## Ministry of Commerce of the People's Republic of China Notice no. 33 (2023)

On 16 September 2011, the Ministry of Commerce published the Notice No. 54 of the year, and decided to impose countervailing measures to the imports of potato starch originating from the EU, tariff rates were 7.5% - 12.4%, for 5 years. n 2016, the Ministry of Commerce announced that AVEBE Cooperative Company will inherit the countervailing rate 12.4% in the applicable countervailing measures against potato starch as well as other rights and obligations of the AVEBE U.A. On 15 September 2017, the Ministry of Commerce published the Notice No. 38 of the year, and decided to impose countervailing measures to the imports of potato starch originating from the EU for 5 years. In 2021, the Ministry of Commerce announced that the Coöperatie Koninklijke Avebe U.A. will inherit the countervailing rate 12.4% in the applicable countervailing measures against potato starch as well as other rights and obligations of the AVEBE Cooperative Company.

On 15 September 2022, per request of the domestic potato starch industry, the Ministry of Commerce published the notice No. 23 and decided to take a sunset review to countervailing measures of the imports of potato starch from the EU since 16 September 2022. The countervailing measures against the import of potato starch originating from the UK shall terminate as of 16 September 2022.

In compliance with provisions of Article 47 of <u>Countervailing Regulation of the People's</u> <u>Republic of China</u>, the Ministry of Commerce made an investigation to possibilities of continuation of subsidies and possibilities of continuation of injury and related evidence. The investigation authority therefore made the final determination. Details are as following.

1 Determination of the Review

The investigation authority determines that, if the countervailing measures are terminated, the subsidies from imports of potato starch from the EU would continue or happen again, and the injury to the domestic industry would continue or happen again.

2 Anti-dumping measures

In accordance with the Article 49 of the <u>Countervailing Regulation of the People's Republic</u> <u>of China</u>, with consideration of the demand and supply of domestic potato starch industry and its development, the investigation authority submitted its suggestion to the Tariff Committee of the State Council, and the State Council decided that as of 16 September 2023, the Ministry of Commerce will continue impose countervailing duties on imports of potato starch from the EU. The period of measures is 5 years.

The product of the sunset review is the same with the Notice No. 54 (2011).

Description to the subject merchandise: Potato starch is a kind of white farina consisting glucosan molecule produced from potato. Its physical and chemical characters is as following: degree of whiteness (457nm blue light reflectivity)  $\geq$ 90%, water content  $\leq$ 20%, viscosity (4% consistence, 700cmg) $\geq$ 1100BU, protein (content in solid)  $\leq$ 0.15%.

Main usage: It is mainly used in food industry in China, which is a major raw material for production of emulsifier, thickener, stabilizer, swelling agent, excipient, etc. It is widely used for puffed food, instant food, sausage, ham, frozen food, soy sauce, soup food, beverage, sugar-making and aquatic product processing fields.

Name of the product under investigation is potato starch. The tariff codes for the product in the Import-Export Customs Tariffs of the People's Republic of China are: 11081300.

The countervailing tariff rates are the same with the Notice No. 54 (2011), No. 72 (2016), No. 38 (2017) and No. 4 (2021) as follows:

- 1. ROQUETTE FRERES 7.5%
- 2. Coöperatie Koninklijke Avebe U.A. 12.4%
- 3. Avebe Kartoffelstarkefabrik Prignitz/Wendland GmbH 12.4%
- 4. All others 12.4%
- 3 Collection of anti-dumping measure

As of 16 September 2023, importers who import potato starch from the EU should pay applicable countervailing duties to the Customs of the People's Republic of China. Countervailing duties shall be assessed ad valorem, with the taxable value being the price CIF on the basis of the transaction price examined and ratified by the Customs; the formula for imposition is: level of countervailing duty= customs dutiable value x rate of countervailing duty. Sectoral import VAT shall be assessed ad valorem, with the taxable value being the price CIF which is on the basis of the transaction price examined and ratified by the Customs, plus duties and countervailing duties.

4 Administrative review and administrative litigation

Those who do not accept the final determination in this case may lawfully apply for administrative review in accordance with the provisions of Article 52 of the <u>Countervailing</u> <u>Regulation of the People's Republic of China</u>, and may also lawfully lodge a case with the People's Court.

5 The notice should be taken into force as of 16 September 2023.

Ministry of Commerce of the People's Republic of China 14 September 2023

Attachment: Determination of the expiry review of the Countervailing Measures of potato starch from the EU

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