

Ministry of Commerce
Announcement No.23 (2022) on initiation of expiry review of the
countervailing measures against the imported potato starch
originating from the EU

<http://trb.mofcom.gov.cn/article/cs/202209/20220903348436.shtml>

On 16 September 2011, the Ministry of Commerce published the Announcement No. 54 (2011), deciding to impose countervailing measures against the imports of potato starch originating from the EU, with a rate of 7.5%-12.4%. In 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 Announcement No. 38, deciding to continue the countervailing measures against the import 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.

In accordance with the Announcement No. 3 (2021) published by the Ministry of Commerce, the trade remedy measures imposed on the EU before 31 December 2020 when the Brexit transition period ended will continue to apply to the EU and the UK, with the implementation period unchanged. Britain will no longer be treated as a member state of the EU in the trade remedy investigation and review cases newly initiated after 31 December 2020.

On 11 July 2022, the Ministry of Commerce received an application for an expiry review of the countervailing measures submitted by the Potato Starch Branch of China Starch Industry Association on behalf of China's industry of potato starch. The applicant pretested that if the countervailing measures were terminated, the subsidization to imports of potato starch originating from the EU would continue or reoccur, and the injury to China's industry would continue or reoccur. Therefore, the applicant requested the Ministry of Commerce to initiate an expiry review on the countervailing measures against the import of potato starch originating from the EU, and maintain the countervailing measures. The applicant did not apply for expiry review of the countervailing measures against the import of potato starch originating from the UK.

In accordance with the provisions of the *Countervailing Regulation of the People's Republic of China*, the Ministry of Commerce made an investigation to the applicants qualification, the investigated products, the same kind of products in China, imports of the investigated products during the countervailing measures are taken, possibilities of continuation of subsidization and possibilities of continuation of injury and related evidence. The prima facie evidences provided by the petitioner are in line with the provisions on industry and industrial representation from the Article 11, 13 and 17 of the *Countervailing Regulation of the People's Republic of China*. The applicant is qualified to submit the application on behalf of China's potato starch industry. The investigation authority believes that the applicants' claim and the prima facie evidence submitted meet the requirements of initiating an expiry review.

In compliance with provisions of Article 48 of *Countervailing Regulation of the People's Republic of China*, The Ministry of Commerce decided to carry out an expiry review of countervailing measures against the imports of potato starch originating from the EU as of 16 September 2022.

The relevant details are hereby made public as follows:

I. Continuation of the countervailing measures

According to the suggestions of Ministry of Commerce, the Customs Tariff Committee of the State Council has decided to continue the countervailing measures during the expiry review period to the imports of potato starch originating from the EU, according to the scope and tariff rate announced in the Ministry of Commerce Announcement No.54 (2011), Announcement No.72 (2016), Announcement No.38 (2017), and Announcement No. 4 (2021). The countervailing measures against the import of potato starch originating from the UK shall terminate as of 16 September 2022.

The countervailing tariff rates are 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%

II. Period of expiry review investigation

The subsidies investigation period of the expiry review is set as 1 April 2021 to 31 March 2022. The industry injury investigation period is set as 1 January 2018 to 31 March 2022.

III. Scope of expiry review investigation

Product investigated during the expiry review is the same as in Announcement No.54 (2011) published by the Ministry of Commerce. Details are as follows:

The name of the investigated product: Potato Starch

Specific description: Potato starch is a white powder composed of polydextrose molecules processed from potatoes. Its physicochemical indexes are: whiteness (457nm blue light reflectivity) $\geq 90\%$, moisture content $\leq 20\%$, viscosity (4% concentration, 700cmg) $\geq 1100\text{BU}$, and protein (content in dry matter) $\leq 0.15\%$.

Main uses: Potato starch is mainly used in the food industry in China. It is an important raw material for the production of emulsifiers, thickeners, stabilizers, expansion agents, excipients, etc. It is widely used in puffed food, convenience food, sausage, ham sausage and other meat products, frozen food, sauce, mud, soup food, beverages, sauces, cooking, sugar making, aquatic product processing and other industries.

It is listed under code of 11081300 in the *Customs Import and Export Tariff of the People's Republic of China*.

IV. Content of review

The content of the review is if terminate the countervailing measures against the import of potato starch originating from the EU, whether it leads to continuation or recurrence of subsidization and industry injury.

V. Registration to intervene in the case

Any interested party may, within 20 days of the publication of this Announcement, register to the Bureau of Trade Remedy and Investigation of the Ministry of Commerce to participate in the expiry review of the countervailing measures. Interested parties should provide information according to the reference registration form, such as basic identity information, quantity and value of the investigated products exported or imported into China, quantity and value of producing same kind products, and their relevance. The reference registration form can be downloaded from the website of the Trade Remedy and Investigation Bureau of the Ministry of Commerce.

The interested parties registered to participate in this expiry review of countervailing measures shall submit electronic version through the Trade Remedy and Investigation Information Platform (<https://etrb.mofcom.gov.cn>), and at the same time submit the written version according to the requirements of the Ministry of Commerce. The electronic version and the written version shall keep the same and consistent in terms of the content and the format.

The interested parties in the Announcement refer to the individuals and organisations defined in the Article 19 of the *Countervailing Regulation of the People's Republic of China*.

VI. Access to Public Information

The interested parties can download from the website of the Trade Remedy and Investigation Bureau of the Ministry of Commerce or go to the Trade Remedy Public Information Office (phone number: 0086-10-65197878) to search, read and copy non-confidential documents of the case. During the investigation, the interested parties can download from relevant website or go to the Trade Remedy Public Information Office to search, read and copy public information of the case.

VII. Comments to the case initiation

The interested parties can submit their comments to the Trade Remedy and Investigation Bureau of the Ministry of Commerce in written within 20 days since the Announcement is published if they would like to make comments on the product scope of the investigation, the standing of the petitioners, the alleged countries and other relevant issues.

VIII. Investigation Approaches

In accordance with the provisions in Article 20 of the *Countervailing Regulation of the People's Republic of China*, The Ministry of Commerce can collect information from the interested parties and investigate by means of questionnaires, sampling, hearing, on-the-spot verification, etc.

In order to obtain the required information, the Ministry of Commerce will normally issue investigation questionnaire to interested parties within 10 working days since the deadline of the above-mentioned registration to participate in the investigation. The interested parties can download the questionnaire from the website of the Trade Remedy and Investigation Bureau of the Ministry of Commerce.

Interested parties shall submit complete and accurate questionnaire responses in specified time limit. The response shall include all information required by the questionnaire.

IX. Submission and processing of Information

The interested parties, when submitting comments and questionnaires during the investigation, shall submit electronic version through the Trade Remedy and Investigation Information Platform (<https://etrb.mofcom.gov.cn>), and at the same time submit the written version according to the requirements of the Ministry of Commerce. The electronic version and the written version shall keep the same and consistent in terms of the content and the format.

For confidential information, interested parties can submit request and reason to the Ministry of Commerce for confidential processing of the information. If the Ministry of Commerce agrees to the request, the interested party should submit the non-confidential outline summary of the confidential information. The outline should include sufficient meaningful information to allow other interested parties to have reasonable understanding of the confidential information. If the interested party cannot provide the outline, it should clarify the reasons. If the interested party does not indicate confidential requests when submit information, the Ministry of Commerce will conduct the information as open for the public.

X. Result of Non-cooperation

In accordance with the Article 21 of the *Countervailing Regulation of the People's Republic of China*, the interested parties shall provide authentic information and relevant documentation to the Ministry of Commerce in the process of the investigation. In the event that any interested party does not provide authentic information and relevant documentation, or does not provide necessary information within a reasonable time limit, or significantly impedes the investigation in other ways, the Ministry of Commerce may make determinations on the basis of the facts already known and the best information available.

XI. Investigation period

The investigation starts from 16 September 2022 and shall normally end before 16 September 2023 (excluding this date).

XII. Contact of MOFCOM

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Relevant website: Trade Remedy and Investigation Bureau, MOFCOM (trb.mofcom.gov.cn)

Ministry of Commerce
15 September 2022

Annex:

Application for expiry review of the countervailing measures against potato starch (public text)
<http://images.mofcom.gov.cn/trb/202209/20220915161918761.pdf>

Application for expiry review of the countervailing measures against potato starch – annex
(public text)
<http://images.mofcom.gov.cn/trb/202209/20220915161934941.pdf>

Reference registration form
<http://images.mofcom.gov.cn/trb/202209/20220915161945220.wps>