

## spiritsEUROPE underlines urgency for a negotiated solution to prevent the imposition of anti-dumping duties on EU brandy

## **Brussels-8 October 2024**

"Today's decision means that, at an extremely short notice, EU producers will be hit by a significant additional financial burden when exporting EU wine-based and marc-based products to China", said Ulrich Adam, Director General of spiritsEUROPE.

The Chinese Ministry of Commerce (MOFCOM) announced that, as of this Friday, 11 October 2024, importers of EU wine-based and marc-based products to China must provide security deposits based on provisional anti-dumping duties.

This new step exerts an extremely negative impact on the exporters of EU wine-based and marc-based spirits to China, a major export destination.

Since January 2024, our sector has fully cooperated with Chinese authorities, demonstrating complete transparency. The evidence provided clearly demonstrates the absence of dumping, injury or threat of injury. Our sector is a collateral victim of a broader trade conflict, as the decision by the Chinese authorities is taken in reaction to the EU's vote on e-vehicle duties last Friday.

"We call on the European Commission to redouble efforts to find a negotiated solution with its Chinese counterparts urgently" Adam concluded.

**ENDS** 



## 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.
- MOFCOM announcement on <u>8 October 2024</u> to implement temporary anti-dumping measures in the form of a deposit.
- About the Differential Anti-Dumping Duties Imposed by the Chinese Ministry of Commerce

  The announcement in August 2024 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. The 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.