

6 January 2025

(25-0028)

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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(A) OF THE AGREEMENT
ON SAFEGUARDS ON INITIATION OF AN INVESTIGATION
AND THE REASONS FOR IT**

CHINA

Meat of Bovine Animals

The following communication, dated and received on 27 December 2024, is being circulated at the request of the delegation of China.

1. Date investigation was initiated

27 December 2024.

2. Product under investigation

Meat of bovine animals, is the collective name of meat from live bovine animals that has been butchered and processed, including carcasses and half-carcasses, other cuts with bone in, and boneless, whether they are fresh, chilled or frozen.

This product is classified under the following code of the Customs Import and Export Tariff of the People's Republic of China: 02011000, 02012000, 02013000, 02021000, 02022000, 02023000.

3. Reasons for initiation of investigation

(i) China Animal Agriculture Association, Animal Agriculture Association of Jilin Province, Animal Agriculture Association of Liaoning Province and other 7 Industry Association (hereinafter referred to as the Applicant), on behalf of the domestic industry of beef, submitted the application for safeguard investigation to the Ministry of Commerce of the People's Republic of China (hereinafter referred to as MOFCOM) on 22 November 2024. The Applicant submitted the information on the product under application for investigation, information on the like product or directly competitive products in China, information on the increased imports of the product under application for investigation, information on the impact of the product under application for investigation on the domestic industry and the relevant evidences.

(ii) Evidence on the basis of which the investigation was initiated.

Information provided by the Applicant indicated a recent dramatic increase in imports of beef under application for investigation (Annex 1).

Information provided by the Applicant indicated decline on relevant productive and economic indices, such as domestic sales price, market share, revenue and profit before tax, which showed domestic industry suffered serious injury (Annex 2).

Information provided by the Applicant included analysis of the reasons on import increase of the product under application for investigation, of which unforeseen development was mentioned.

Information provided by the Applicant indicated a causal link exists between import increase of the product under application for investigation and serious injury suffered by the domestic industry.

4. Point of contact

Trade Remedy and Investigation Bureau
Ministry of Commerce
The People's Republic of China
2, Dong Chang An Street, Beijing, China
Tel: 0086-10-65198435,65198924
Fax: 0086-10-65198172
Websites: <https://trb.mofcom.gov.cn>

5. The Deadlines and procedures for interested parties to present evidence and their comments

(i) Comments on initiation of investigation: Interested parties may submit written comments to Trade Remedy and Investigation Bureau of MOFCOM within 20 days from the Initiation Notice publication day if they wish to comment on the product under investigation or any other related matters.

(ii) Registration for participating in the safeguard investigation: Any interested parties may register to participate in the safeguard investigation at Trade Remedy and Investigation Bureau of MOFCOM within 20 days from the publication day of this notice.

(iii) Hearing: Interested parties may apply to Trade Remedy and Investigation Bureau of MOFCOM for holding a hearing, and may inquire relevant information of hearings on relevant websites.

6. Further information

The Public Notice on Initiation of Safeguard Investigation is available on the website of Trade Remedy and Investigation Bureau of MOFCOM at <https://trb.mofcom.gov.cn>

Annex 1**1.1 Meat of Bovine Animals Import Volume Change in Absolute Value**

Period	Import Volume (10 Kilo-Tons)
2019	165.94
2020	211.80
2021	233.25
2022	268.91
2023	273.69

Period	Import Volume (10 Kilo-Tons)
1 Jan-30 Jun, 2019	69.75
1 Jan-30 Jun, 2020	99.65
1 Jan-30 Jun, 2021	113.31
1 Jan-30 Jun, 2022	115.17
1 Jan-30 Jun, 2023	122.94
1 Jan-30 Jun, 2024	143.88

1.2 Import Volume Change Compared to Total Volume of Production of China

Period	Import Volume (10 Kilo-Tons)	Total Volume of Production of China (10 Kilo-Tons)	Percentage
2019	165.94	667.28	24.87%
2020	211.80	672.45	31.50%
2021	233.25	697.51	33.44%
2022	268.91	718.26	37.44%
2023	273.69	752.68	36.36%

Period	Import Volume (10 Kilo-Tons)	Total Volume of Production of China (10 Kilo-Tons)	Percentage
1 Jan-30 Jun, 2019	69.75	288	24.22%
1 Jan-30 Jun, 2020	99.65	278	35.85%
1 Jan-30 Jun, 2021	113.31	291	38.94%
1 Jan-30 Jun, 2022	115.17	302	38.14%
1 Jan-30 Jun, 2023	122.94	315	39.03%
1 Jan-30 Jun, 2024	143.88	328	43.87%

1.3 Meat of Bovine Animals Import Volume Change Compared to Total Consumption of China

Period	Import Volume (10 Kilo-Tons)	Total Consumption of China (10 Kilo-Tons)	Percentage
2019	165.94	807.49	20.55%
2020	211.80	879.47	24.08%
2021	233.25	928.61	25.12%
2022	268.91	962.73	27.93%
2023	273.69	987.89	27.70%
1 Jan-30 Jun, 2023	122.94	433.07	28.39%
1 Jan-30 Jun, 2024	143.88	465.59	30.90%

Annex 2 Domestic Industry Factors and Indices

1 Like Products (Meat of bovine animals)

Factors/Indices	Unit	2019	2020	2021	2022	2023	1 Jan-30 Jun, 2023	1 Jan-30 Jun, 2024
Consumption Volume	10 Kilo-Tons	807.49	879.47	928.61	962.73	987.89	433.07	465.59
Volume of Production	10 Kilo-Tons	667.28	672.45	697.51	718.26	752.68	315.00	328.00
Sales Volume	10 Kilo-Tons	641.55	667.67	695.36	693.82	714.20	310.13	321.71
Market Share	%	79.45%	75.92%	74.88%	72.07%	72.30%	71.61%	69.10%
Closing Inventory	10 Kilo-Tons	81.98	86.75	88.90	113.34	151.81	118.21	158.08
Domestic Sales Price	RMB/KG	63.80	73.00	77.00	77.60	73.96	76.39	66.63
Profit before Tax	100 Million RMB	168.34	199.78	225.77	279.93	261.00	139.19	22.55

2. Directly Competitive Products (Cattle)

Factors/Indices	Unit	2019	2020	2021	2022	2023	1 Jan-30 Jun, 2023	1 Jan-30 Jun, 2024
Volume of Production	10 Thousand Head	4533.87	4565.45	4707.43	4839.91	5023.48	2090.00	2140.00
Domestic Sales Price	RMB/KG	31.27	35.36	36.84	37.15	34.46	35.82	29.09
Sales Revenue	100 Million RMB	3390.98	3950.11	4517.80	4480.10	4351.48	1881.95	1564.87
Profit before Tax	100 Million RMB	677.22	796.75	820.37	685.79	-140.89	92.34	-183.73
Closing Inventory	10 Thousand Head	9138.27	9562.06	9817.25	10215.85	10508.51	10504.00	10204.00