

FAQs

Where can I view the official documents?

Please visit the below links if you would like to review the official notices.

- Federal Register :: Certain Glass Wine Bottles From the People's Republic of China: Initiation of Countervailing Duty Investigation
- <u>Preliminary Determinations in the Countervailing Duty Investigation of Certain Glass</u> Wine Bottles from China (trade.gov)
- Preliminary Determinations in the AD Investigations of Certain Glass Wine Bottles from Chile, China, and Mexico (trade.gov)

What is the timeline of events regarding this petition?

Detailed timelines and updates can be accessed through the official links provided above.

What are the dumping and countervailing duty rates alleged by the petitioner that could be enacted?

The dumping and CVD rates alleged by the petitioner are just that, allegations. At this point there have been preliminary determinations regarding such duties by the Department of Commerce. However, Commerce now will proceed to consider these rates further and issue final determinations. In addition, these final rates only will go into effect if another Federal agency, the U.S. International Trade Commission (ITC) decides that the dumped or subsidized imports are causing material injury or threat to the domestic industry.

How is this different from the 2019 petition?

The current petition specifically targets 740ml-760ml wine bottles produced in Chile, China, or Mexico, whereas the previous petition attempted to encompass all imported glass food and beverage products and pertained only to imports from China.

Will the AD charges be in addition to CVD deposits?

Yes. Glass wine bottles from China are exposed to liability for both CVD and AD duties. These duties are generally additive, with some exceptions (e.g., to avoid double-counting of certain export subsidies that may be reflected in the dumping margins). Affirmative preliminary CVD or AD determinations result in cash deposit requirements to pay estimated duties. If the investigations result in the imposition of CVD and AD orders, imports will be subject to definitive CVD and AD duty deposits, but those rates are subject to review annually and could change in the future.

How long will these charges be in effect?

The preliminary CVD cash deposit requirements likely will be in effect for four months, and any AD cash deposit requirements will be in effect for approximately six months. If

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Commerce and the ITC both make affirmative final determinations, then CVD and AD duties will be imposed for at least five years and may be renewed indefinitely in five-year increments. While the orders are in place, duty rates may fluctuate as part of Commerce's annual administrative review process. If either Commerce or the ITC makes a negative final determination in the current cases, the relevant investigation(s) will terminate, any collected deposits related to that aspect of the investigation will be returned, and no additional collections will occur with respect to that aspect of the investigation.

What does "critical circumstances" mean?

In order for Commerce to find that critical circumstances exist, there has to be a greater than 15% surge of imports, after the petition was filed. The ITC also has to find as part of its investigation that the surge in imports would seriously undermine the effectiveness of the order in order for the preliminary finding to remain. If CBP collects cash deposits before the final ITC determination, those deposits will be refunded if the ITC reaches a negative determination on critical circumstances.

Why are there ranges of cash deposits?

Commerce assigns CVD and AD rates to all foreign producers/exporters in a given country. In practice, different rates apply to different groups, such as (1) a foreign producer that is individually examined and cooperated fully; (2) a foreign producer that was not individually examined but cooperated fully; and (3) a foreign producer that failed to cooperate.

Why are these charges retroactive?

Any retroactive charges are due to a finding of "critical circumstances" discussed above. To address potential harm from importers accelerating shipments to beat the imposition of preliminary measures, U.S. law allows Commerce to retroactively apply AD/CVD duties to goods imported in the 90 days prior to the preliminary determination if certain requirements are met, including if there is a 15% increase in the volume of subject imports from a foreign exporter during the period following the filing of the petition and the ITC finds that such increase in imports seriously undermines the effectiveness of the AD/CVD order.

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Additional Support

We understand that these developments may raise questions and concerns. Our dedicated team is here to assist you with any inquiries or support you may need. Please do not hesitate to reach out to us for more detailed information or personalized guidance.

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