



## **AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2006/29**

# **Certain brandy Exported from France Initiation of an investigation into alleged subsidisation**

### **CUSTOMS ACT 1901 - PART XV B**

#### **The application**

The Australian Customs Service has initiated an investigation following an application lodged by Angove's Pty Ltd on behalf of the Australian industry for the publication of a countervailing duty notice in respect of certain brandy exported to Australia from France.

The application alleges that a countervailable subsidy has been received in respect of the goods and that the subsidised exports have caused material injury to the Australian industry through:

- price undercutting;
- price suppression; and
- reduced profit and profitability.

The public version of the application, available on request to interested parties (as defined by subsection 269T(1) of the *Customs Act 1901* (the Act)), contains the basis of the alleged subsidisation.

A notice under subsection 269TC(4) of the Act advising initiation of this investigation was published in *The Australian* on 12 July 2006.

#### **The goods**

The goods the subject of the application (the goods) are brandy distilled wholly from grape wine from France in bottles or other containers and bulk. Cognac and Armagnac are excluded from the investigation. The goods are classified within the following tariff subheading of the *Customs Tariff Act 1995* and statistical codes:

- 2208.20.10/75 - brandy made wholly from grape wine packaged in bond in containers less than 5 Litres
- 2208.20.10/76 - brandy made wholly from grape wine packaged overseas in containers less than 5 Litres
- 2208.20.10/77 - other

The goods currently attract a duty rate of 5% plus \$58.48 per litre of alcohol.

#### **Investigation process**

The investigation period is 1 June 2005 to 31 May 2006. Customs will examine exports to Australia of the goods during that period to determine whether subsidisation has occurred. Customs will examine details of the Australian market from September 2001 for injury analysis.

In reaching its findings Customs must consider whether:

- (a) a countervailable subsidy has been received in respect of the goods, and
- (b) a countervailable subsidy may be received in respect of goods that may be exported to Australia in the future, and
- (c) because of that, material injury to the Australian industry producing like goods has been caused.

### **Lodgement of submissions**

Interested parties are invited to lodge submissions concerning the publication of the countervailing notice sought in the application no later than the close of business on 21 August 2006, addressed to:

The Director  
Trade Measures, Operations 2  
Australian Customs Service  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601

Interested parties may be granted an extension of time for lodgement of a submission, provided the request is in writing and is reasonable and practical given the circumstances. Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged promptly. Interested parties should note that the CEO is not obliged to have regard to a submission received by Customs after the end of the period mentioned above if to do so would, in the CEO's opinion, prevent the timely placement of the statement of essential facts on the public record.

Customs must maintain a public record of each inquiry. The public record must contain, among other things, a copy of all submissions from interested parties (letters and electronic mail are generally regarded as "submissions" if they contain information relevant to the inquiry).

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- satisfy the CEO that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "In-Confidence".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above. In either case interested parties must provide two copies of each for the public record.

The public record may be examined at:

Trade Measures Branch  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601

To access the public record, contact Trade Measures office management on telephone number (02) 6275 6547.

**Provisional measures**

A preliminary affirmative determination may be made not less than 60 days from the date of initiation. Provisional measures in the form of securities in respect of interim duty that may become payable on the goods may be imposed where a preliminary affirmative determination has been made.

**Statement of essential facts**

The dates specified in this notice for lodging submissions must be observed to enable Customs to report to the Minister within the legislative timeframe. A statement of essential facts will be placed on the public record by 30 October 2006 (or by such later date as the Minister may allow). The statement will set out the material findings of fact on which Customs proposes to base its recommendation to the Minister. That statement will invite interested parties to respond to the issues raised within 20 days.

**Report to the Minister**

Submissions received in response to the statement will be taken into account in completing the report and recommendation to the Minister. A recommendation to the Minister will be made in a report due on or before 14 December 2006 (or such later date as the Minister may allow), unless the CEO terminates the investigation.

**Review officer**

Certain parties will have the right to seek review in accordance with Division 9 of Part XVB of the Act of either a decision by the CEO to terminate the investigation, or a decision of the Minister after considering the CEO's report.

**Customs contact**

Enquiries about this notice may be directed to the Manager, Operations 2, telephone number (02) 6245 5433, facsimile number (02) 6275 6888 or e-mail [tmops2@customs.gov.au](mailto:tmops2@customs.gov.au).

ANDREW RICE  
National Manager  
Trade Measures Branch

12 July 2006