

Member Update

UPDATE 03 of 19 • 18 January 2019

TOPIC: China Anti-Dumping Investigations on Australian Barley Exports

DISTRIBUTION: GTA Members – primary contact list. Please circulate to all appropriate internal parties.

1. Purpose

- To provide GTA Members with an update on the status on China Anti-Dumping Investigations on exports of Australian Barley to China.

2. Background

- As previously advised China has initiated Investigations into the alleged dumping of Australian barley into China and the Countervailing Duties (CVDs) on the Australian barley industry on 19/11/18 and 21/12/18 respectively.
- The Anti-Dumping Investigation period is 1/10/17-30/9/18 and the Injury investigation period is 1/1/14 – 30/9/18.
- It is important to recognise that under WTO Rules, China is fully within its rights in launching the investigations.
- While disappointed with these claims, the Australian grains industry is respectful of China's rights in this issue and recognises the importance of the long-standing grain trade relationship between Australia and China. The industry is committed to engage in the investigation process and will continue to work cooperatively with China and the Australian Government to ensure the best possible outcome for our ongoing grain trade relationship with China.

3. Status Update

- To co-ordinate the broader industry management of this issue, the Australian grain industry established an industry working group (IWG) comprising of members from GIMAF, GTA, AGECE, GGL, GPA and major exporters.
- The IWG has been working closely with Australian Government Department of Foreign Affairs and Trade (DFAT) and Department of Agriculture and Water Resources (DAWR) on this issue.
- The IWG engagement strategy has included engaging with relevant Ministers and their offices.

- Australian Exporters have been advised to register with China’s Ministry for Finance and Commerce (MOFCOM) for the Anti-Dumping (AD) and the Countervailing Duties (CVD) investigations, and many have done so. Registered exporters have been asked by MOFCOM to complete and submit extensive questionnaires as part of the investigation process. The timeframes for submissions are very tight, and parties can request extension of submission dates. This is a standard process under WTO Rules.
- Failure to complete such questionnaire means that MOFCOM may draw adverse inferences which could result in a prohibitively high duty being imposed that could impact an exporter's ability to compete in the destination market.
- The IWG has been, and will continue to, communicate directly with exporters who have registered with MOFCOM on this issue. This has included providing translated MOFCOM documents, developing industry analysis (supported by AEGIC) and common information and advice where possible.
- The IWG conducted an information meeting for registered exporters in Melbourne on the 10th January 2019. This meeting outlined the process and actions being undertaken and included the direct involvement of DFAT staff.

4. Timelines and Potential Market Impacts

- The potential impacts on barley exports to China remain unknown at this time.
- Under WTO rules:
 - these investigations should be completed within a 12-month period from the date of initiation, although may be extended for a further 6 months.
- Provisional Measures may not be put in place before a 60-day period from the initiation of the respective investigation. The time period for such measures to remain in place are subject to the finalisation of the investigation and if dumping is proven then measures can apply for up to 5 years
- Submission dates (5pm Beijing time) (subject to request and granting of an extension) for the questionnaires are:
 - Anti-Dumping Questionnaire – 28th January 2019
 - CVD Questionnaire - 21st February 2019
- Any further key dates or announcement dates are unknown currently.

5. Further Details

- This is a sensitive market and trade relationship issue. GTA Members are encouraged to be mindful of this in any discussions or public comments on this issue.
- GTA Members are encouraged to direct any media enquiries to Ian Desborough on 0418 853 881
- Further questions, or queries please contact:
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