



AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2006/56

Certain brandy from

France

Preliminary Affirmative Determination

& Imposition of Securities

Section 269TD of the *Customs Act 1901*

The Australian Customs Service (Customs) commenced an investigation on 12 July 2006 into the alleged subsidisation of brandy distilled wholly from grape wine (excluding cognac and armagnac) exported from France in bulk or in bottles. The tariff classification of the goods is 2208.20.10 (statistical codes 75, 76 and 77) in Schedule 3 of the *Customs Tariff Act 1995*. The applicant was Angove's Pty Ltd on behalf of the Australian industry.

In accordance with s 269TD of the *Customs Act 1901* (the Act) the delegate of the Chief Executive Officer of Customs has determined that there appears to be sufficient grounds for the publication of a countervailing duty notice in respect of certain brandy exported from France.

In order to prevent material injury occurring to the Australian industry while the investigation continues, securities under s42 of the Act will be required and taken in respect of any interim countervailing duty that may become payable in respect of the goods from France entered for home consumption on or after 28 November 2006.

The amount of subsidy established for the purposes of the Preliminary Affirmative Determination (PAD) is set out below:

Country of Export	Exporter	Subsidy amount
France	All exporters	€2.0039 per litre of absolute alcohol

In making this PAD, Customs found that:

- a countervailable subsidy has been received in respect of certain brandy exported from France; and
- because of that material injury to the Australian industry has been caused in the form of:
 - price suppression on brandy in bottles;
 - loss of market share;
 - loss of sales volume and capacity utilisation;
 - loss of revenue;
 - loss of profit; and
 - reduction in profitability.

Statement of Essential Facts (SEF) No. 117 was placed on the public record on 30 October 2006. The SEF contains the material findings of fact on which Customs proposes to base its final recommendation to the Minister for Justice and Customs (Minister). Interested parties had an opportunity to respond to the SEF. Submissions in response to the SEF were due to Customs by 20 November 2006.

A copy of the PAD report was placed on the public record on 28 November 2006. The public record may be examined by interested parties by contacting Trade Measures office management on telephone number 02 6275 6547. The PAD report is also available on the Internet via www.customs.gov.au and following the anti-dumping links.

Customs is due to report to the Minister on 14 December 2006. The Minister will then decide whether measures are to be imposed and if so, the level of the measures. Depending on the Minister's decision, provisional measures may be converted to interim countervailing duty or refunded.

Enquiries concerning this notice may be directed to the case manager, Trade Measures Operations 2, on telephone number 02 6245 5433 or fax number 02 6275 6888.

ANDREW RICE
National Manager
Trade Measures Branch

28 November 2006