

PRESS
RELEASE



**spiritsEUROPE stunned by unjustified Chinese provisional tariffs on EU
brandy announced today**

Brussels, 29/08/2024 – Today, the Chinese Ministry of Commerce (MOFCOM) issued an announcement regarding provisional anti-dumping duties on imports of EU wine-based and marc-based spirits. These provisional duties, which will not be applied for now, average 34.8%, in spite of the evidence provided by the EU producers that no dumping occurred. This arbitrary decision, if confirmed at the final stage of the investigation, will negatively impact EU wine-based and marc-based spirits exports to China, a major export destination for these categories and the world's largest spirits market.

"We are very disappointed by this announcement. The tariffs, if applied, would constitute an unjustified market access barrier and have a detrimental impact on EU exports of wine-based and marc-based spirits to China, which represent the lion's share (around 90%) of direct EU spirits exports to China in value. This decision is all the more incomprehensible because our sector has fully cooperated with the Chinese authorities throughout the entire investigation process initiated in January 2024 and has demonstrated complete transparency in its practices. The only silver lining at this stage is that the provisional duties will not apply for now," said spiritsEUROPE Director General Ulrich Adam.

He added: "The evidence the brandy sector provided throughout the investigation demonstrated that the conditions for initiating an investigation were not met. In contrast, the evidence of dumping, injury, and causal link provided in the application was insufficient to justify the initiation of an investigation. Our sector seems to be a collateral victim of a broader trade conflict, which will limit the access of Chinese consumers to products they greatly value and appreciate, if not resolved as a matter of priority."

We call for the full support of the European Commission for immediate negotiations to ensure these provisional duties never apply.

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Note to editors

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- spiritsEUROPE is the representative body for the spirits industry at European level comprising 30 associations and 11 international companies: www.spirits.eu.
- **About the Differential Anti-Dumping Duties Imposed by the Chinese Ministry of Commerce**
[Today's announcement](#) concerns duties determined as part of an anti-dumping investigation launched by MOFCOM on 5 January 2024. As part of this procedure, companies involved in the export & import of EU wine-based and marc-based spirits to China, and the associations which represent them, have registered as interested parties and provided detailed data to MOFCOM. Three operators were part of a sample as part of the investigation and have provided additional information to MOFCOM. Today, MOFCOM announced provisional duties set at different rates for each of the three companies, ranging from 30.6% to 39%, based on specific dumping margins defined by MOFCOM. The average of these duties establishes the duty rate for all other cooperating companies, ie, 34.8%. Companies unable to respond to all procedural requirements and detailed questionnaires as part of the procedure will face the highest duty rate (39%). MOFCOM has announced that these provisional duties will not be applied for the time being. Meanwhile, the investigation from MOFCOM will continue until completion.