisons for the good of dumping margin calculation, and the classification standards for product control codes were thus determined.

Secondly, for a product whose single grape variety had a percentage no less than 75%, its costs had occupied a decisive role in the raw material costs, so such single grape variety reported could satisfy the Investigating Authority's needs for production cost review and type classification. This standard was also in line with those of the International Organisation of Vine and Wine and China's national standards.

Thirdly, for a product whose single grape variety had a percentage less than 75%, since different varieties of

grapes or the same variety of grapes may be used for wine production, different wines were made of different percentages of grapes of different varieties, thus leading to significant cost differences. Therefore, the Investigating Authority also needed to review production costs for type classification, and relevant stakeholders were requested to report two grape varieties with the most significant percentage.

Fourthly, Wine Australia label rules did not require a mandatory remark of grape varieties, so Australian producers might develop different labelling habits for different brands or different batches of products in actual operations. If Wine Australia label rules and labelling practices in actual operations were adopted, it might be impossible to effectuate type classification and fair comparison.

Fifthly, product control codes developed by the Investigating Authority were clearly defined and free of ambiguity, and no evidence showed that any stakeholders had different understandings of it.

To sum up, the Investigating Authority distributed the Reply to Questions about the Product Control Codes of Relevant Products Involved in the Relevant Wines Anti-Dumping Case on 29 October 2020 and demanded that relevant stakeholders should fill in and submit the

responses in strict accordance with product control numbers and questionnaire requirements developed by the Investigating Authority.

4. Distribution and collection of questionnaires.

On 10 October 2020, the Investigating Authority distributed the Notice on the Issuance of Questionnaire on Relevant Wines Anti-Dumping Cases, Anti-Dumping Questionnaire for Foreign Exporters or Producers, Anti-Dumping Questionnaire for Domestic Producers, Anti-Dumping Questionnaire for Domestic Importers, Traders or Downstream Users to the stakeholders, and requested them to submit accurate and complete responses within the specified time. The Investigating Authority posted the questionnaires on the website of the Ministry of Commerce, and all stakeholders can refer to and download these questionnaires on the website of the Ministry of Commerce.

Within the specified period, Treasury Wine Estates Vintners Limited, Casella Wines Pty. Limited and relevant Chinese wine producers filed an extension application to the Investigating Authority for postponed submission of the response. After a review, the Investigating Authority believed that firstly, it had conducted independent sampling before distributing the questionnaire, and the stakeholders had been granted sufficient time for preparing the responses; secondly, a number of questions in the Anti-

Dumping Questionnaire for Foreign Exporters or Producers were the same with those in the sampling questionnaire, and it would take them less time to fill in the Questionnaire since they had replied to those questions in the sampling questionnaire. Therefore, the Investigating Authority held that the stakeholders had been granted sufficient time to prepare for and fill in the responses, so the extension application was rejected. As of the deadline of submission, Australian producers Treasury Wine Estates Vintners Limited, Casella Wines Pty. Limited and Australia Swan Vintage Pty Ltd, domestic importers Guangzhou Dragon's Journey Winery Co., Ltd. and COFCO W&W International Co., Ltd., 21 domestic wine producers and the Australian Government submitted the responses to the Investigating Authority.

As for the distribution of the questionnaire, Australian Grape & Wine Incorporated claimed in the comments on the Preliminary Ruling and the Disclosure of Basic Facts Relied on by the Final Ruling that the Investigating Authority neither distributed a questionnaire to it nor accepted the cooperative investigation petition (including the provision of relevant information) raised by it, so this decision led to many defects in the Preliminary Ruling; moreover, the Investigating Authority neither gave any instruction to it nor detailed the information to be provided, so "known facts"

could not be used. The Applicant claimed in the comments on the Preliminary Ruling that the Investigating Authority had carried out various kinds of investigation and that the stakeholders had been granted sufficient chances to defend themselves. Based on the review, the Investigating Authority held that it had released all questionnaires on the official website of MofCom in accordance with applicable laws and that all stakeholders could reply to the questions related to the dumping and injury identification and provide supporting evidence. In the meantime, the Investigating Authority had also provided sufficient chances for the stakeholders to present comments and submit evidence; during the entire investigation process, the stakeholders had been granted the right to submit the information related to the Case as required.

As for extension application, Treasury Wine Estates Vintners Limited, Casella Wines Pty. Limited and Australian Government claimed in the comments on the Preliminary Ruling and the Disclosure of Basic Facts Relied on by the Final Ruling that in its decision to reject the extension, the Investigating Authority did not take objective reasons proposed by the stakeholders about the Case into appropriate account, and also did not grant the stakeholders sufficient chances to defend themselves, imposing the unreasonable burden of proof to the

stakeholders.

The Applicant claimed in the comments on the Preliminary Ruling that the stakeholders' 37 days of legitimate response time had been fully guaranteed; the Investigating Authority had considered the extension application and offered an explanation for the rejection; one of the three samples did not propose to postpone the submission, suggesting that the respondents were capable of submitting the responses within the stipulated time.

The Investigating Authority believed that firstly, it made the decision of rejecting the extension application after having fully considered the reasons given by the stakeholders, the actual situation of the Case and the investigation arrangements. If the extension application were rejected, normal investigation procedures would be interfered with. Secondly, during various stages of the investigation period, the Investigating Authority had provided the stakeholders with sufficient chances to present comments, submit evidence and offer explanations by distributing questionnaires and collecting responses and supplementary responses, soliciting and receiving comments, convening video meetings and resorting to other means. Thirdly, the information collected by the Investigating Authority from the questionnaire is a must for the investigation, and reasonable response time had been

granted, so no unreasonable burden of proof had been imposed on the stakeholders.

5. Receiving written comments from the stakeholders.

On 7 September 2020, the Australian Government submitted the Comments on the Initiation of the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 7 September 2020, Australian Grape & Wine Incorporated submitted the Comments on the Ministry of Commerce Initiating the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 7 September 2020, Treasury Wine Estates Vintners Limited submitted its Preliminary Comments on Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 16 September 2020, the Australian Grape & Wine Incorporated submitted its Statements on the Ministry of Commerce Initiating the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 25 September 2020, Treasury Wine Estates Vintners Limited submitted its Comments on Sampling Methods for Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 9 October 2020, Pernod Ricard Winemakers Pty

Ltd submitted its Comments on the Sampling Results of the Wine Anti-Dumping Investigation.

On 22 October 2020, Casella Wines Pty. Limited submitted its Petition for Clarification on PCN Issues in the Questionnaire on Anti-Dumping Investigation into Relevant Wines.

On 23 October 2020, Treasury Wine Estates Vintners Limited submitted its Letter of Explanation on the Product Control Codes in the Questionnaire for Foreign Exporters or Producers on Relevant Wine Anti-Dumping Cases.

On 26 October 2020, Australia Swan Vintage Pty Ltd submitted the SWAN's Comments on Letter of Explanation on the Product Control Codes in the Questionnaire for Foreign Exporters or Producers on Relevant Wine Anti-Dumping Cases submitted by TWEV.

On 30 October 2020, the Applicant submitted its Application by Applicant for the Retroactive Application of Anti-Dumping Duties on Product under Investigation in Relevant Wine Anti-Dumping Cases.

On 9 November 2020, a relevant domestic wine producer submitted its Application for Postponing the Submission of Relevant Questionnaires on Relevant Wine Anti-Dumping and Countervailing Duty Cases for the Domestic Industry.

On 9 November 2020, Treasury Wine Estates Vintners

Limited submitted its Application for Postponing the Submission of the Questionnaire for Foreign Exporters or Producers on Relevant Wine Anti-Dumping Cases.

On 9 November 2020, Casella Wines Pty. Limited submitted its Application for Postponing the Submission of the Questionnaire on Relevant Wine Anti-Dumping Cases.

On 19 November 2020, Australian Grape & Wine Incorporated and its 15 members submitted the Defences against Retroactive Application of Anti-Dumping Duties.

6. Meeting with stakeholders.

On 30 September 2020, the Investigating Authority was invited to meet with the representatives of Treasury Wine Estates Vintners Limited through video and listened to their comments on the Case. On 12 October 2020, the representatives of Treasury Wine Estates Vintners Limited submitted the Written Minutes of the Meeting with the Investigating Authority.

7. Publicity.

In accordance with Article 23 of the Anti-Dumping Regulations, the Investigating Authority delivered all public materials and investigation schedules related to this case that were received and produced in the investigation process to the MofCom Trade Remedy Public Information Office in a timely manner. Each stakeholder may find, read, take excerpts from and photocopy the relevant public

information. Moreover, the stakeholders could also consult and download electronic public information released by the Investigating Authority and submitted by the stakeholders via the Trade Remedy Investigation Information Platform.

(III) Preliminary Ruling and announcement.

On 27 November 2020, the Investigating Authority released the [2020] No. 59 Announcement to release the Preliminary Ruling, identifying that the relevant imported wines from Australia were dumped, the domestic wine industry suffered a material injury, and there was a causal link between the dumping and the material injury. The Announcement said that it was decided to impose interim anti-dumping measures on the product under investigation from 28 November 2020. On the day of the Announcement, the Investigating Authority notified the stakeholders and posted the Announcement on the official website of the Ministry of Commerce where it could be referenced by the stakeholders and the public.

(IV) Investigation after the release of Preliminary Ruling.

1. Information disclosure after the release of Preliminary Ruling.

On 27 November 2020, pursuant to the Interim Provisions on Anti-Dumping Information Disclosure, the Investigating Authority disclosed and illustrated basic facts

and reasons relied on by Preliminary Ruling for dumping margin calculation and injury identification to the aforementioned three samples and Australian Government, and also offered them a chance to give comments. According to the requirements listed in the Preliminary Ruling Announcement, the stakeholders might offer written comments on the Preliminary Rulings and supporting evidence to the Investigating Authority within ten days since its release.

2. Receiving written comments from the stakeholders.

On 2 December 2020, Beijing Nan'ao Lvheng Zhuangyuan International Trade Co., Ltd. submitted a Letter to the Ministry of Commerce.

On 3 December 2020, Casella Wines Pty. Limited submitted its Comments on the Preliminary Ruling of the Relevant Wine Anti-Dumping Case.

On 7 December 2020, the Australian Government submitted the Written Comments on the Preliminary Ruling of the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 7 December 2020, Australian Grape & Wine Incorporated submitted the Comments on the Preliminary Ruling on Respondents Involved in the Wine Anti-Dumping Investigation and the Comments on the Preliminary Ruling

of the Wine Anti-Dumping Investigation.

On 7 December 2020, Treasury Wine Estates Vintners Limited submitted the Comments on the Preliminary Ruling of the Anti-Dumping Investigation.

On 7 December 2020, Australia Swan Vintage Pty Ltd submitted the Comments on the Disclosure of Basic Facts Relied on by the Dumping Part of Preliminary Ruling of Relevant Wines Anti-Dumping Investigation.

On 7 December 2020, Australian Food & Beverage Group Pty Ltd submitted the Comments on the Preliminary Ruling of the Anti-Dumping Investigation into Australian Wines.

On 7 December 2020, S. Smith & Son Pty. Limited submitted the Comments on the Preliminary Ruling of the Anti-Dumping Investigation into Australian Wines.

On 7 December 2020, the Applicant submitted the Comments of the Applicant on the Preliminary Ruling in the Relevant Wines Anti-Dumping Case.

On 22 January 2021, the Applicant submitted the Comments of the Applicant on the Australian Application for Price Undertaking in the Relevant Wines Anti-Dumping and Countervailing Duty Cases.

On 10 February 2021, Treasury Wine Estates Vintners Limited submitted the Comments on the Applicant's Comments in the Relevant Wines Anti-Dumping and

Countervailing Duty Cases on Price Undertaking Application.

On 3 March 2021, the Applicant submitted the Comments of the Applicant on the Stakeholders' Comments on the Preliminary Ruling in the Relevant Wines Anti-Dumping Case.

On 22 March 2021, Australian Grape & Wine Incorporated submitted the Comments on the Disclosure of Basic Facts Relied on by Preliminary Ruling of the Anti-dumping and Countervailing Duty Cases against Australian Wines.

On 22 March 2021, Australia Swan Vintage Pty Ltd submitted the Comments on the Disclosure of Basic Facts Relied on by the Dumping Part of Final Ruling of Relevant Wines Anti-Dumping Investigation.

On 22 March 2021, Treasury Wine Estates Vintners Limited submitted its Comments on the Disclosure of Basic Facts Relied on by the Final Ruling of Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

On 23 March 2021, the Australian Government submitted the Written Comments on the Disclosure of Basic Facts Relied on by the Final Ruling of the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia.

3. Domestic industry verification.

In order to verify the documents and evidence provided in the applications and responses and gain an understanding of other respects of the investigation, the Investigating Authority distributed the Notice on the Verification of Relevant Matters Regarding the Relevant Wines Anti-Dumping and Countervailing Duty Cases to Yantai Changyu Pioneer Wine Company Limited and COFCO Greatwall Wines & Spirits Co., Ltd. on 27 January 2021, and demanded these two enterprises to prepare and submit relevant written documents and supporting evidence promptly based on the requirements of the List of Verification Questions. Within the stipulated period, these two enterprises submitted the required documents.

4. Distribution and collection of supplementary questionnaires.

On 1 February 2021, the Investigating Authority distributed the Notice on Distributing Supplementary Questionnaire about the Relevant Wines Anti-Dumping Case to three samples and demanded the stakeholders to submit accurate and complete responses to the Supplementary Questionnaire within the stipulated time. Australia Swan Vintage Pty Ltd applied for an extension in submitting the response. After the review, the Investigating Authority decided to give a 3-day extension. As of the

deadline of submission, three samples submitted their responses to the Investigating Authority.

In the Final Ruling, the Investigating Authority took into account the documents, information and comments collected in the above investigation.

5. Price undertaking application.

Within the stipulated period after the release of the Preliminary Ruling, Australian Grape & Wine Incorporated and its members, Casella Wines Pty. Limited, Treasury Wine Estates Vintners Limited and Bogdan Investments Pty Ltd successively submitted price undertaking applications.

In the subsequent comments, the Applicant claimed that, firstly, Casella Wines Pty. Limited, Treasury Wine Estates Vintners Limited, Australian Grape & Wine Incorporated and its members were not fully cooperative in the investigation work of the Investigating Authority, and their price undertaking applications shall be rejected; secondly, since the product under investigation involved numerous types and specifications, circumvention would easily occur when there're too many producers applying for price undertaking, so the injury of dumping and subsidized imported products could not be eliminated.

Treasury Wine Estates Vintners Limited claimed in its subsequent comments that as it was a "fully cooperative" exporter, the undertaken prices could be easily

implemented and supervised and would not cause material injury to domestic industry in China since they would be much higher than the domestic average prices in China.

After the review, the Investigating Authority held that due to the presence of numerous types and exporters for the product under investigation, it would be impractical to supervise price undertaking, and there would be a greater possibility of circumvention. Hence, the Investigating Authority decided to reject the above price undertaking applications.

6. Information disclosure before the Final Ruling.

Prior to the final ruling of this case, the Investigating Authority disclosed and explained the basic facts relied on by the Final Ruling of this anti-dumping investigation to the stakeholders and gave them an opportunity to make comments in accordance with Article 25 of the Anti-dumping Regulations. Within the stipulated time, the stakeholders released their comments on the Disclosure of Final Ruling. The Investigating Authority took them into consideration in the Final Ruling in accordance with applicable laws.

7. Publicity.

Pursuant to the Anti-Dumping Regulations, the Investigating Authority delivered all public materials related to this case that were received and produced in the investigation process after the Preliminary Ruling to the

MofCom Trade Remedy Public Information Office where they could be consulted, read, excerpted and copied by the stakeholders. Moreover, the stakeholders could also consult and download electronic public information released by the Investigating Authority and submitted by the stakeholders via the Trade Remedy Investigation Information Platform.

II. Product under Investigation

(I) Scope of the product under investigation.

Scope of investigation: Imported wines originating in Australia in containers holding 2 litres or less.

Name of the product under investigation: Wines in containers holding 2 litres or less, hereinafter referred to as "relevant wines".

English name: Wines in containers holding 2 litres or less

Product description: wines in containers holding 2 litres or less that are made from full or partial fermentation, with fresh grapes or grape juice as raw material.

Main use: Mainly used for consumption as an alcoholic beverage.

This product is listed under tariff numbers 22042100 in the Customs Import and Export Tariff of the People's Republic of China.

(II) Relevant comments.

Treasury Wine Estates Vintners Limited claimed in its comments that the mixed liquor, Brandy and sparkling wine exported by it were not in line with the descriptions and tariff numbers of the product under investigation, so it petitioned the Investigating Authority not to confirm the above products as the product under investigation.

The Investigating Authority stressed in the Preliminary Ruling that the scope of the product under investigation was based on the product description; all the products under investigation were listed under tariff numbers 22042100 in the Customs Import and Export Tariff of the People's Republic of China, and the products listed under other tariff numbers did not belong to the product under investigation.

After Preliminary Ruling was released, no stakeholders raised any objection to it.

III. Dumping and dumping margins

(I) Final identification of normal value, export price, adjustment items and CIF price.

Special market situation of the Australian wine industry

The Applicant claimed that the development of the Australian wine industry was largely attributed to the vigorous development of the Australian Government. Through legislation, industrial planning and supporting measures, the Federal Government of Australia and state

governments have conducted extensive intervention, control and management in the Australian wine industry, causing market distortion. These non-market conditions cause incomparable production costs and prices of wines.

For the above reasons, the Applicant petitioned the Investigating Authority to investigate the non-market factors that affected the price comparability of like products of the product under investigation in Australia so as to ensure that the production cost and price data used for identifying normal value were comparable and not distorted by the market.

In its comments on the initiation of the investigation, Australian Grape & Wine Incorporated claimed that there was a lack of evidence to support the view that there was a "non-market condition" in the Australian wine market; the method of determining the "normal value" based on the price of wine exported by Chinese wine producers to Australia in the Application was not allowed under the WTO Anti-Dumping Agreement. Even if there was relevant evidence to support and identify that the market conditions of the Australian wine market were not suitable for determining "normal value" following Article 2.2 of the WTO Anti-Dumping Agreement, this "non-market condition" identification itself did not preclude "fair comparison", that is, the "fair comparison" between the "normal value"

determined by domestic sales in the Australian market and the export price of the product under investigation. The Application did not specify which factors were considered to preclude this "fair comparison" (let alone the supporting evidence). Accordingly, the determination of "normal value" and "fair comparison" must be carried out in accordance with Article 2.1 of the WTO Anti-Dumping Agreement. That is, it must be a "fair comparison" between the "normal value" calculated based on the domestic prices of "like products" in the Australian wine market and the export price of the product under investigation.

The Australian Grape & Wine Incorporated claimed that the Australian wine market is a competitive market. All wines, regardless of their origins, are traded between buyers and sellers in accordance with normal market conditions, which are not subject to any affiliation, any government intervention or interference. Like other Australian markets, the only regulation of the Australian wine market is the Competition and Consumer Act issued by the Australian Competition and Consumer Commission (ACCC), which aims to ensure the competitiveness of the Australian markets, including the Australian wine market. In Australia, there is no government regulation, policy or industry plan that distorts the Australian wine market or market prices, either directly or indirectly.

In the Preliminary Ruling, the Investigating Authority conducted a review of the above opinions. According to the Investigating Authority, Article 41 of the Foreign Trade Law of the People's Republic of China stipulates that if products from other countries or regions enter the Chinese market by dumping below normal value, and if it causes material injury or threat of material injury to the established domestic industry, or poses a substantial hindrance to the establishment of the domestic industry, China may take anti-dumping measures to eliminate or mitigate such injury or the threat or hindrance of injury. In accordance with Article 3 of the Anti-Dumping Regulations, dumping refers to the entry of imported products into the market of the People's Republic of China at an export price lower than their normal value in the course of normal trade. In accordance with Articles 4 and 6 of the Anti-Dumping Regulations, the export price and normal value of imported products shall be compared in a fair and reasonable manner, taking into account the various comparable factors affecting such price. The particular market conditions such as non-market factors in the Australian market claimed by the Applicant may affect the input of the main factors of production of the product under investigation and like products in this case, thus exerting a significant impact on the costs and prices of the product under investigation and

like products. Therefore, in accordance with the above provisions, and in view of the fact that the relevant applications submitted by the Applicant meet the prima facie evidence requirements, the Investigating Authority decided to investigate these special market conditions that may affect the calculation of normal value. In the subsequent investigation, the Investigating Authority further reviewed and considered the relevant information and comments submitted by various stakeholders.

Within the specified time, the Australian Government and the sampled enterprises submitted the responses to the Investigating Authority. In addition, the Investigating Authority did not receive responses from any other Australian stakeholders. In the Preliminary Ruling, the Investigating Authority conducted a preliminary review of the above conditions and found that the Australian companies did not respond to some of the questions in the questionnaire or only pointed to the government questionnaire, but failed to provide a complete and accurate response in accordance with the requirements of the questionnaire. On these grounds, the Investigating Authority was unable to obtain all the necessary information about the industry of the product under investigation and its upstream raw materials and wine industry through the responses of the above-mentioned companies. Hence, the

Investigating Authority believed that the information required by the questionnaire was directly related to the production and cost for determining the normal value of the product under investigation, and the Australian Government and companies had been given sufficient time and opportunities to complete the response to provide information, but they did not provide complete information. Therefore, with regard to the part of the questionnaire to which the Australian companies did not respond as required, in accordance with Article 21 of the Anti-Dumping Regulations, the Investigating Authority tentatively decided in the Preliminary Ruling to conduct a review and evaluation on the basis of the facts already obtained and the best information available, including the documents submitted by the Applicant and the relevant facts and information grasped by the Investigating Authority in previous cases.

1. Management and restrictions implemented by the Australian Government or public authorities on grape growing, wine production and sales.

The Australian Government and companies had offered in the Response the information of competent authorities responsible for supervising the grape growing, wine production and sales. However, when it came to specific supervision measures, although the Questionnaire had made it clear that specific supervision activities of

Australian Government or public authorities and specific supervisions over the investment, production and other business activities of relevant producers should be given, the Australian Government just gave general descriptions of relevant administrative departments in the Response, such as their names, system of administering and simple functions, but did not provide any concrete descriptions on the production and sales of wine.

Based on preliminary reviews, in accordance with the Response and application forms submitted by Australian companies and the facts acquired by the Investigating Authority, it was found that there were a large number of governmental or public authorities in Australia responsible for managing and restricting grape growing, wine production and sales, including:

Wine Australia is the research and development, marketing and regulatory body for the Australian wine industry. It was established under the Wine Australia Act 2013. Its main functions are to coordinate or fund the research and development of grapes and wines, regulate and control exports of Australian wines, and promote the sales and consumption of Australian and overseas wines. Wine Australia also provides free export data, market intelligence, import and export data and other general information of the Australian wine industry. Government

funding is an important source of funding for Wine Australia. Australian Government states in the response that "Wine Australia's responsibilities include: coordinating or funding grape and wine research and development, and facilitating the dissemination, adoption and commercialisation of the results; promoting the sale and consumption of wine in Australia and overseas; and controlling the export of wine from Australia."

Australian Department of Agriculture, Water and the Environment, works with Australian wine producers and grape growers, industry representatives, other government departments and international organisations offer suggestions on such affairs related to the Australian wine industry as access to the international market, tax revenue and industrial structure to the Australian Government.

Australian Trade and Investment Commission (Austrade) is responsible for providing practical advice or assistance for the Australian wine industry with respect to wine exports.

Australian Taxation Office (ATO) is the Australian Government's tax collection and administration agency. It offers WET tax exemption to wine producers.

Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) is the science and economics research division of the Australian Department

of Agriculture, Water and the Environment. ABARES supports the Australian wine industry by releasing lots of useful information and analysis of the Australian wine industry.

Relevant state agricultural or industrial sectors are also responsible for the regulation of grape growing and wine production, including New South Wales Department of Primary Industry, Department of Agriculture and Fisheries, Queensland, Department of Primary Industry and Resources, South Australia, Phylloxera and Grape Industry Board of South Australia, Department of Primary Industries, Parks, Water and Environment, Tasmania, Department of Economic Development, Jobs, Transport and Resources, Victoria, and Department of Agriculture and Food, Western Australia.

Besides, according to the response of the Australian Government, as an association of the wine industry, Australian Grape & Wine Incorporated is a national sector body that represents Australia's grape and wine producers on political, social and regulatory issues across the production and supply chain.

Therefore, the Investigating Authority identified in the Preliminary Ruling that the Australian Government has comprehensively strengthened the management, restriction and incentive on the wine industry, played an

important role in resources allocation, and achieved overall planning of and targeted control over resources through relevant legislation, industrial plans and policies, as well as funding measures and export and import controls.

2. Supervisions and restrictions implemented by Australian governmental or public authorities on grape growing, wine production and sales through legislation.

Laws issued by the Australian Government to implement supervisions and restrictions on grape growing, wine production and sales industries included Wine Australia Act 2013, which aimed to establish Wine Australia and align with its purposes including coordinating or funding grape and wine research and development, promoting the sale and consumption of wine in Australia and overseas, and supervising the export of wine from Australia. Wine Australia Regulations 2018 aims to ensure the quality of grape products that include Australian wine and are exported, to implement Australia's international obligations and to ensure Australian wine that is exported complies with importing country requirements.

Hence, the Investigating Authority identified in the Preliminary Ruling that Australian governmental or public authorities implemented supervisions and restrictions on wine production and sales through legislation.

3 Implementation of industrial plans and strategies

launched by Australian governmental or public authorities on grape growing, wine production and sales industries and their effects.

The Applicant claimed that the Australian Government has a complete planning system for the wine industry. The planning system has made the government's interventions in the wine industry more systematic. The government adopts a set of intervention mechanisms, including quantitative and qualitative mechanisms for development objectives and financial support.

In the Questionnaire, some specific questions were raised to gain an understanding of the above industrial plans, laws, regulations and policies, as well as possible effects of the implementation of these documents on business activities and production costs of Australian wine producers and Australian wine prices, especially specific effects on resources allocation for relevant industries through the above policies and goals of Australian Government. The Questionnaire also requested the submission of relevant governmental documents formulated to ensure the implementation of industrial plans. Yet, the Australian Government did not provide Chinese versions of these documents and plans as required in the Response. Faced with the inquiry of the Investigating Authority about like products and industries, the Australian

Government just gave a reply about the beer industry. Australian companies also did not clearly answer relevant questions but just provided relevant website links or referred to the Government's Response, making it impossible for the Investigating Authority to verify the information provided by the Australian Government and companies. Other Australian stakeholders also did not submit responses or replied to it. As for the purposes of formulating relevant governmental documents, Australian companies provided some information in their responses.

Australian Grape and Wine Incorporated (Australian Grape & Wine) and Wine Australia jointly developed the Vision 2050 and planned the long-term development route of the Australian wine industry. In line with Vision 2050, Wine Australia also developed more detailed five-year plans, including the Strategic Plan 2015-2020 and the Strategic Plan 2020-2025. The Five-year Plan set out development plans, strategies and priorities, provided a fund allocation scheme and set up specific quantitative key performance indicators to measure the achievement of development expectations.

The Strategic Plan 2015-2020 set out two development priorities and 12 basic development strategies for the Australian wine sector. The two development priorities include (1) increasing demand and the premium paid for all

Australian wine; and (2) Increasing competitiveness in vineyards, wineries and wine businesses. The strategies include (1) Promoting Australian wine; (2) Protecting the reputation of Australian wine; (3) Building Australian grape and wine excellence; (4) Improving resource management and sustainability; (5) Improving vineyard performance; (6) Improving winery performance; (7) Enhancing market access; (8) Building capability (Developing people); (9) Business intelligence and measurement; (10) Extension and adoption; (11) Corporate affairs (Communication and cooperation between domestic and international shareholders; and (12) Corporate services (information services or technical support).

The Strategic Plan 2020-2025 set out five basic development strategies, including (1) Increasing demand and the premium paid for Australian wine through marketing; (2) Protecting the reputation of Australian wine; (3) Enhancing Australian grape and wine excellence through excellent research outcomes of grape growers and wine producers; (4) Supporting growers and producers in implementing environmental management practices by providing knowledge and tools to ensure environmental sustainability; and (5) Building business sustainability, excellence and leadership by accelerating adoption of research outcomes and best practices. The Strategic Plan

also provides specific plans for the allocation of funds, totalling A\$ 65.4 million.

The Investigating Authority held that the Australian Government put much emphasis on industries including grape growing, wine production and sales, and thus developed comprehensive and systematic strategic plans. In order to achieve relevant goals, the Australian Government implemented a series of specific measures to promote industrial development. It was due to the presence of these comprehensive and systematic strategic plans and the implementation of a series of specific measures that the resources allocations of relevant industries were affected, which promoted the growth in output of Australian wine, reduced wine prices, and helped Australia wine to win export advantages. Especially after the launch or implementation of Strategic Plan 2020-2025 and Vision 2050, the wine industry in Australia developed rapidly. Vision 2050 released by Australian Grape & Wine Incorporated reported that "the grape and wine industry had been very successful over the past 30 years. Most of the targets, especially domestic and export sales forecasts, had been met or exceeded. One could argue the rise of China from a small market to being our principal export partner was unforeseen totally, as were the effects of the global financial crisis (GFC) within 2007-2008. More recently, the

Australian Government released A\$ 50 million Export and Regional Wine Support Package, improving market sentiment and sales in new export markets, and also encouraging increased wine-related tourism." An independent cost-benefit analysis of Wine Australia's marketing investments by The Centre for International Economics, Evaluation of Wine Australia's marketing activities (4 March 2019), found that "each A\$1 of marketing spend by Wine Australia is associated with economic benefits of A\$1.59 for Australian wine producers".

To sum up, the industrial plans made by the Australian Government and associations had a certain influence on the development and resources allocation of the Australian wine industry, as well as on the business activities, production costs, market supply and market prices of wine producers.

4. Supports provided by the Australian Government for the development of the wine industry through a series of supportive measures.

The Applicant claimed that in order to develop the wine industry, the Federal Government of Australia and state governments had implemented plenty of supportive measures. In order to support the above wine industry development planning, Wine Australia formulated the Export and Regional Wine Support Package and other

supportive measures related to the expansion of demands and exports. Moreover, the Federal Government of Australia imposes the WET at a preferential tax rate to maintain the competitive edge of its wines. What is more, the Federal Government of Australia and state governments provide substantial cash subsidies, tax exemption, preferential loans and consulting services for grape growing, farms, chateaus and R&D.

Based on a preliminary review, the Investigating Authority believed that in order to achieve the aforementioned industrial plans and strategies, the governments at all levels in Australia provided vigorous supporting policies for the production and investment of the wine industry, which stimulated the enthusiasm of the investors, attracted investments, promoted production, and affected resources allocation, production costs and business operations.

Australian Government allocated research and development (R&D) funding for Wine Australia based on eligible R&D expenditure. Its functions also included investigating and evaluating requirements for grape or wine research and development; coordinating and funding the carrying out of grape or wine research and development activities; assessing and reporting to the Parliament, the Minister and the representative organizations on the impact

on the grape industry or wine industry, of grape or wine research and development activities that are coordinated or funded, wholly or partly, by Wine Australia; monitoring, evaluating and reporting to the Parliament, the Minister and representative organizations on grape or wine research and development activities that are coordinated or funded wholly or partly by Wine Australia; and facilitating the dissemination, adoption and commercialisation of the results of grape or wine research and development.

Moreover, in order to achieve the activities and expenditure for research programs under White Paper on Agriculture, Wine Australia prepared multiple Annual Performance Evaluation Reports and conducted R&D activities and expenditure in accordance with Performance Evaluation Framework and Performance Evaluation Framework, including the structural plans for systematically evaluating the efficiency, effectiveness and effects of major portfolios of Wine Australia, as well as the distribution and propaganda means for development and evaluation results. The industrial support for R&D of the grape and wine industries were reported above, but the Chinese versions of these reports were not submitted as required.

Moreover, the Investigating Authority found that there are lots of subsidy programs launched by federal, state and local governments of Australia to support, attract or expand

investments. For instance, all levels of governments in Australia offered wine equalization tax rebates to lower the tax burden of wine producers and allow them to directly gain benefits; provided a subsidy of up to A\$50 million through the Wine Australia's Export and Regional Wine Support Package to expand the exports of Australian wine, facilitate the development of export-oriented enterprises, and bring benefits to wine producers; provided an annual grant of up to A\$10 million to eligible wine producers through the Wine Tourism and Cellar Door Grant, with at most A\$100,000 for each wine producer, in an attempt to reduce the marketing costs, increase exports and offer benefits for the wine industry or wine producers; encouraged small and medium-sized Australian enterprises to explore export markets and offered a subsidy for their export-related marketing fees via the Export Market Development Grants under which each grape grower and wine chateau could apply for a subsidy of up to A\$150,000. Australian Department of Trade, Tourism and Investment provided financial support up to A\$30,000 to eligible small and medium-sized enterprises through South Australia Export Accelerator Grants, so as to facilitate their exploration of new global markets via marketing and export opportunities; Wine producers were also funded or subsidized by South Australia Regional Food Initiatives Program. Besides, Australian federal and state's

Research and Development Tax Incentive, Sustainable Rural Water Use and Infrastructure Program, Tasmania Vineyard and Orchard Expansion Program, Farm Productivity Improvement Grants Victoria and other programs also offered a large amount of financial and policy support.

The Investigating Authority believed that the federal and state governments of Australia had played important roles in encouraging and developing its wine industry. They have intervened in the wine industry and the market through relevant industrial policies, industrial planning and supportive measures. They have meddled in or affected the production, supply, demand and price of Australian wines. As a result, Australian wine producers could produce and market wines at unreasonably low costs, and the market prices of wines were affected.

5. Australian Government's control over market access to the wine industry.

As for the control measures of market access, in the responses to the questionnaire, Australian stakeholders did not provide all necessary information as required by the Investigating Authority. After a preliminary investigation, the Investigating Authority found that the Australian Government had controlled the market access of its wine sales and intervened in the normal allocation of market

resources by controlling the aforesaid market access.

Australian Government strictly supervised the market access of wine producers, sellers and exporters, including qualification recognition and examination, and issuance of licences, etc. For example, the sales of liquors were managed by the State Liquor Licencing Authorities. Sellers must obtain the licences from relevant competent authorities before selling liquors, which affected the role of the market in resource allocation.

Therefore, the Investigating Authority believed that the Australian Government had controlled the market access to its domestic wine production and sales and intervened in the role of the market in resource allocation through access control so as to implement its industrial policy.

6. Import and export control of the wine industry.

With regard to the import and export control of the wine industry, Australian stakeholders did not provide all necessary information as required by the Investigating Authority in the questionnaire. After the preliminary investigation, the Investigating Authority found that the Australian Government had been long involved in the export trade of wines and had artificially controlled the allocation of relevant resources, which affected the normal export market.

According to information submitted by the Australian

Government in its response, Wine Australia is responsible for controlling the export of Australian grape products, including wines. Regarding enterprise management and planning like Wine Australia's Strategic Plan 2015-2020 and Wine Australia Annual Operational Plan 2019-2020, the Australian Government did not provide Chinese versions as required by the questionnaire.

The Wine Australia Regulations 2018 (Regulations) were formulated by Wine Australia in accordance with the Wine Australia Act 2013 (Act). According to the Regulations, strict conditions are set for the bulk export of grape products. A wine exporter must hold a licence and be approved for the export of grape products under Section 14 of the Regulations. If the export of a grape product contravenes the Regulations, it will be deemed as an offence. All wine shipments over 100 litres require export approval under the Regulations. The approval process includes three steps: license to export, product registration, and export permit. In deciding whether to grant a licence, Wine Australia must consider the following matters: the applicant's financial standing, the applicant's place (or places) of business, and whether it is in Australia, the applicant's ability to source Australian grape products, matters relating to the applicant that may have or have had a negative impact on the export trade in grape products, matters relating to the applicant

and the promotion of the export of grape products, whether Wine Australia has suspended or cancelled a licence held by the applicant, or an associate of the applicant, and whether the applicant is a fit and proper person. Wine Australia has great discretion in licencing.

Australian Government aimed to improve competitiveness, protect export interests and affect the normal allocation of resources through control over wine exports under the Regulations.

7. Australian Government's intervention in and restrictions on prices of wines.

With regard to the Australian Government's intervention in and restrictions on prices of wines, Australian stakeholders did not provide all necessary information as required by the Investigating Authority in the non-market questionnaire. After the preliminary investigation, the Investigating Authority found that the Australian Government had intervened in and influenced the price of Australian wines, either directly or indirectly.

Australian Government tried to change the positioning of the Australian wine industry regarding the value and quality and influence the normal allocation of resources in the market through industrial planning, control over wine export, coordination of promotion activities and price intervention. Therefore, the Investigating Authority believed

that the Australian Government had left an impact on the price formation of Australian wines through the above-mentioned ways.

8. Conclusions.

To sum up, the Investigating Authority conducted a survey on the special market situation of the Australian wine industry, and the information acquired showed that the supply and demand relationship and resource allocation of the Australian wine market was affected by some non-market factors. In the Preliminary Ruling, the Investigating Authority did not identify such a special market situation for the time being. The Investigating Authority conducted a further investigation after the Preliminary Ruling.

Australian Government said in its comments on the Preliminary Ruling that the Preliminary Ruling "wrongly mentioned that the responses of sampled Australian companies 'just referenced the response of Australian Government, but did not provide complete and accurate response'", "the response of Australian Government to Section Seven of the Anti-Dumping Questionnaire on behalf of the sampled Australian companies could be directly submitted to the Ministry of Commerce of China" and "the sampled Australian companies could cross-reference the response submitted by Australian Government when answering the questionnaire questions. Therefore, the

Australian Government and sampled Australian companies fully worked together to complete their respective responses to Section Seven of the questionnaire in accordance with specific requirements of MofCom." Additionally, the Australian Government held that the rules and regulations of the Australian wine industry (such as provisions on license and compliance with food standards) supported the existence of a free wine market and coexisted with it; since wine was produced for commercial purposes, Australian Government did not own any vineyard or other crops, and also did not control and manage the prices of wines and agricultural products etc.

After the review, the Investigating Authority believed that first of all, the Anti-Dumping Questionnaire for Australian Government and the Anti-Dumping Questionnaire for Australian Exporters and Producers were two independent questionnaires, and their answering subjects and contents were also different; secondly, for the questions listed in these two kinds of questionnaires, the Investigating Authority should conduct a comprehensive analysis and cross-verification of the information received. In the responses of Australian companies, lots of questions about these companies themselves were involved, such as "please state the effects on the production and sales of the product under investigation, as well as on your company",

etc. under such circumstance, these companies still did not reply to them but pointed to the response of Australian Government. Since such information not submitted was mandatory for the investigation, the "full cooperation of the sampled Australian companies" claimed by the Australian Government was not true, and it also did not conform to the requirements of the questionnaire.

Moreover, the Investigating Authority took into account and further reviewed the Australian Government's claims like free market, and believed that they had been considered and dissected in the Preliminary Ruling.

The Investigating Authority also took into account the Australian Government's comments on the Disclosure of Basic Facts Relied on by the Final Ruling.

In the Final Ruling, the Investigating Authority decided to maintain the identifications of Preliminary Ruling and would not identify the special market situation of the Australian wine industry.

Treasury Wine Estates Vintners Limited

1. Normal value

In the Preliminary Ruling, the Investigating Authority reviewed the product scope and type division of the Company's product under investigation and like products. According to its response, the Company reported the product under investigation and like products respectively

to the 18-digit product control codes determined by the Investigating Authority and also provided its product type and grade. After the review, the Investigating Authority decided to temporarily classify the product type according to the product control code determined by itself in the Preliminary Ruling. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority reviewed the Company's sales in the Australian market. After the review, it was found that during the anti-dumping investigation period, all domestic sales made by the Company in Australia accounted for more than 5% of the exports of the product under investigation to China. The Investigating Authority further reviewed the products by type. The domestic sales of like products of some types by the Company in Australia accounted for more than 5% of the exports of the product under investigation to China over the same period, which meets the quantitative requirements as the basis for further determination of normal value. The domestic sales of like products of some types in Australia accounted for less than 5% of the exports of the product under investigation to China over the same period. In

addition, there are some types of the product under investigation that are not sold in Australia. For the latter two cases, the Investigating Authority decided to use the constructed normal value method to determine the normal value. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority reviewed the related transactions of the Company's like products of relevant types that met the quantity requirements. According to the response, during the anti-dumping investigation period, some of the Company's like products were sold to non-related clients through related traders, and some were sold directly to non-related clients. The Investigating Authority decided to use the price of the Company's like products of relevant types sold to domestic non-related clients as the basis for further determination of normal value. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority

reviewed the production costs and expenses submitted by it. The Investigating Authority noted that with regard to "Form 6-1-1 Procurement Cost Sheet for Raw Materials", the Company did not fill in the beginning and ending inventories, the consumption and the unit price for each kind of raw material as required by the questionnaire. With regard to "Form 6-1-2 Production Cost Sheet for Raw Materials", according to the information given in the response of the Company, the bulk liquor of the main raw materials for the product under investigation is self-produced, but the Company did not fill in the production cost of its own bulk wine in accordance with the requirements of the questionnaire. With regard to "Form 6-3 Product Costs and Related Expenses", the Company did not fill in the costs and related expenses of all product types as required by the questionnaire. For the product type it filled in, the Company did not fill in the production cost for some months, did not explain the calculation method, the cost apportionment method and the relevant calculation formula of each item, and did not provide the daily cost calculation sheet, so it is impossible to verify the accuracy of the data. The sales quantity and amount reported by the Company are also inconsistent with the data in other forms of the response, and the expenses cannot be aligned with the data in Forms 6-5 to 6-8. With regard to "Form 6-4

Production Cost Details of the Product Under Investigation and its Like Product", the Company did not fill in the production cost details of all product types as required by the questionnaire, and did not fill in the categories and names of the direct materials for producing the product under investigation and like products, and only four accounting codes were filled in. The unit price of the direct materials of the same accounting code is inconsistent in the cost of different product types, and it can not be aligned with "Form 6-1-1 Procurement Cost Sheet for Raw Materials" and "Form 6-1-2 Production Cost Sheet for Raw Materials". The cost of each product type is also inconsistent with the data in "Form 6-3 Product Costs and Related Expenses".

In summary, since the Company failed to provide the necessary information within a reasonable time, and the production costs and expenses of the product under investigation and like products could not be verified, the Investigating Authority temporarily decided to determine the production costs and expenses of the product under investigation and like products by using the facts obtained and the best information available in accordance with Article 21 of the Anti-Dumping Regulations. After comparisons, the Investigating Authority temporarily decided to use the data of some product types reported by the Company to determine the production costs and expenses of the

product under investigation and like products. On these grounds, the Investigating Authority conducted a preliminary review on whether there were transactions below cost in the domestic sales of like products of the relevant types of the Company. According to the review, during the anti-dumping investigation period, the number of transactions below cost in the domestic sales of some types accounted for less than 20% of the domestic sales, that of some types exceeded 20%, and some types were all sold below cost. In accordance with Article 4 of the Anti-Dumping Regulations, the Investigating Authority decided that for types not exceeding 20%, the normal value should be determined on the basis of all domestic sales transactions; for types exceeding 20%, the normal value should be determined on the basis of excluding transactions below cost; for product types all sold below cost, the normal value should be determined on the basis of the constructed normal value method. When the normal value is constructed, the Investigating Authority decided that the constructed normal value shall be determined based on production costs and expenses already determined by it plus a reasonable profit.

After the release of the Preliminary Ruling, the Company made comments on the identification of the Investigating Authority. As for "Form 6-1-1 Procurement

Cost Sheet for Raw Materials", the Company explained that since purchase information in Form 6-1-1 was not directly related to the calculation of dumping margin, and the time was very limited, so it did not submit relevant information as required by the questionnaire. The Company resubmitted Form 6-1-1 in its comments but just listed each kind of raw material into individual worksheets and still failed to fill in the beginning and ending inventories, the consumption and the unit price for each kind of raw material. The Company explained that since the quantities were listed in different units and each kind of raw material had so many detailed specifications, so it was impossible to get meaningful beginning and ending inventories and consumption in such a short time. As for "Form 6-1-2 Production Cost Sheet for Raw Materials", the Company gave an explanation and resubmitted in the comments the production costs for bulk wines used in some types. However, it just filled in the amount column but did not report the quantity, beginning and ending inventories etc., as required. The Investigating Authority held that the above reasons should not exempt the Company from submitting the information required by the questionnaire within the stipulated time. The Investigating Authority further found that the Company failed to report the delivery and receipt of inventories for major raw materials in "Form 6-2 Inventory Delivery and

Receipt Details" as required by the questionnaire, so relevant data in Form 6-1-1 and Form 6-1-2 could not be comparatively checked with those in Form 6-2. Hence, these data could not be mutually verified. The absence of and inconsistency in the above costs and inventory data of raw materials affected the Investigating Authority's verification of the product under investigation and like products.

As for "Form 6-3 Product Costs and Related Expenses", the Company explained that, firstly, due to limited time, it just provided the costs and expenses for certain types; secondly, since the Investigating Authority's online system initially had a strict restriction on the file size uploaded, the Company had to process all data to reduce the file size, so the calculation methods expense apportionment methods and relevant calculation formulas were not included. The Company supplemented some data to explain its apportionment method and data consistency. The Investing Authority held that the Company neither informed the Investigating Authority of related problems and their processing methods in advance nor consulted with it during the period of answering the questionnaire, and possible technical issues were supposed to be solved by technical means. Therefore, the Company's claims of limited response time and technical issues should not

exempt them from submitting the information within the stipulated time.

As for "Form 6-4 Production Cost Details of the Product under Investigation and its Like Product", the Company agreed that the direct material costs under the same accounting code had different unit prices and could not be aligned with Form 6-1-1 and 6-1-2, and also gave the reasons. The Investigating Authority further identified that the Company failed to report the delivery and receipt of inventories for major raw materials in "Form 6-2 Inventory Delivery and Receipt Details" as required by the questionnaire, and also offered inconsistent filling methods in Form 6-2 and Form 6-4, so these data could not be mutually verified. The Investigating Authority also noticed that the Company did not fill in the production cost details for some product types in Form 6-4, and also did not provide purchase or self-production information for some direct documents listed in Form 6-4, so the Company was required to provide convincing explanations in the supplementary questionnaire. The Company gave the reasons in the supplementary response. The Investigating Authority held that the above reasons should not exempt the Company from submitting the information required by the questionnaire within the stipulated time. The absence of and inconsistency in the above cost data further hindered

the Investigating Authority from verifying the production costs of the product under investigation and like products.

To sum up, the Investigating Authority held that though having been informed of the questionnaire requirements, the Company still did not try its best and failed to be fully cooperative in the investigation, failed to provide necessary information within the reasonable period of time and failed to offer convincing explanations, so the Investigating Authority decided to uphold the practices in the Preliminary Ruling.

As for the basis of using known facts and the best information available, the Company claimed in the comments on the Preliminary Ruling that, firstly, the "problems" in the cost sheet pointed out by the Investigating Authority did not constitute the basis of applying "the best information available". Secondly, the identification that "the Company failed to provide necessary information within a reasonable period of time" was not sufficiently fact-based. Thirdly, the identification that "the production costs and expenses of the product under investigation and like products" had no legal standing and was also not sufficiently fact-based. The Company made similar claims in its comments to the Disclosure of Basic Facts Relied on by the Final Ruling.

After the review, the Investigating Authority held that,

firstly, the information collected by it from the questionnaire was quite essential to the investigation. It could be known from the above descriptions that the Company did not submit relevant information within the stipulated time in accordance with the questionnaire requirements and that there was also lots of problems with the information already submitted. Secondly, after the Investigating Authority pointed out the above problems, the Company still did not give reasonable explanations. All of the above factors led to the consequence that the production costs and expenses of the product under investigation and like products could not be verified. Thus, the basis of using known facts and the best information available is secured.

As for the use of known facts and the best information available, the Company claimed in its comments on the Preliminary Ruling that, firstly, the Investigating Authority did not disclose the type data and failed to fulfil its disclosure obligations. Secondly, the Investigating Authority did not provide relevant stakeholders with any notice or any chance for an explanation and failed to fulfil their procedural obligations. Thirdly, the costs and expenses selected by the Investigating Authority were the highest ones reported by the Company but not "the best information available". The Company made similar claims in its comments to the Disclosure of Basic Facts Relied on by the Final Ruling.

After the review, the Investigating Authority held that, firstly, it had clearly listed the type data in the dumping margin calculation sheet disclosed to the Company, and the Company's subsequent comments also indicated that it had fully understood the type data used by the Investigating Authority. Secondly, the Investigating Authority also made it clear in relevant investigation documents like an announcement, notice and questionnaire many times that if the Company was not fully cooperative, the Investigating Authority might use known facts and the best information available to make a ruling in accordance with Article 21 of the Anti-dumping Regulations. The Investigating Authority had fully performed its disclosure obligations; the Investigating Authority had pointed out in the Preliminary Ruling, the Disclosure and the Supplementary Questionnaire the problems in the Company's response and the reason why relevant information in the response was not accepted, and also granted it the chance to defend itself. Thirdly, the Investigating Authority had made comparative analysis and assessment of the information obtained during the investigation process and considered that the Company was not fully cooperative in the investigation, so it held that it was appropriate to use the type data as known facts and the best information available in the Preliminary Ruling.

As for "the test below cost", the Company claimed in its comments on the Preliminary Ruling that in terms of specific product type, if the sales volume passing the test below cost was less than 20% of total domestic sales volume for the specific type, such sale should not be deemed as to have occurred in normal trade process, so it could not be used as the basis for calculating normal value. The Company further claimed in its comments on the Disclosure of Basic Facts Relied on by the Final Ruling that such practice did not require special certification and also conformed to long-term practices of the Investigating Authority and other WTO members. After the review, the Investigating Authority held that the practice claimed by the Company had no legal basis and that no evidence proved that such sale did not belong to the sale during normal transactions, so the Investigating Authority decided to uphold the practice in the Preliminary Ruling.

Regarding "due process rights", the Company claimed in its comments on the Disclosure of Basic Facts Relied on by the Final Ruling that on the one hand, the Investigating Authority rejected the evidence and information submitted by it in its comments on the Preliminary Ruling and in the supplementary response; on the other hand, the Investigating Authority granted the Applicant an "extra" opportunity to supplement information and defend itself

through written verification, which caused damage to due process rights of the stakeholders. After the review, the Investigating Authority held that during various stages of the Investigation Period, the Investigating Authority had provided the stakeholders with sufficient and equal chances to present comments, submit evidence and offer explanations through various means. The Company failed to provide necessary information within the reasonable time in accordance with the requirements of the response; Although the Investigating Authority had provided it with explanation chances through multiple means, the Company still failed to provide relevant information within the reasonable time in accordance with the requirements of the response and also failed to provide convincing explanations.

2. Export price

In the Preliminary Ruling, the Investigating Authority conducted a preliminary review on the Company's exports of the product under investigation to China. During the anti-dumping investigation period, the Company exported the product under investigation to China in two ways: first, selling directly to Chinese non-related clients; second, selling to Chinese non-related clients through non-related traders.

According to Article 5 of the Anti-Dumping Regulations, for the first sales mode, the Investigating Authority decided

to temporarily use the sales price between the Company and Chinese non-related clients as the basis for determining the export price; for the second sales mode, the Investigating Authority decided to temporarily use the sales price between the Company and non-related traders as the basis for determining the export price.

After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

3. Price adjustment

In accordance with Article 6 of the Anti-Dumping Regulations, in order to make a fair and reasonable comparison, the Investigating Authority reviewed the adjustment items of the Company that affected the price comparability one by one.

(1) Normal value part.

In the Preliminary Ruling, the Investigating Authority reviewed the normal value adjustment items reported by the Company. After the review, the Investigating Authority decided to temporarily accept the invoice discount, wine equalisation tax adjustment, inland freight and other adjustment items claimed by the Company. After the release of the Preliminary Ruling, no stakeholders made

any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

The Company also claimed other discounts and rebates and advertising fees. In the Preliminary Ruling, the Investigating Authority held that the Company did not provide sufficient evidence to support the above claims and decided not to accept them. The Company claimed in its comments on the Preliminary Ruling and the Disclosure of Basic Facts Relied on by the Final Ruling that other discounts, rebates and advertising fees were the direct expenses resulting from the daily sale, correlated with the sales market and included in the invoices issued to the clients, and the Company supplemented some information in the comments to describe relevant alignment and apportionment methods.

After the review, the Investigating Authority held that, firstly, no sufficient evidence indicated that the above expenses were really realized; secondly, as for other discounts and rebates, the Company did not elaborate the discount standards and bases and the methods for determining the discounts as required by the questionnaire; thirdly, as for the advertising fees, the Company did not explain the method of determining advertising fees as required by the questionnaire and also did not indicate

whether relevant fees were directly related to the sales of the product under investigation and like products. To sum up, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

(2) Export price part.

In the Preliminary Ruling, the Investigating Authority reviewed the export price adjustment items reported by the Company. After the review, the Investigating Authority decided to temporarily accept the adjustment items such as invoice discount, inland freight, international freight and currency exchange fee. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

The Company also claimed other discounts and rebates and advertising fees. In the Preliminary Ruling, the Investigating Authority held that the Company did not provide sufficient evidence to support the above claims and decided not to accept them. The Company's claims after the release of the Preliminary Ruling and the Investigating Authority's review and identification were the same as those in "Normal price part" above.

4. Regarding CIF price.

After the review, the Investigating Authority decided to

temporarily accept in the Preliminary Ruling the CIF price data reported by the Company. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

Prior to the Final Ruling of this case, the Investigating Authority disclosed and explained the identifications in the above investigation and the basic facts relied on by the Final Ruling of this anti-dumping investigation to the Company, and gave them an opportunity to make comments in accordance with Article 25 of the Anti-dumping Regulations. The Investigating Authority also took into account the Company's comments on the Disclosure of Basic Facts Relied on by the Final Ruling.

Casella Wines Pty. Limited

1. Normal value

The Investigating Authority reviewed the product scope and type division of the Company's product under investigation and like products. According to its response, the Company reported the product under investigation and like products respectively to the 18-digit product control codes determined by the Investigating Authority and also provided its product type and grade. After the review, the Investigating Authority decided to temporarily classify the

product type according to the product control code determined by itself in the Preliminary Ruling. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

After the release of the Preliminary Ruling, the Investigating Authority further reviewed the Company's domestic sales in Australia.

According to its response, during the anti-dumping investigation period, some of the Company's like products were sold to non-related companies, and some like products were sold to related companies or with special price arrangements. In the Preliminary Ruling, the Investigating Authority found that with regard to the part of transactions with related sales and special price arrangements, the Company did not explain the clients and the sales situation, nor did it provide the sales process of this part of the related transactions and special price arrangements as required by the response, including the process from the departure of the goods from the factory to the first non-related purchaser. In addition, the Investigating Authority found that, according to the response submitted by the Company, it was shown in About the Related Companies (Form 1-3) that a related company sold like

products on behalf of Casella Wines Pty. Limited, but there was no transaction data with the related company in the domestic sale. According to the Company's response, the related company only acted as an intermediary (or agent) for the Company to sell to a single client (i.e., the supermarket) and did not own the product. In the Preliminary Ruling, the Investigating Authority held that, first of all, the sales invoice was issued to the client in the name of the related company, and then the related company did not fill in the response separately; finally, the sales links and expenses of the related company were not reflected or reported in the domestic sales data. Therefore, the Investigating Authority was unable to determine which transactions were carried out through the related company and could not verify the accuracy, authenticity and completeness of such transactions.

After the release of the Preliminary Ruling, the Company claimed in its comments that Casella had detailed the client information in Form 4-1, and described the sales processes in Annex 4.4 in details, which included related sales and transactions with special price arrangements. The Investigating Authority made further review and found that the questionnaire required "please describe special price arrangements if any", but the Company neither explained in Form 4-1 or in answer to this question what did

special price arrangement mean, nor gave a reason why the sales prices under some special price arrangements were negative. After the release of the Preliminary Ruling, the Company claimed that these sales were related to free samples or made by internal staff, whose amounts were determined as negatives due to taxation purposes, but it did not offer a reasonable explanation for the incomplete information in the original response. Moreover, as for why the related company did not submit responses, the Company said in the comments on the Preliminary Ruling that this related company just served as an intermediary, so the sales links and the transactions with this related company were not given in Form 4-2; moreover, all sales expenses (if any) related to the transactions with this related company to which invoices were issued were included in domestic sales data. As it was not a trader, so it did not need to submit a response independently. The Investigating Authority conducted a review and held that the Company failed to make it clear that all sales expenses related to the issuance of invoices for related transactions with the related company were included in domestic sales data, and also failed to fill in them in domestic sales data (Form 4-2) and explain the fees generated from the sales to this related company. It was an important link in the sales channels and issued invoices to the client in its own name.

The absence of such information affected the Investigating Authority's comparisons of export price and normal value at the same sales link. Therefore, the Investigating Authority held that the Company's explanations should not exempt itself from submitting as required by the questionnaire. The Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority verified the transaction integrity and found that there was an inconsistency in the operating conditions and production capacity of the Company and that its overall operations (Form 1-4) did not align with domestic sales data (Form 4-2) in terms of quantity and amount. Furthermore, after the review, it was found that the spreadsheet data of domestic sales in Australia in the Company's response were incomplete. In its response, the weighted average costs reported in the sheet of domestic sales in Australia during the investigation period were not consistent with the costs in Form 6-3.

After the release of the Preliminary Ruling, the Company did not explain why its overall operations (Form 1-4) did not align with domestic sales data (Form 4-2) in terms of quantity and amount. Moreover, its overall operations (Form 1-4) were also inconsistent with production capacity (Form 1-5) in terms of corporate sales

volume, departmental sales volume and the sales volume of the product under investigation during the investigation period. Thus, the Investigating Authority could not confirm and verify the completeness and accuracy of the transactions based on the information submitted by the Company.

With regard to the incompleteness of spreadsheets for domestic sales data (Form 4-2) and cost data (Form 6-3), the Company explained in its comments that Investigating Authority required a WPS version to be submitted, which did not support a large amount of data in these sheets. The Company offered an explanation for this in its response to the supplementary questionnaire that when its spreadsheet data were converted into WPS from Excel, WPS Programme did not inform the user that the sheet had exceeded maximum lines or columns supported by it and that the unsupported parts would be discarded. It did not identify the issue until the release of the Preliminary Ruling.

The Investing Authority held that, first of all, in accordance with the requirements of the questionnaire, namely, "electronic data provided in the response shall include those of all transactions", and "the contents in the CDs shall be consistent with those in the response", although the Company provided printed documents within the stipulated time, its spreadsheets were neither complete

nor consistent with those printed ones; secondly, to the best knowledge of the Investigating Authority, WPS could support the Company to submit all transaction data, and the Company's technical problem in the software could serve as a good excuse for its inability to provide complete spreadsheet submitted; thirdly, the Investigating Authority had illustrated in the questionnaire requirements that "if you cannot provide a spreadsheet carrier or cannot provide a spreadsheet carrier as required by the questionnaire, you may submit a written application to the Trade Remedy and Investigation Bureau of the Ministry of Commerce within 15 days since the distribution of the questionnaire, and give an excuse for it". Therefore, even if the Company could not submit all data due to technical issue while using WPS, it never informed the Investigating Authority of the problem of or difficulty in using the software or information carrier within the stipulated time. Finally, after the release of the Preliminary Ruling, the Company still failed to submit WPS sheets in accordance with the requirements of the Investigating Authority. The Company never tried to split the transaction data into two WPS documents even if it believed that WPS could not accommodate all transaction data. The Investigating Authority held that the Company neither carefully verified whether the response was complete nor made every endeavour to submit the sheets in accordance

with the requirements of the Investigating Authority or tried to communicate with the Investigating Authority about it within the stipulated time. Therefore, the Company did not go all out to provide the information. To sum up, the Investigating Authority held that the Company failed to provide complete and necessary information within the stipulated time and that the incompleteness of the spreadsheet data in the original response and the inconsistency between the spreadsheet and the response exerted an impact on the investigation. Besides, the Company's explanation did not constitute a good excuse for its inability to provide the information in accordance with the requirements of the questionnaire. The Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority initially reviewed the production costs and expenses submitted by it. The Investigating Authority found that in terms of product costs and related expenses (Form 6-3), the Company provided incomplete spreadsheet data and only filled in the data for some product types; among the data filled in, the Company did not provide cost sheets saved in daily operations as required by the questionnaire, making it impossible for the Investigating Authority to verify the correctness of the data based on the response. With

regard to "Form 6-4 Production Cost Details of the Product under Investigation and its Like Product", as required by the questionnaire, the Company should fill in the sheet for the product under investigation by unit. However, the Investigating Authority found that the Company failed to fill in the costs for bulk wine, one of the major raw materials, in the cost details for multiple types, and that the unit prices of bulk wine for some types were not consistent with those in "Form 6-1-2 Production Cost Sheet for Raw Materials". Moreover, some product control codes were not reported in the sheet (shown as #N/A), making it impossible for the Investigating Authority to compare these data; meanwhile, the Company also did not elaborate the alignment between Form 6-3 and Form 6-4.

After the release of the Preliminary Ruling, the Investigating Authority conducted a further investigation on the above issue. The Company claimed in the comments on the Preliminary Ruling that Casella had not formulated monthly cost sheets, so the production cost data were not provided on a monthly basis, and those saved in daily operations were not provided. For the product types for which the costs of bulk wine were not reported, the wine's raw material costs were revealed in "Clean Skin". Inconsistency in the unit prices for bulk wine might be attributed to the fact that the unit prices given in Form 6-1-

2 also included bulk wine for sale, and the quantity and amount reported under "bulk wine used for next stage of production" could be verified with those in Form 6-4. For those product control codes shown as #N/A, it meant that these products were not sold during the investigation period; since they were irrelevant to the calculation of dumping margin, no product control codes were attributed to them. Additionally, the Company claimed in response to the supplementary questionnaire that Clean Skin could be seen as an intermediate during the production process but not as raw material, so it should not be included in Form 6-1-2.

Upon further investigation, the Investigating Authority held that as for the raw material bulk wine, according to the requirements of the Questionnaire, the Company should fill in Form 6-4 based on the product under investigation and like products per unit, and should "list the top 5 direct raw materials with the greatest value for the product under investigation in columns", and "provide the standards and formula for the apportionment if any". The Company regarded bulk wine as the raw material (or direct raw material) of the product under investigation and like products in its response, and provided "Form 6-1-2 Production Cost Sheet for Raw Materials". Meanwhile, some types not reported as bulk wine were filled in as direct materials in the name of "Clean Skin", but the data for

"Clean Skin" were not given in "Form 6-1-2 Production Cost Sheet for Raw Materials", and the origin and costs for "Clean Skin" were also not provided. At the same time, the Company also did not fill in relevant data or give explanations in the Production Cost Sheet for Raw Materials or Purchase Details as required by the response. On the one hand, the Company claimed that "Clean Skin" was an intermediate; on the other hand, it called it direct raw material, failing to offer a self-consistent and reasonable explanation. The Investigating Authority held that bulk wine was an important raw material for the product under investigation and that such information was necessary enough to become an important basis for the Investigating Authority to review cost data. Moreover, the Company did not give a convincing explanation for the inconsistency in the unit prices of bulk wine. The above absence of and inconsistency in the data related to raw material costs affected the Investigating Authority's identification of production costs for the product under investigation and like products. The Company's explanation did not constitute a good excuse for its inability to provide the information in accordance with the requirements of the questionnaire.

To sum up, the Company neither provided complete information about domestic sale as required by the

questionnaire nor offered convincing explanations; The inconsistency in the sheets provided by it made it impossible for the Investigating Authority to verify its transaction integrity; since cost information was incomplete and inconsistent, the Investigating Authority could not acquire accurate cost data based on the information filled in by the Company; incomplete electronic data were a deterrent for the Investigating Authority to calculate the dumping margin based on the sheets submitted by the Company. As a result, the Investigating Authority could not determine normal value by adding reasonable expense and profit to the Company's domestic sales prices and production costs. The Investigating Authority decided to uphold the identification of the Preliminary Ruling in the Final Ruling. In accordance with Article 21 of the Anti-dumping Regulations, known facts and the best information available could be utilized to determine the Company's normal value.

After the release of the Preliminary Ruling, the Investigating Authority further conducted a comparative analysis of the information from the investigation. Based on the review, after taking into account the physical properties of the product under investigation, the costs differences in different product types, trade links and other influencing factors, the Investigating Authority held that the expenses

properly adjusted based on the weighted average price of domestic sales of other respondents could be used to determine the normal value that reflected market conditions in a reasonable manner. Thus, the Investigating Authority decided in the Final Ruling that such information would be used as known facts and the best information available to determine the Company's normal value. During this process, the Investigating Authority had adjusted other respondents' weighted average prices of domestic sale of the product under investigation to the ex-factory price level.

Prior to the Final Ruling of this case, the Investigating Authority disclosed and explained the identifications in the above investigation and the basic facts relied on by the Final Ruling of this anti-dumping investigation to the Company and gave them an opportunity to make comments in accordance with Article 25 of the Anti-dumping Regulations. Within the stipulated time, the Company did not propose any objection or submit any comments.

2. Export price

The Investigating Authority further reviewed the Company's exports of the product under investigation to China. The Company claimed that the product under investigation was sold directly to non-related clients in China during the anti-dumping investigation period.

In the Preliminary Ruling, according to Article 5 of the

Anti-Dumping Regulations, the Investigating Authority decided to use the sales price between the Company and Chinese non-related clients as the basis for determining the export price.

After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

3. Price adjustment

In accordance with Article 6 of the Anti-Dumping Regulations, in order to make a fair and reasonable comparison, the Investigating Authority reviewed the adjustment items of the Company that affected the price comparability one by one.

(1) Normal value part.

In the Preliminary Ruling, the Investigating Authority decided to accept adjustment items such as invoice discount, rebate, credit fee, and inland freight (from factory/warehouse to clients) claimed by the Company.

After the release of the Preliminary Ruling, the Investigating Authority conducted a further investigation. In the Final Ruling, the Investigating Authority decided to determine the Company's normal value based on other respondents' domestic sale data of the product under

investigation. During this process, based on the Company's sales, the Investigating Authority adjusted other respondents' domestic sale prices of the product under investigation to the ex-factory price level.

(2) Export price part.

The Investigating Authority reviewed the adjustment items reported by the Company for export transactions to China.

In the Preliminary Ruling, the Investigating Authority decided to accept adjustment items such as inland transport (from factory/warehouse to port of export), credit fees and advertising expenses claimed by the Company.

After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

4. Regarding CIF price.

In the Preliminary Ruling, the Investigating Authority accepted the CIF price reported by the Company.

After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

Australia Swan Vintage Pty Ltd

1. Normal value

The Investigating Authority reviewed the product scope and type division of the Australia Swan Vintage Pty Ltd's product under investigation and like products. According to the 18-digit product control code determined by the Investigating Authority, the Company reported the sales of the product under investigation and like products and also filled in the product types and grades corresponding to the product control codes. In the Preliminary Ruling, the Investigating Authority decided to temporarily classify the product type according to the product control code determined by itself. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority reviewed the Company's sales in the Australian market. After the review, during the anti-dumping investigation period, the Company's domestic sales in Australia accounted for less than 5% of the exports of the product under investigation to China. According to Article 4 of the Anti-Dumping Regulations, the Investigating Authority held that the Company's domestic sales could not be used for a

fair comparison, so the Investigating Authority decided in the Preliminary Ruling not to determine the Company's normal value based on its domestic sales data. After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

In the Preliminary Ruling, the Investigating Authority held that the Company did not provide accurate information about the costs and expenses of the product under investigation and like products as required by the questionnaire. Hence, in accordance with Article 21 of the Anti-dumping Regulations, known facts and the best information available were employed to determine the production costs of the product under investigation and like products for the Company.

After the Preliminary Ruling, the Company made comments on the Preliminary Ruling about the cost identification, and the Investigating Authority also conducted a further review of the Company's costs and expenses. After the review, it was found that the Company reported the costs neither in accordance with product control codes given in the questionnaire nor in line with JDE codes commonly used in its daily operations, but just provided production costs based on the level of the product

under investigation. The Company did not give a reasonable explanation for it in its comments on the Preliminary Ruling.

In this case, the costs of relevant wines for the product under investigation were affected by many factors, such as grape variety, grape producing area and grape picking year, and the price of grape varies significantly among different producing areas and different varieties. The Investigating Authority, by referring to the relevant domestic and foreign standards on wine products, divided 18 product control codes according to product characteristic factors such as category, colour, sugar level, specification, variety, year, large production area and small production area, in order to obtain the accurate cost of each product control code to ensure a fair comparison. The costs reported by the Company based on product level only could not reasonably reflect the production and sales costs of the product under investigation and like products, so the Investigating Authority could not calculate normal value based on the costs reported by the Company.

Moreover, the Company also entrusted local companies to provide press service and produce bulk wine and asked other companies to offer filling services. One of the press companies filled in response but just reported overall data and did not provide detailed costs in

accordance with the requirements of the questionnaire; other press and filling companies did not respond to the questionnaire; Australia Swan Vintage Pty Ltd also did not answer the question related to cost sheets. Hence, the Investigating Authority could not acquire accurate costs and expenses of the product under investigation produced and sold by the Company.

To sum up, the Company did not provide accurate costs and expenses of the product under investigation and like products as required by the questionnaire, so the Investigating Authority could not secure accurate costs based on the information provided by the Company. As a result, the Investigating Authority could not calculate the Company's constructed normal value based on the costs and expenses reported by it. In the Final Ruling, the Investigating Authority decided to use known facts and the best information available to determine the Company's normal value by following Article 21 of the Anti-dumping Regulations.

After the release of the Preliminary Ruling, the Investigating Authority further conducted a comparative analysis of the information from the investigation. Based on the review, after taking into account the physical properties of the product under investigation, the costs differences in different product types, trade links and other influencing

factors, the Investigating Authority decided in the Final Ruling that the weighted average price of domestic sales of the product under investigation given by other respondents would be used as known facts and the best information available to determine the Company's normal value. During this process, the Investigating Authority had adjusted other respondents' weighted average prices of domestic sale of the product under investigation to the ex-factory price level.

2. Export price

The Investigating Authority conducted a preliminary review on the Company's export and sales of the product under investigation to China. During the anti-dumping investigation period, the Company sold some of the products under investigation directly to Chinese non-related clients and some of them to Chinese non-related clients through non-related traders. According to Article 5 of the Anti-Dumping Regulations, in the Preliminary Ruling, the Investigating Authority decided to use the sales prices of the Company to non-related clients in China and to traders as the basis for determining the export price.

After the Preliminary Ruling, the Investigating Authority further reviewed the Company's exports to China and found that the Company sold the product under investigation to China through one or several non-related or related traders. In order to gain more insights into the pricing mechanisms

adopted by the Company when exporting the product under investigation to related traders, non-related traders and end-users, the Investigating Authority issued a supplementary questionnaire to the Company. As indicated by the Company's response to the supplementary questionnaire, the above pricing mechanisms were basically the same. Therefore, in accordance with Article 5 of the Anti-dumping Regulations, the Investigating Authority decided in the Final Ruling that the sales prices for the product under investigation directly sold to non-related or related traders were used as the basis for determining export price.

3. Price adjustment

In accordance with Article 6 of the Anti-Dumping Regulations, in order to make a fair and reasonable comparison, the Investigating Authority reviewed the adjustment items of the Company that affected the price comparability one by one.

(1) Normal value part.

In the Preliminary Ruling, the Investigating Authority determined the normal value of the Company according to the constructed normal value. In the part of price adjustment, the Investigating Authority adjusted the relevant sales expenses on the basis of the constructed normal value so as to adjust the normal value to the factory

price level.

In the Final Ruling, the Investigating Authority decided to determine the Company's normal value based on other respondents' domestic sale data of the product under investigation. During this process, the Investigating Authority had adjusted other respondents' domestic sale prices of the product under investigation to the ex-factory price level.

(2) Export price part.

The Investigating Authority reviewed the adjustment items reported by the Company for export transactions to China.

In the Preliminary Ruling, the Investigating Authority decided to accept the Company's adjustment items such as pre-sale warehousing costs, inland freight (from factory/warehouse to port of export), international transport costs, international transport insurance premiums, and port load-unload charges.

After the release of the Preliminary Ruling, no stakeholders made any comments on it. Upon further investigation, the Investigating Authority decided to uphold in the Final Ruling the identification made in Preliminary Ruling.

4. Regarding CIF price.

After the review, it was found that the Company failed

to report the estimated CIF prices in many transactions in its response. In the Preliminary Ruling, according to Article 21 of the Anti-Dumping Regulations, the Investigating Authority decided to temporarily calculate the Company's CIF price based on the invoice price reported by it.

After the release of the Preliminary Ruling, the Investigating Authority further reviewed the Company's CIF prices in its exports to China. In the Final Ruling, for the transactions without reporting CIF prices, the Investigating Authority decided to recalculate the Company's CIF prices in its exports to China based on international freight and international transport insurance fees to China filled in by it.

Prior to the Final Ruling of this case, the Investigating Authority disclosed and explained the identifications in the above investigation and the basic facts relied on by the Final Ruling of this anti-dumping investigation to the Company and gave them an opportunity to make comments in accordance with Article 25 of the Anti-dumping Regulations. The Investigating Authority also took into account the Company's comments on the Disclosure of Basic Facts Relied on by the Final Ruling.

Other Australian producers cooperating with the investigation

In accordance with the Anti-Dumping Regulations and the Interim Rules on Sampling in Anti-Dumping

Investigations, the Investigating Authority decided in the Preliminary Ruling that for Australian producers who have submitted registration questionnaires and dumping sampling questionnaires within the deadline but have not been selected, the weighted average margin of the sampled companies shall be used to determine the dumping margin.

Australian Grape & Wine Incorporated claimed in its comments on the Preliminary Ruling that it was "unreasonable" to impose a weighted average dumping margin on those companies which had not been selected. It also held that in accordance with Article 41 of the Anti-Dumping Regulations, the dumping margin for Australian exporters beyond the review scope should be determined "in an appropriate way". The WTO Anti-Dumping Agreement did not specify any concrete method to determine the dumping margin for the exporters who had not been selected but just set a threshold for the maximum dumping margin. For Australian exporters having been cooperative in the investigation but not selected as the samples, the Investigating Authority should determine their dumping margin by using domestic and exported sale prices and quantities provided by them as "the best information available".

The Applicant claimed in its comments on the Preliminary Ruling that the Investigating Authority's

determination of the dumping margin for Australian companies which had not been selected as samples with the weighted average margin of the samples was in line with China and WTO's anti-dumping laws.

After the review, the Investigating Authority held that in accordance with Article 13 of the Interim Rules on Sampling in Anti-Dumping Investigations, the dumping margin for the responding Australian exporters and producers without being independently reviewed should be determined based on the weighted average margin of the selected exporters and producers. On these grounds, the Investigating Authority decided to uphold the decisions in the Preliminary Ruling.

All Others

On 18 August 2020, the Investigating Authority initiated an anti-dumping investigation on relevant imported wines originating in Australia. On the same day, the Investigating Authority notified the Australian Embassy and posted the initiation announcement on the website of the Ministry of Commerce where it could be referenced by all stakeholders. After the initiation, the Investigating Authority gave all stakeholders a 20-day period to register to participate in the investigation, constituting a reasonable amount of time for them to learn about the initiation. The Investigating Authority posted the questionnaires on the website of the

Ministry of Commerce, and all stakeholders can refer to and download these questionnaires on the website of the Ministry of Commerce. The Investigating Authority did its best to inform all known stakeholders and to remind all known stakeholders of the consequences of not cooperating with the investigation.

The Investigating Authority, by comparing the export data to China of companies that registered to participate in the investigation and export data to China of companies that filled in the dumping sampling questionnaire with the China Customs statistical data, and found that there was a big gap between them and the China Customs' statistical data. The Investigating Authority believed that a certain proportion of producers or exporters did not register to participate in or cooperate with the anti-dumping investigation.

For companies that did not provide the necessary information to be cooperative in the investigation after the Investigating Authority had fulfilled its notification obligation, in accordance with Article 21 of the Anti-Dumping Regulations, the Investigating Authority determined the dumping margin on the basis of the known facts and best information available. By comparing and analyzing the information obtained in the investigation, the Investigating Authority believed that the information provided by the

respondents could accurately and reasonably reflect the export of product under investigation by other Australian companies to China, which has been initially verified by the Investigating Authority. The Investigating Authority decided in the Preliminary Ruling that the dumping margin of other Australian companies was determined on the basis of the above information.

Australian Government claimed in its comments on the Preliminary Ruling and the Disclosure of Basic Facts Relied on by the Final Ruling that the companies which had not registered to participate in the investigation or which had not been selected by the Investigating Authority as samples should not be deemed to have been uncooperative in the investigation, and thus should not be imposed with higher dumping margin.

The Applicant claimed in its comments on the Preliminary Ruling that the above companies who neither participated in the investigation nor provided necessary information should be deemed as to be uncooperative and that it was reasonable for the Investigating Authority to determine their dumping margin on the basis of the known facts and best information available.

The Investigating Authority held that, as mentioned above, it had fully fulfilled its notification and reminding obligations. The data available showed that a certain

proportion of Australian producers or exporters neither registered to participate in the investigation nor replied to the sampling anti-dumping questionnaire. The above companies should be deemed to have not provided necessary information within a reasonable period. Therefore, the Investigating Authority decided to uphold the identifications and practices in the Preliminary Ruling.

(II) Price comparison.

In accordance with Article 6 of the Anti-Dumping Regulations, on the basis of considering various comparable factors affecting price, the Investigating Authority compared the normal value and export price at the ex-factory level in a fair and reasonable manner. In calculating the dumping margin, the Investigating Authority compared the weighted average normal value with the weighted average export price to obtain the dumping margin.

Margins of dumping

Based on the calculation results, the Investigating Authority presented the finalized dumping margins for relevant Australian companies in Annex 1 of the Announcement.

IV. Similarity to domestic like products and the domestic industry

(I) Determination of Similarity to Domestic Like

Products

In accordance with Article 12 of the Anti-Dumping Regulations, like products are the ones similar to or same as the dumped imported products.

The Investigating Authority surveyed the relevant Chinese wines and the product under investigation in terms of a variety of factors, such as the physical properties, raw materials, production techniques, production facilities, product usages, sales channels, customer groups and consumer ratings:

1. Basic physical properties.

Relevant Chinese wines and the product under investigation are made from fresh grapes and grape juice. They can be either fully fermented or half fermented. Made under a similar standard, they are categorized in terms of colour, sugar level and level of carbon dioxide. Similarly, relevant Chinese wines and the product under investigation both can meet the major physical, chemical and sensory requirements. Physical and chemical requirements include alcohol by volume, total sugar, citric acid, and sugar-free extract, while sensory requirements denote colour, level of clarity, level of carbonation, fragrance and flavour.

The Investigating Authority identified that relevant Chinese wines and the product under investigation were similar in physical properties.

2. Raw materials, production techniques and production facilities.

Relevant Chinese wines and the product under investigation are both made from similar raw materials, namely fresh grapes and grape juice. There is no substantial difference in production techniques and procedures. Both are half or full fermented wines which are produced as finished wines after techniques such as stabilisation, clarification, blending, freezing and filtration are applied. The production facilities are nearly the same, namely the modern massive production facilities including sorting equipment, fermentation cylinder, presser, centrifuge and filter.

The Investigating Authority identified that relevant Chinese wines and the product under investigation were similar in raw material, production techniques and facilities.

3. Product usages.

Relevant Chinese wines and the product under investigation are of similar uses, namely to be served as alcoholic beverages to customers. They are sold to customers from stores, supermarkets, franchises, internet, cafeteria and recreation venues.

The Investigating Authority identified that relevant Chinese wines and the product under investigation were similar in usages.

4. Sales channels, customer groups and consumer ratings.

Relevant Chinese wines and the product under investigation are sold to downstream consumers in China through direct sales, agent sales, online sales or other sales channels. Both are sold in stores, supermarkets, franchises, cafeteria and recreation venues to meet the consumers' demand. They are up to consumers' choice.

The Investigating Authority identified that relevant Chinese wines and the product under investigation were similar in sales channels, customer groups and consumer ratings.

To sum up, the Investigating Authority identified in the Preliminary Ruling that relevant Chinese wines and the product under investigation are similar in physical properties, raw materials, production techniques, production facilities, product usages, sales channels, customer groups and consumer ratings. As they are similar and mutually-substitutable, they are like products.

After the release of the Preliminary Ruling, Australian Grape & Wine Incorporated claimed in its Comments on the Preliminary Ruling of the Australian Wine Anti-Dumping Case that since the product under investigation does not belong to "bulk commodities", and each kind of wine is unique in grape variety, blending, grape pickup year, grape

producing region, quality and brands etc., Australian wines cannot be compared with Chinese wines as the same bulk commodities, and it is also unreasonable to identify like products, material injury and causal link on this basis.

In the Comments of the Applicant on the Stakeholders' Comments on the Preliminary Ruling in the Relevant Wines Anti-Dumping Case, the Applicant held that the differences of wines in grape variety, pickup year, quality and brand reveal the differences in the specifications or types of products, but there're no substantive differences in their basic intrinsic properties; the price differences in wines do not affect the competition between different wines; Australian wines and domestic wines fall under the same category, and Australian wines compete with domestic like products in China.

After further investigation, the Investigating Authority held that firstly, imported wines from Australia could be divided into different specifications and types of wines based on factors like grape variety, grape pickup year, quality and brand. By comparing the physical properties, raw materials, production technique processes, product usages, sales channels and customer groups of different specifications and types of wines, the Investigating Authority identified that there were no substantive differences of different specifications of wines in physical

and chemical indicators and properties, which were also measured via color, sugar level, carbon dioxide content etc. The raw materials, production facilities and production technique processes are nearly the same; they are both made of fresh grapes or grape juice with the help of modern massive production facilities including sorting equipment, fermentation cylinder, presser, centrifuge and filter. They also have basically the same product usages and are mainly used for consumption as alcoholic beverages. Their sales channels and customer groups in the Chinese market are almost the same, including direct sales, agent sales and online sales, making them highly competitive and mutually-substitutable. Therefore, the Investigating Authority identified that the wines imported from Australia fall under the same category although they differ in specifications and types. Secondly, by comparing the product under investigation and domestic like products in China in terms of quality, price, sales channels, customer groups, product usages and other competition conditions, the Investigating Authority found that the product under investigation included wines of different price levels and different quality and that domestic like products in China were also divided into high-end wines and middle-and-low wines. The consumption market of relevant Chinese wines is open and competitive. Since the product under investigation and

domestic like products are sold in the Chinese market, the changes in the prices of high-end foreign wines will exert a direct influence on the consumers' selection of domestic high-end or middle-and-low end wines. Both the product under investigation and domestic like products are simultaneously sold in the Chinese market through direct sales, agent sales or other sales means, and they share common customer groups; there're no significant time and place preferences in the sales of the product under investigation and domestic like products in China. Therefore, the Investigating Authority identified that there was direct competition between the product under investigation and domestic like products in terms of their quality, prices and sales channels, customer groups, and product usages. Therefore, the Investigating Authority identified that imported wines from Australia fell under the same category despite different specifications and types and competed with domestic like products in the Chinese market, so imported wines from Australia would be seen as the same category of products and compared with domestic like products for identification of material injury and causal link. Australian Grape & Wine Incorporated's claims, including "the product under investigation should not be deemed as 'bulk commodities'", "there is no competition between the product under investigation and domestic like

products", and "material injury and causal link should not be identified on this basis", were not accepted.

After the Preliminary Ruling was released, Australian Food & Beverage Group Pty Ltd indicated in its comments on the Preliminary Ruling that it agreed with the Investigating Authority's identification of domestic like products in China in four aspects and believed that their products were similar to domestic like products in China.

Australian Grape & Wine Incorporated proposed in the Comments on the Disclosure of Basic Facts Relied on by the Final Ruling of the Anti-dumping and Countervailing Duty Cases against Australian Wines that wines in kiloliter did not fall under the product under investigation; instead, the product under investigation was put into the containers of 2l or below, but were not sold and purchased in kiloliter.

After further investigation, the Investigating Authority held that the product under investigation referred to imported wines in containers holding 2 litres or less originating in Australia, but both kiloliter (kl) and liter (l) served as the measuring units of wines and belonged to the same measuring unit in essence, so the identifications of the product under investigation and domestic like products were not affected. The Investigating Authority rejected the claims of Australian Grape & Wine Incorporated.

After further investigation, the Investigating Authority

identified that relevant Chinese wines and the product under investigation are similar in physical properties, raw materials, production techniques, production facilities, product usages, sales channels, customer groups and consumer ratings. As they are similar and mutually-substitutable, they are like products.

(II) Determination of the domestic industry

In accordance with Article 11 of the Anti-Dumping Regulations, the Investigating Authority investigated and identified the domestic industry in the Case. From 2015 to 2019, the output of the 21 producers who submitted the response to the Questionnaire for Domestic Producers occupied 66.95%, 68.27%, 60.75%, 62.76% and 60.72% of the output of the domestic like products respectively, which was in line with Article 11 of the Anti-Dumping Regulations.

Australian Grape & Wine Incorporated claimed in its Comments on the Ministry of Commerce Initiating the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia that they were sceptical about the overall output of Chinese wines provided in the Application because there were some problems in the reliability of its market statistics. It believed that some statistics were "counted twice" in the application form.

The Investigating Authority verified the statistics of the overall output of Chinese wines in the application forms. It

also observed that these statistics applied to relevant wines under application, namely wines in containers holding 2 litres or less that are made from full or partial fermentation, with fresh grapes or grape juice as raw material, and also to other wines beyond the products subject to the investigation request, including liqueur wines, highly carbonated wines, gasified wine, favoured wines, distilled wines and bulk wines. Without the overall output of domestic relevant wines at hand, the Investigating Authority surveyed the real domestic output through different parties. The Investigating Authority believed that it was reasonable to calculate the overall output by the area of wine grapes, output per acre, wine yield, output and loss of finished wines made from imported wines, and the production proportion of different wines.

Hence, based on the statistics from authoritative domestic organizations, the Investigating Authority calculated the overall output of domestic relevant wines at 377,600 kl, 347,600 kl, 374,800 kl, 351,200 kl and 288,200 kl, respectively. During the investigation period, the output of domestic like products produced by the producers who submitted responses to the Questionnaire for Domestic Producers accounted for 66.95%, 68.27%, 60.75%, 62.76% and 60.72% of the total output of the domestic wine industry.

The Investigating Authority identified in the Preliminary

Ruling that companies that had submitted responses to the Questionnaire for Domestic Producers could represent the domestic industry. All the industry data used in the ruling were from domestic companies unless otherwise specified.

After the Preliminary Ruling was released, Australian Food & Beverage Group Pty Ltd indicated in its comments on the ruling that it would respect the verified statistical data of the overall wine output in China. No stakeholders raised any objection to such identification.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. Eventually, the Investigating Authority identified that companies that had submitted responses to the Questionnaire for Domestic Producers could represent the domestic industry. All the industry data used in the ruling were from domestic companies unless otherwise specified.

V. Extent of injury to the domestic industry

(I) Import volume of the dumped imported product.

The Investigating Authority investigated the absolute volume of the dumped imported product or whether there was a significant increase relative to the volume of products produced or consumed in China.

The investigation showed that, according to the statistical data of the General Administration of Customs, P. R. China, 56,700 kl, 79,400 kl, 105,800 kl, 117,800 kl and

120,800 kl of the dumped imported product were imported respectively in 2015, 2016, 2017, 2018 and 2019. The volume went up by 40.04% in 2016, 33.25% in 2017, 11.34% in 2018, and 2.55% in 2019, respectively, from the previous years. During the injury investigation period, the import volume of the dumped imported product showed a continuous and substantial growing trend and cumulatively increased by 113.05%.

The apparent consumption of relevant wines in China increased first and then declined during the injury investigation period, reaching 765,900 kl, 819,600 kl, 918,000 kl, 853,900 kl and 741,200 kl in 2015, 2016, 2017, 2018 and 2019 respectively. It was up 7.01% in 2016 from 2015 and 12.01% in 2017 from 2016, and was down 6.98% in 2018 from 2017 and 13.20% in 2019 from 2018.

The import volume of the dumped imported product accounted for 7.40%, 9.69%, 11.53%, 13.80%, and 16.30% of the domestic market in China in 2015, 2016, 2017, 2018 and 2019 respectively. It rose by 2.29% in 2016, 1.84% in 2017, 2.27% in 2018 and 2.50% in 2019, compared with the previous years. During the injury investigation period, the market share of the dumped imported product showed a continuous and significant growing trend and cumulatively increased by 8.90%.

The Investigating Authority identified in the Preliminary

Ruling that, during the injury investigation period, the absolute import volume of the dumped imported product presented a continuous and substantial growing trend and their market share presented a continuous and significant growth trend. No stakeholders raised any objection to such identification.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. Eventually, the Investigating Authority identified that, during the injury investigation period, the absolute import volume of the dumped imported product presented a continuous and substantial growing trend and their market share presented a continuous and significant growth trend.

(II) Impact of dumped imported product on the price of domestic like products

The Investigating Authority investigated the impact of the dumped imported product on the price of domestic like product.

1. Determination of prices of the dumped imported product and domestic like products.

The prices of the dumped imported product and domestic like products should be compared at the same level of trade to ensure that they were comparable. The Investigating Authority identified that the domestic customs clearance price of the dumped imported product and the

factory price of domestic like products were basically at the same level of trade, and both prices did not include VAT, inland freight, insurance cost, secondary sales channels cost, etc. Based on the CIF price of the dumped imported product provided by China Customs, the Investigating Authority further considered exchange rates, tariff rates and imported customs clearance costs during the investigation period, adjusted the import price of the product under investigation accordingly, and saw the adjusted price as the import price of such dumped imported product. Among them, the exchange rate was calculated on the basis of the arithmetic average of the monthly average exchange rate of the year published by the People's Bank of China.

By summarizing the responses to the Questionnaire for Domestic Producers, the Investigating Authority took the weighted average price of the factory prices of domestic like products as the price of these products.

Hence, the adjusted price of the dumped imported product showed an overall declining trend, and its price at the end of the injury investigation period was higher than that at the beginning of such period. The import prices of the dumped imported product in 2015, 2016, 2017, 2018 and 2019 were 55,390 RMB/kl, 49,500 RMB/kl, 46,352 RMB/kl, 41,780 RMB/kl and 46,577 RMB/kl, respectively. The price dropped by 10.63% in 2016 from 2015, 6.36% in

2017 from 2016 and 9.86% in 2018 from 2017, but rose by 11.48% in 2019 from 2018; the price at the end of the injury investigation period declined by 15.91% compared with that at the beginning of the same period.

The prices of domestic like products in 2015, 2016, 2017, 2018 and 2019 were 32,019 RMB/kl, 33,227 RMB/kl, 34,560 RMB/kl, 35,932 RMB/kl and 38,595 RMB/kl, respectively. The price of domestic like products rose by 3.77% in 2016 from 2015, 4.01% in 2017 from 2016, 3.97% in 2018 from 2017 and 7.41% in 2019 from 2018. During the injury investigation period, the price of domestic like products showed an upward trend.

The Australian government claimed in its Comments on the Anti-Dumping Investigation into Relevant Imported Wines Originating in Australia that Australia focused on developing high-end wine market in China, and that high-end wine exported from Australia to China was on the increase, while the exports of lower-priced Australian wine to China had been declining. It was suggested to compare the prices in different segmented markets.

The Applicant claimed that in the case that it was difficult to distinguish the product under investigation as high-end, low-end or other wine, the Applicant should be reasonably allowed to calculate and compare the average prices of the product under investigation and domestic like

products by adopting specific methods during the application period.

Based on investigation and review, the Investigating Authority believed that, first of all, Australian Department of Foreign Affairs and Trade (DFAT) did not provide the supporting documents for different grades and categories of relevant wines exported from Australia to China in the Comments. Secondly, during the investigation period, in order to fairly compare the prices, the Investigating Authority made a classification of the product under investigation based on control codes of injury investigation products and requested the responding companies to fill in the Questionnaire in accordance with the quality, consumption level or brand of the wine during the daily sales process. Yet, among the Australian wine producers, only Treasury Wine Estates Vintners Limited, Casella Wines Pty. Limited and Australia Swan Vintage Pty Ltd filled in the Questionnaire; to be specific, Casella Wines Pty. Limited did not follow the classified control code and grade standards of the product under injury investigation, while Treasury Wine Estates Vintners Limited followed the control code standards but did not cater to the grade rules. Australia Swan Vintage Pty Ltd filled in the questionnaire based on the classification standards of the Investigating Authority, and its questionnaire data showed that during the

injury investigation period, its exported volume to China accounted for 0.5%-3.5% of the total import volume of the product under investigation, and its export value to China accounted for 0.3%-2.5% of the total import value of such product. Hence, the Investigating Authority believed that its data could not reveal the overall imports of the product under investigation, and it's impossible to get the import prices of relevant wines imported from Australia based on control codes and grades of injury investigation products from the Responses of these producers. Therefore, the Investigating Authority decided to adopt the weighted average price of the product under investigation from China Customs' statistical data that did not consider control codes as the basis for calculating the price of the dumped imported product. Finally, domestic producers all filled in the Questionnaire in accordance with the classification standards of the Investigating Authority; in the case that the price of the dumped imported product referred to the weighted average price that did not consider control code, the Investigating Authority decided to take the weighted average price of domestic like products as the basis for calculating the price of such products.

To sum up, the Investigating Authority decided to conduct price impact analysis based on the weighted average prices of the dumped imported product and

domestic like products.

After the Preliminary Ruling was released, Australian Grape & Wine Incorporated claimed in its comments on the ruling that, since the product under investigation was a kind of consumer goods and its competition with domestic wine products in China occurred in the retail process instead of such occasions as leaving the factory or import, comparing the domestic customs clearance price of the product under investigation with the factory price of domestic like products were flawed.

In its comments, the Applicant believed that the sales channels of the product under investigation and domestic like products were the same or similar. Both of them could not only be sold via distribution channels such as distributors but also be sold to end consumers through direct sales. The retail price might be affected by several factors, including purchasing channels, profit models and sales platforms. Therefore, comparing the retail prices of the dumped imported product and domestic like products could not accurately reflect the direct competition between them in ex-factory and sales channels.

After further investigation, the Investigating Authority held that, first of all, the Investigating Authority identified that there was direct competition between the product under investigation and domestic like products in terms of

their quality, prices and sales channels, customer groups, and product usages. The evidence showed that the product under investigation and domestic like products competed with each other in the domestic market. The product under investigation and domestic like products were simultaneously sold in the domestic market mainly through such channels as direct sales and agency sales. Some domestic distributors sold both the product under investigation and domestic like products. There was price competition between them in different sales channels and processes. Therefore, the price competition between the product under investigation and domestic like products didn't just occur in the retail process. Secondly, the prices of the dumped imported product and domestic like products should be compared at the same level of trade to ensure that they were comparable. The retail price was, to a great extent, decided by distributors and affected by their purchasing channels, sales strategies, profit models and profit levels. Thus, it could neither reflect the actual producing and operating status of companies producing the product under investigation and domestic like companies nor reflect the impact of the import price of the dumped imported product on the price of domestic like products in an objective and accurate manner. Therefore, the Investigating Authority would not accept the claim of

Australian Grape & Wine Incorporated that comparing the prices of the product under investigation and domestic like products in the retail process was more reasonable.

2. Impact of dumped imported product on the price of domestic like products

The investigation data revealed that the quantity of the dumped imported product increased continuously and substantially from 2015 to 2019, which gradually rose from 56,700 kl in 2015 to 120,800 kl in 2019, with a cumulative growth of 113.05% during the injury investigation period. The market share of the dumped imported product in the Chinese market continued to gradually increase from 7.40% in 2015 to 16.30% in 2019, with a cumulative growth of 8.90% during the injury investigation period.

The investigation showed that the product under investigation and the domestically-produced relevant wines are basically the same in terms of physical properties, technical indicators, raw materials, production technique processes, product usages, sales channels and customer groups, which means that they are like products. Since the consumption market of domestic relevant wines is a competitive and open market, and both the product under investigation and domestic like products were simultaneously sold in the domestic market mainly through such channels as direct sales, agency sales and online

sales, the product under investigation directly competed with domestic like products; due to the traditionally strong position of imported products in China's market, the fact that the quantity and proportion of dumped imported product continued to jack up sufficed to have an impact on domestic like products.

The investigation evidence showed that the price of the dumped imported product generally presented a downward trend from 2015 to 2019. It continued to decrease from 55,390 RMB/kl in 2015 to 41,780 RMB/kl in 2018, but rose slightly in 2019; nevertheless, it still declined by 15.91% compared to the price at the beginning of the investigation period. The sales price of domestic like products was 32,019 RMB/kl, 33,227 RMB/kl, 34,560 RMB/kl, 35,932 RMB/kl and 38595 RMB/kl, respectively. Although the sales price showed an upward trend, the unit cost of such products from 2015 to 2019 was 28,723 RMB/kl, 30,617 RMB/kl, 31,845 RMB/kl, 33,409 RMB/kl and 35957 RMB/kl, respectively. When the unit cost of domestic like products rose by 25.19% as a whole, especially when the unit cost increased by 30.24%, the sales price just went up by 20.54%, lower than the growth of the cost over the same period, suggesting that the rise in the cost of domestic like products did not normally transfer to its sales price and that the growth of sales price failed to reasonably digest the cost

increase and the sales price did not rise to a due level, leading to a downward trend of the difference between the sales price and cost of domestic like products from 3,296 RMB/kl in 2015 to 2,638 RMB/kl in 2019. Therefore, during the injury investigation period, the price of the dumped imported product inhibited that of domestic like products.

The Investigating Authority identified in the Preliminary Ruling that, during the injury investigation period, the price of the dumped imported product inhibited that of domestic like products.

In its comments on the Preliminary Ruling, Australian Grape & Wine Incorporated claimed that the export price of the product under investigation was higher than the factory price of domestic wine and that there was no evidence showing that the price of the product under investigation inhibited that of domestic like products.

The Applicant stated in its comments that a higher import price didn't mean that the price of the product under investigation wouldn't injure the domestic like products and that the substantial increase in the import volume and decrease in the price of the product under investigation greatly limited the room for the rise in the price of domestic like products, thus severely inhibiting the price of domestic like products.

Upon further investigation, the Investigating Authority

believed that: first, the dumped imported product exerted an impact on the price of domestic like products, including the impact of the volume and price of the dumped imported product on the price of domestic like products. During the injury investigation period, both the absolute and relative import volumes of the dumped imported product were increasing rapidly, and their share in the domestic market was going up too. Meanwhile, the price of the dumped imported product showed a downward trend, and there was direct competition between the dumped imported product and domestic like products. Therefore, the volume increase and price declination of dumped imported product sufficed to cause a material adverse impact on the price of domestic like products. Second, price suppression refers to the situation that the prices of domestic like products fail to reach a reasonable level as a result of dumped imported products. Despite the fact that the price of the dumped imported product is higher than that of domestic like products, during the injury investigation period, the volume of the dumped imported products accumulatively increased by 113.05% and the price dropped by 15.91%, directly suppressing the price increase of domestic like products. As a result, the price of domestic like products was unable to increase accordingly with the rising cost. Therefore, the claim of Australian Grape & Wine Incorporated that the

dumped imported product didn't suppress the price of domestic like products due to its high price was not accepted.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. The Investigating Authority finally identified that the dumped imported product suppressed the price of domestic like products during the injury investigation period.

(III) Situation of the domestic industry during the injury investigation period

According to the provisions of Articles 7 and 8 of the Anti-Dumping Regulations, the Investigating Authority conducted a survey of the relevant economic factors and indicators of the domestic industry, and evidence shows that:

1. Apparent consumption.

The apparent consumption of relevant wines increased first, then declined during the injury investigation period. The apparent consumptions of relevant domestic wines were respectively 765,900 kl, 819,600 kl, 918,000 kl, 853,900 kl and 741,200 kl in 2015, 2016, 2017, 2018, and 2019, increased by 7.01% from 2015 to 2016, 12.01% from 2016 to 2017, and decreased by 6.98% and 13.20% from 2017 to 2018 and 2018 to 2019.

2. Production capacity.

The production capacity of domestic like products was basically stable during the injury investigation period. The production capacities of domestic like products were respectively 641,200 kl, 641,200 kl, 630,500 kl, 638,500 kl and 648,700 kl in 2015, 2016, 2017, 2018, and 2019. The production capacity in 2016 was equal to that of 2015 and decreased by 1.67% from 2016 to 2017, increased by 1.27% and 1.60% from 2017 to 2018 and 2018 to 2019.

3. Output.

The output of domestic like products showed a continuous downward trend during the injury investigation period. The outputs of domestic like products were respectively 252,800 kl, 237,300 kl, 227,700 kl, 220,400 kl and 175,000 kl in 2015, 2016, 2017, 2018, and 2019, decreased by 6.13%, 4.05%, 3.21% and 20.60% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

4. Domestic sale volume.

The domestic sales volume of domestic like products showed a continuous downward trend during the injury investigation period. The domestic sales volumes of domestic like products were respectively 242,100 kl, 227,800 kl, 219,300kl, 217,100 kl and 182,400 kl in 2015, 2016, 2017, 2018, and 2019, decreased by 5.91%, 3.73%, 1.00% and 15.98% in 2016, 2017, 2018 and 2019,

respectively, compared to that of the previous year.

5. Market share.

The market share of domestic like products showed an overall downward trend during the injury investigation period. The market shares of domestic like products in 2015, 2016, 2017, 2018, and 2019 were 31.62%, 27.80%, 23.90%, 25.43% and 24.61%, respectively. decreased by 3.82% and 3.90% from 2015 to 2016 and 2016 to 2017, increased by 1.53% from 2017 to 2018, and decreased by 0.82% from 2018 to 2019. At the end of the injury investigation period, the market share decreased by 7.01% compared to that at the beginning of the same period.

6. Sales prices.

The sale price of domestic like products showed an upward trend during the injury investigation period. The sale prices of domestic like products were respectively 32,019 RMB/kl, 33,227 RMB/kl, 34,560 RMB/kl, 35,932 RMB/kl and 38,595 RMB/kl in 2015, 2016, 2017, 2018, and 2019, increased by 3.77%, 4.01%, 3.97% and 7.41% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

7. Sales revenue.

During the injury investigation period, the sales revenue of domestic like products showed a downward trend, which were respectively RMB7,753 million,

RMB7,569 million, 7,580 million, RMB7,801 million, and RMB7,040 million in 2015, 2016, 2017, 2018 and 2019 respectively, decreased by 2.37% from 2015 to 2016, increased by 0.15% and 2.92% from 2016 to 2017 and 2017 to 2018, and decreased by 9.76% from 2018 to 2019. At the end of the injury investigation period, the sales revenue decreased by 9.20% compared to that at the beginning of the same period.

8. Profit before tax (PBT).

The PBT of domestic like products showed a continuous downward trend during the injury investigation period. The PBTs were respectively RMB796 million, RMB593 million, RMB592 million, RMB546 million, and RMB479 million in 2015, 2016, 2017, 2018, and 2019. It decreased by 25.50%, 0.17%, 7.77%, and 12.27% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

9. Return on investment (ROI).

The ROI of domestic like products showed a continuous downward trend during the injury investigation period. The ROI was respectively 3.14%, 2.27%, 2.20%, 2.01% and 1.85% in 2015, 2016, 2017, 2018, and 2019, decreased by 0.87%, 0.07%, 0.19%, and 0.16% in 2016, 2017, 2018, and 2019, respectively compared to that of the previous year.

10. Operating rate.

The operating rate of domestic like products in the domestic industry showed a continuous downward trend in the injury investigation period. It was respectively 39.44%, 37.00%, 36.12%, 34.52% and 26.97% in 2015, 2016, 2017, 2018, and 2019, decreased by 2.44%, 0.88%, 1.60%, and 7.55% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

11. Employment.

The employment of domestic like products showed a continuous downward trend during the injury investigation period. The employments of domestic like products were respectively 8733, 8471, 7942, 7461, and 7068 in 2015, 2016, 2017, 2018, and 2019, which decreased by 3%, 6.24%, 6.06%, and 5.27% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

12. Labor productivity.

The labour productivity of domestic like products in the domestic industry showed an overall downward trend in the injury investigation period. The labour productivities were respectively 28.95 kl/person, 28.01 kl/person, 28.67 kl/person, 29.54 kl/person, and 24.75 kl/person in 2015, 2016, 2017, 2018, and 2019, decreased by 3.25% from 2015 to 2016, increased by 2.36% from 2016 to 2017, increased by 3.03% from 2017 to 2018 and decreased by

16.22% from 2018 to 2019.

13. Salary per capita.

During the injury investigation period, the salary per capita of domestic like products grew continuously. The salary per capita of domestic like products was respectively RMB56,335, RMB60,149, RMB64,863, RMB69,361, and RMB75,342 in 2015, 2016, 2017, 2018, and 2019, increased by 6.77%, 7.84%, 6.93% and 8.62%% in 2016, 2017, 2018 and 2019, respectively, compared to that of the previous year.

14. Closing stock.

The closing stock of domestic like products showed a trend of first increasing then decreasing during the injury investigation period. The closing stocks of domestic like products were respectively 93,700 kl, 92,400 kl, 97,500 kl, 89,700 kl and 78,200 kl in 2015, 2016, 2017, 2018, and 2019, decreased by 1.39% from 2015 to 2016, increased by 5.52% from 2016 to 2017, decreased by 8.00% from 2017 to 2018, and decreased by 12.82% from 2018 to 2019.

15. Cash flows from operating activities.

The cash flow generated in the operating activity of domestic like products in the domestic industry generally showed a sharp downward trend during the injury investigation period. The cash flows generated in the operating activity of domestic like products were

respectively RMB1,041 million, RMB697 million, RMB823 million, RMB709 million, and RMB206 million in 2015, 2016, 2017, 2018 and 2019. It decreased by 33.05% from 2015 to 2016, increased by 18.08% from 2016 to 2017, decreased by 13.85% from 2017 to 2018, and decreased by 70.94% from 2018 to 2019. At the end of the injury investigation period, the cash flow generated in the operating activity decreased by 80.21% compared to that at the beginning of the same period.

16. Investment and financing capacity.

During the injury investigation period, no evidence revealed that the investment and financing capacity of domestic like products suffered from adverse effects caused by the dumped imported product.

The Investigating Authority also reviewed the dumping margin of the dumped imported product. The evidence shows that the dumping margin belongs to a significant amount of dumping, which was sufficient to adversely affect domestic market prices.

During the injury investigation period, evidence shows that the apparent consumption in the Chinese relevant wine market first increased and then decreased, the overall market demand was steady, the domestic industry capacity expansion plan was suspended with the volume increase and price decrease of the product under investigation, the

capacity was almost unchanged from year to year, the output and sales volume of domestic like products decreased continuously, leading to a downward trend of domestic like products in market share, which was always at a lower level and less than 32% during the injury investigation period, the operating rate of domestic like products was decreasing and seriously inadequate, which was only 35%, with lots of idle production equipment and the capacity could not be released effectively. With the continuous significant increase in the absolute volume and market share of the dumped imported products, and the cumulative decline in the price of the dumped imported products by 15.91%, the domestic like products saw some growth in the sales price, yet such growth was lower than the cost rise at the same time, indicating that the rise of the sales price failed to reach the level where it should be able to offset the cost rise. That led to the continuous declines in the PBT, profitability and ROI of the domestic like products, and the failure to recover the initial investment. The net cash flow from operating domestic like products also showed a downward trend. To avoid excessive occupation of the working capital, the domestic industry reduced the inventory overhang by de-stocking, causing a decline in the ending inventory of domestic like products. During the injury investigation period, the sales revenue and the PBT of

domestic like products continued to decline, resulting in the continuous deterioration of the production and operation of such products and in the forced reduction of the employment in the domestic industry, which saw a continuous decline in employees engaged in such products.

After a comprehensive analysis of relevant data, the Investigating Authority concluded in the Preliminary Ruling that during the injury investigation period, the production and operation of domestic like products deteriorated, and the domestic wine industry suffered material injury.

After the Preliminary Ruling was released, Australian Food & Beverage Group Pty Ltd. indicated in its comments on the Preliminary Ruling that the wine it imported occupied less than 0.05% of the total volume imported from Australia and had very little impact on the domestic like products, therefore, it was unable to damage or impact Chinese domestic or import market.

The Investigating Authority believed that according to Article 8 of the Anti-Dumping Regulations, when determining the injury caused by dumping to the domestic industry, it should examine the quantity and price of the dumped imported product and their impact on the relevant economic factors and indicators of the domestic industry, instead of examining the export quantity and price of one of the foreign exporters. Although Australia and food and

beverage companies accounted for less than 0.05% of China's wine imports from Australia, the Investigating Authority examined the overall situation of the dumped imported product from Australia. The evidence showed that from 2015 to 2019, the number of the dumped imported product from Australia continued to increase significantly, the price of the dumped imported product suppressed the prices of domestic like products, and the production and operation of domestic like products deteriorated. The domestic relevant wine industry has suffered material injury.

In its Comments on the Preliminary Ruling, Australian Grape & Wine Incorporated pointed out that since the anti-dumping investigation period is 2019, the Investigating Authority did not determine that the product under investigation were dumped from 2015 to 2018, therefore, the injury to the domestic industry during this period cannot be regarded as the injury caused by dumping, and the domestic industry has not been injured in 2019, so it cannot be determined that the domestic industry has been injured.

In their comments, the Applicant believed that the industry injury investigation period usually includes three to five years before the initiation of the investigation and that when analyzing the economic indicators of domestic industry, various economic indicators should be combined to examine the overall changes and interrelationships

between them, rather than using the data performance of individual periods during the investigation period for isolated analysis.

After further investigation, the Investigating Authority believed that, first, according to Article 18 of China's Provisions on the Investigation of Injury to Industry Caused by Anti-Dumping, the industry injury investigation period of anti-dumping cases usually includes three to five years before the initiation of the investigation. The industry injury investigation period of the relevant wine anti-dumping cases is from 1 January 2015 to 31 December 2019, which is in line with the relevant provisions of Chinese law. Second, the investigation of the impact of the product under investigation on the domestic industry should include the assessment of the development trend of the relevant economic factors and indicators affecting the industrial status throughout the injury investigation period. To determine whether the domestic industry has suffered a material injury should not only be based on the performance of the domestic industrial economic indicators during a certain injury investigation period but should comprehensively consider the changing trend of various economic indicators of the domestic industry during the injury investigation period. Therefore, Australian Grape & Wine Incorporated's claim that if the domestic industry was

not injured in 2019, the domestic industry would not be injured is not established.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. The Investigating Authority finally concluded that during the injury investigation period, the production and operation of domestic like products deteriorated, and the domestic relevant wine industry suffered material injury.

VI. Causality

According to Article 24 of the Anti-Dumping Regulations, the Investigating Authority reviewed whether there was a causal link between the dumped import of relevant wines originating in Australia and the material injury suffered by the domestic industry, and also examined factors known to possibly cause injury to the domestic industry other than the dumped import.

(I) The dumped imported product caused material injury to the domestic industry

During the injury investigation period, the import volume of the dumped imported product increased rapidly year by year. To be specific, 56,700 kl, 79,400 kl, 105,800 kl, 117,800 kl and 120,800 kl of the product under investigation were imported respectively in 2015, 2016, 2017, 2018 and 2019. The volume went up by 40.04% in 2016, 33.25% in 2017, 11.34% in 2018, and 2.55% in 2019,

respectively, from the previous years.

During the injury investigation period, the market share of the dumped imported product increased continuously and rapidly. It rose by 2.29% in 2016, 1.84% in 2017, 2.27% in 2018 and 2.50% in 2019, compared with the previous year. Meanwhile, the market share of domestic like products was in a downtrend. In 2016 it decreased by 3.82% from 2015, in 2017 it decreased by 3.90% from 2016, in 2018 it increased by 1.53% from 2017, and in 2019 it decreased by 0.82% from 2018. During the injury investigation period, the market share of domestic like products experienced a cumulative decrease of 7.01%. In contrast, the market share of the dumped imported product experienced a cumulative increase of 8.90%, which was inversely related to the decreased market share of domestic like products. In other words, the market share of domestic like products was obviously squeezed by the dumped imported product.

As the dumped imported product is basically the same as domestic like products in terms of physical properties, raw materials and production techniques, product usages, sales channels and customer groups, they can be replaced by each other and actually compete with each other, and consequently price has become the primary factor for consideration when downstream customers choose

products. During the injury investigation period, the price of the dumped imported product declined continuously. While the unit cost of domestic like products increased by 25.19% as a whole, especially while the unit cost increased by 30.24%, the sales price only increased by 20.54% which was lower than the increase of costs in the same period, suggesting that the rise of costs failed to be transmitted to the sales price normally and the sales price failed to rise to a reasonable level. Because of the suppressed price, the pre-tax profit of domestic like products dropped, their output, sales volume, PBT, return on investment (ROI), operating rate and employment volume declined year by year, and their market share, sales revenue, labour productivity and net cash flow from operating activities were in a downtrend. To sum up, the dumped imported product caused severe injury to domestic industrial production and operation.

In summary, the Investigating Authority determined in the Preliminary Ruling that there is a causal link between the dumped imported product and the material injury suffered by the domestic relevant wine industry.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. The Investigating Authority determined that there was a causal link between the dumped imported product and the material injury suffered by the relevant domestic wine

industry.

(II) Analysis of other known factors

The Investigating Authority reviewed other known factors that may have caused material injury to the domestic industry other than dumped imported product.

According to the results of the preliminary investigation, there was no evidence showing that a causal link existed between the factors (e.g., the impact of imported products from other countries (regions), trade restriction practices of foreign and domestic producers and competition between them, impact of consumption patterns and substitute products, technological development, export status of domestic like products, and force majeure) and the material injury suffered by the relevant domestic wine industry.

In its Comments on the Anti-dumping Investigation into Relevant Imported Wines Originating in Australia, the Department of Foreign Affairs and Trade (DFAT) claimed that the following factors might cause material injury to the domestic industry: reduction of import tariffs to zero under the China-Australia Free Trade Agreement, fluctuation of the Australian dollar exchange rate, lowering of China's VAT rates, import of like products from other countries, and policies promulgated by the Chinese government.

In its Comments on the Ministry of Commerce Initiating the Anti-dumping Investigation into Relevant Imported

Wines Originating in Australia, Australian Grape & Wine Incorporated pointed out that the import volume of like products from other countries constituted the main part of China's total imports, and the import price of the product under investigation was significantly higher than that of like products from other countries, so the injury suffered by China's domestic industry should be attributable to imports from other countries.

The Applicant put forward the following claims: First, the domestic price was directly influenced by RMB prices of imported products. During the injury investigation period, the import prices of the product under investigation were in a downtrend, which was true to both CIF USD price and RMB price after considering the changes in import tariffs and exchange rate. Therefore, the real reason for the decline of RMB prices of imported products should be the low-price pricing strategy of foreign exporters against China. Second, the lowering of VAT rates alleviated the tax burden of enterprises to a certain extent, playing a positive role in the development of the domestic industry. Third, the import volume of like products from other countries and regions was in a downtrend, and the price reduction of the Australian product under investigation was obviously more significant than that of like products imported from other countries. Fourth, although the relevant consumption-

restricting policies promulgated by the Chinese government might have a certain impact on the market demand, a large number of low-price import of the product under investigation would further intensify the market competition and aggravate the injury suffered by the domestic industry.

The Investigating Authority conducted a preliminary investigation about this and drew the following conclusions after review: First, about the impact of changes in import tariffs and Australian dollar exchange rate on the domestic industry. In order to ensure that the price of the dumped imported product and that of domestic like products were comparable, the Investigating Authority compared them at the same level of trade. Particularly, the price of the dumped imported product was determined on the basis of CIF prices provided by China Customs after considering the exchange rate, tariff rate and customs clearance fee during the investigation period. The comparison data showed that during the injury investigation period, the price of the dumped imported product was in a downtrend with a cumulative decline of 15.91% in 2015-2019, suppressing the price of domestic like products under the background of increased costs, leading to a continuous drop of sales revenue, PBT, return on investment (ROI) and other main operating indicators of domestic like products, and causing material injury to the domestic industry. Therefore, the

DFAT's claim that the injury suffered by the domestic industry during the injury investigation period was related to changes in import tariffs and the Australian dollar exchange rate was inconsistent with the facts.

Second, about the claim that VAT rates had an impact on the relevant domestic wine market and industry. The Investigating Authority held the following opinions: Firstly, in its Comments, the DFAT did not provide direct evidence supporting its claim about the impact of VAT rates on the domestic industry. Secondly, in the comparison between the price of the dumped imported product and that of domestic like products which were conducted by the Investigating Authority, both prices didn't include VAT, inland freight, insurance cost, secondary sales channel cost, etc. Finally, the lowering of VAT rates helped to alleviate the tax burden of the relevant domestic wine producers, reduce their capital expenditures, and promote their healthy development. Therefore, the claim that VAT rates had an impact on the relevant domestic wine market and industry was inconsistent with the facts.

Third, about the impact of imports from other countries and regions on the domestic industry. According to the statistics of China Customs, during the injury investigation period, the import volume of products from other countries and regions was in a downtrend, decreasing from 339,500

kl in 2015 to 335,200 kl in 2019. The import prices of products from other countries and regions were also in a downtrend, decreasing from USD 4,238/kl in 2015 to USD 4,116/kl in 2019. The price reduction of products from other countries and regions is lower than that of the dumped imported product. Compared with products imported from other countries, the dumped imported product not only had a continuously increasing volume but also had a more significant price reduction. Furthermore, there was no evidence showing the existence of dumping products imported from other countries. Therefore, the impact of imports from other countries and regions on the domestic industry cannot deny the causal link between the import of the dumped imported product and the material injury suffered by the domestic industry.

Fourth, about the impact of relevant policies on the domestic industry. First of all, the DFAT claimed that relevant consumption policies might lead to a reduction of the domestic industrial demand without providing any supporting evidence. Secondly, according to the evidence from the investigation, from 2015 to 2017, the apparent consumption of domestic relevant wines continued to grow, from 765,900 kl in 2015 to 918,000 kl in 2017. In the case of growing demand in the domestic industrial market, the output and sales volume of domestic like products should

have a sound performance in order to fully meet the needs of the domestic market. However, both output and sales continued to decline, with output falling from 252,800 kl in 2015 to 227,700 kl in 2017, and sales falling from 242,100 kl in 2015 to 219,300 kl in 2017. This led to a continuous decline in the operating rate of domestic like products, which was seriously insufficient, only about 35%. From 2018 to 2019, despite the reduced apparent consumption and market demand of domestic relevant wines, the quantity of the dumped imported product did not decrease due to the reduced market demand but increased significantly and occupied the market share of domestic like products. As a result, the output and sales volume of domestic like products decreased far more than the apparent consumption in 2019. During the injury investigation period, the cumulative decline in the apparent consumption of domestic relevant wines was 3.22%, while the cumulative decline in the output and sales volume of domestic like products reached 30.78% and 24.66% respectively, much lower than the decline in apparent consumption. Moreover, the dumped imported product suppressed the prices of domestic like products, affecting the profitability of the domestic industry and further leading to a continuous decline in both PBT and ROI during the injury investigation period. Therefore, the DFAT's claim that

the injury suffered by the domestic industry during the injury investigation period was related to relevant consumption policies was inconsistent with the facts.

Based on the above investigations, the Investigating Authority preliminarily identified that the aforesaid factors could not deny the causal link between the dumped imported product and the material injury suffered by the domestic industry.

In its comments after the Preliminary Ruling, Australian Grape & Wine Incorporated once again claimed that the injury to the domestic industry was caused by other economic factors, such as the impact of imports from other countries, the impact of consumption policies and the impact of structural problems in the domestic industry.

In the comments submitted by the Applicant, the Applicant pointed out that there was a causal link between the dumping and import of the product under investigation and the injury suffered by the domestic industry, and other factors could not deny the fact that the product under investigation has caused injury to the domestic industry. The relevant claims of Australian Grape & Wine Incorporated cannot be established.

After further investigation, the Investigating Authority holds the following views. First, about the impact of imports from other countries. According to Chinese customs

statistics, import volume from other countries and regions showed a downward trend during the injury investigation period, from 339,500 kl in 2015 to 335,200 kl in 2019. The import prices of products from other countries and regions were also in a downtrend, decreasing from USD 4,238/kl in 2015 to USD 4,116/kl in 2019. The price reduction of products from other countries and regions is lower than that of the dumped imported product. Compared with products imported from other countries, the dumped imported product not only had a continuously increasing volume but also had a more significant price reduction. Furthermore, there was no evidence showing the existence of dumping products imported from other countries. Therefore, the impact of imports from other countries and regions on the domestic industry cannot deny the causal link between the import of the dumped imported product and the material injury suffered by the domestic industry.

Second, regarding the impact of consumption policies, according to the survey evidence, from 2015 to 2017, the apparent consumption of domestic relevant wines grew continuously from 765,900 kl in 2015 to 918,000 kl in 2017. Under the background of growing domestic industrial market demand, the output and sales volume of domestic like products should have had an excellent performance to fully meet the domestic market demand. However, both

their output and sales volume decreased continuously. This led to a continuous decline in the operating rate of domestic like products, which even fell to about 35%, a woefully inadequate level. From 2018 to 2019, despite the reduced apparent consumption and market demand of domestic relevant wines, the quantity of the dumped imported product did not decrease due to the reduced market demand but increased significantly and occupied the market share of domestic like products. As a result, the output and sales volume of domestic like products decreased far more than the apparent consumption in 2019. Moreover, the dumped imported product suppressed the prices of domestic like products, affecting the profitability of the domestic industry and further leading to a continuous decline in both PBT and ROI during the injury investigation period. Therefore, Australian Grape & Wine Incorporated's claim that the injury suffered by the domestic industry during the injury investigation period was related to relevant consumption policies cannot be established.

Third, the claim on the structural problems of China's wine industry caused by the rapid growth of domestic wine output. After further investigation, the Investigating Authority believed that, first of all, Australian Grape & Wine Incorporated claimed that the domestic wine industry has structural problems, with high cost, poor quality and image,

but it did not provide evidence material support. Secondly, the structural problems of the domestic wine industry caused by the rapid growth of domestic wine production in the 1990s and early 21st century claimed by Australian Grape & Wine Incorporated occurred between 1990s and early 2000s, which did not belong to the injury investigation period in this case. Finally, according to the evidence, during the injury investigation period, the quality of domestic like products was stable and conformed to China's National Standard of the People's Republic of China for Wines. The production facilities mainly adopted modern production facilities of large-scale production and enterprise management standards. Product specifications and models are rich, which can meet the needs of different consumer groups. Therefore, Australian Grape & Wine Incorporated's claim that domestic like products have structural problems, resulting in a long-term decline in quality and poor quality and image can not be established. No stakeholders raised any other objection to such identification.

Upon further investigation, the Investigating Authority decided to uphold the conclusions of the Preliminary Ruling. The Investigating Authority determined that the above factors can not negate the causal link between the dumped imported product and the material injury to the domestic industry.

In their comments on the Disclosure of Basic Facts Relied on by the Final Ruling, Australian Grape & Wine Incorporated and the Australian Government offered comments on the analyses of domestic industry in China, price impact, material injury and causal link, which were all considered by the Investigating Authority in the Final Ruling.

VII. Final investigation conclusion

Based on the above investigation results, the Investigating Authority made the final ruling that the relevant imported wines originating in Australia had been dumped, the domestic wine industry suffered a material injury as a result, and there was a causal link between the dumping and the material injury.

Form: Data Table of Anti-Dumping Case against Relevant

Australian Wines

Items	2015	2016	2017	2018	2019
Total national output (10,000 kl)	37.76	34.76	37.48	35.12	28.82
Change Rate	-	-7.94%	7.83%	-6.30%	-17.94%
Total national imports (10,000 kl)	39.61	48.18	55.23	50.87	45.60
Change Rate		21.64%	14.63%	-7.89%	-10.36%
Import volume of the product under investigation (10,000 kl)	5.67	7.94	10.58	11.78	12.08
Change Rate	-	40.04%	33.25%	11.34%	2.55%
Market share of product under investigation	7.40%	9.69%	11.53%	13.80%	16.30%
Change Rate (Percentage Point)	-	2.29	1.84	2.27	2.50
Import price of the product under investigation (USD/kl)	7759	6834	6447	6090	6723
Change Rate	-	-11.92%	-5.66%	-5.54%	10.39%
Apparent consumption (10,000 kl)	76.59	81.96	91.80	85.39	74.12
Change Rate	-	7.01%	12.01%	-6.98%	-13.20%
Capacity (10,000 kl)	64.12	64.12	63.05	63.85	64.87
Change Rate	-	0.00%	-1.67%	1.27%	1.60%
Output (10,000 kl)	25.28	23.73	22.77	22.04	17.50
Change Rate	-	-6.13%	-4.05%	-3.21%	-20.60%
Operating rate	39.44%	37.00%	36.12%	34.52%	26.97%
Change Rate (Percentage Point)	-	-2.44	-0.88	-1.60	-7.55
Domestic sales volume (10,000 kl)	24.21	22.78	21.93	21.71	18.24
Change Rate	-	-5.91%	-3.73%	-1.00%	-15.98%
Domestic market share	31.62%	27.80%	23.90%	25.43%	24.61%
Change Rate (Percentage Point)	-	-3.82	-3.90	1.53	-0.82

Domestic sales revenue (RMB 100 million)	77.53	75.69	75.80	78.01	70.40
Change Rate	-	-2.37%	0.15%	2.92%	-9.76%
Domestic sales price (RMB/kl)	32019	33227	34560	35932	38595
Change Rate		3.77%	4.01%	3.97%	7.41%
PBT (RMB 100 million)	7.96	5.93	5.92	5.46	4.79
Loss change rate	-	-25.50%	-0.17%	-7.77%	-12.27%
ROI	3.14%	2.27%	2.20%	2.01%	1.85%
Change Rate (Percentage Point)	-	-0.87	-0.07	-0.19	-0.16
Net cash flows (RMB 100 million)	10.41	6.97	8.23	7.09	2.06
Change Rate	-	-33.05%	18.08%	-13.85%	-70.94%
Ending inventory (10,000 kl)	9.37	9.24	9.75	8.97	7.82
Change Rate	-	-1.39%	5.52%	-8.00%	-12.82%
Employment volume (persons)	8,733	8,471	7,942	7,461	7,068
Change Rate	-	-3.00%	-6.24%	-6.06%	-5.27%
Per capita salary (yuan/year/person)	56335	60149	64863	69361	75342
Change Rate	-	6.77%	7.84%	6.93%	8.62%
Labor productivity (kl/person)	28.95	28.01	28.67	29.54	24.75
Change Rate	-	-3.25%	2.36%	3.03%	-16.22%