



## FACT SHEET

### Commerce Finds Dumping and Subsidization of Imports of Ripe Olives from Spain

- On June 12, 2018, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of ripe olives from Spain.
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of a CVD investigation, a countervailable subsidy is financial assistance from foreign governments that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- In the AD investigation, Commerce found that mandatory respondents, Aceitunas Guadalquivir S.L., Agro Sevilla Aceitunas S.COOP Andalusia, and Angel Camacho Alimentacion S.L. were dumping at margins of 17.46 percent, 25.50 percent, and 16.88 percent, respectively. Commerce established a final dumping margin of 20.04 percent for all other producers and exporters of ripe olives from Spain.
- In the CVD investigation, Commerce has calculated a final subsidy rate of 27.02 percent for mandatory respondent, Aceitunas Guadalquivir S.L.U.; 7.52 percent for Agro Sevilla Aceitunas S.Coop.And.; and 13.22 percent for Angel Camacho Alimentacion S.L.. All other producers/exporters in Spain have been assigned a final subsidy rate of 14.75 percent.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates. Further, as a result of the affirmative final CVD determination, if the U.S. International Trade Commission (ITC) makes an affirmative injury determination, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable subsidy rates.
- The petitioner is the Coalition for Fair Trade in Ripe Olives, whose individual members are Bell-Carter Foods, Inc. (CA), and Musco Family Olive Co. (CA).
- The scope of these investigations covers certain processed olives, usually referred to as “ripe olives.” The subject merchandise includes all colors of olives; all shapes and sizes of olives, whether pitted or not pitted, and whether whole, sliced, chopped, minced, wedged, broken, or otherwise reduced in size; all types of packaging, whether for consumer (retail) or institutional (food service) sale, and whether canned or packaged in glass, metal, plastic, multilayered airtight containers (including pouches), or otherwise; and all manners of preparation and preservation, whether low acid or acidified, stuffed or not stuffed, with or without flavoring and/or saline solution, and including in ambient, refrigerated, or frozen conditions.

Included are all ripe olives grown, processed in whole or in part, or packaged in Spain. Subject merchandise includes ripe olives that have been further processed in Spain or a third country, including but not limited to curing, fermenting, rinsing, oxidizing, pitting, slicing, chopping, segmenting, wedging, stuffing, packaging, or heat treating, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in Spain.

Subject merchandise includes ripe olives that otherwise meet the definition above that are packaged together with non-subject products, where the smallest individual packaging unit (*e.g.*, can, pouch, jar, etc.) of any such product – regardless of whether the smallest unit of packaging is included in a larger packaging unit (*e.g.*, display case, etc.) – contains a majority (*i.e.*, more than 50 percent) of ripe olives by net drained weight. The scope does not include the non-subject components of such product.

Excluded from the scope are: (1) Specialty olives<sup>1</sup> (including “Spanish-style,” “Sicilian-style,” and other similar olives) that have been processed by fermentation only, or by being cured in an alkaline solution for not longer than 12 hours and subsequently fermented; and (2) provisionally prepared olives unsuitable for immediate consumption (currently classifiable in subheading 0711.20 of the Harmonized Tariff Schedule of the United States (HTSUS)).

The merchandise subject to these investigations is currently classifiable under subheadings 2005.70.0230, 2005.70.0260, 2005.70.0430, 2005.70.0460, 2005.70.5030, 2005.70.5060, 2005.70.6020, 2005.70.6030, 2005.70.6050, 2005.70.6060, 2005.70.6070, 2005.70.7000, 2005.70.7510, 2005.70.7515, 2005.70.7520, and 2005.70.7525 HTSUS. Subject merchandise may also be imported under subheadings 2005.70.0600, 2005.70.0800, 2005.70.1200, 2005.70.1600, 2005.70.1800, 2005.70.2300, 2005.70.2510, 2005.70.2520, 2005.70.2530, 2005.70.2540, 2005.70.2550, 2005.70.2560, 2005.70.9100, 2005.70.9300, and 2005.70.9700. Although HTSUS subheadings are provided for convenience and US Customs purposes, they do not define the scope of the investigations; rather, the written description of the subject merchandise is dispositive.

- In 2017, imports of ripe olives from Spain were valued at an estimated \$67.6 million.
- The Final Decision Memoranda are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case numbers A-469-817 for the AD investigation and C-469-818 for the CVD investigation.

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<sup>1</sup> Some of the major types of specialty olives and their curing methods are:

- “Spanish-style” green olives: Spanish-style green olives have a mildly salty, slightly bitter taste, and are usually pitted and stuffed. This style of olive is primarily produced in Spain and can be made from various olive varieties. Most are stuffed with pimento; other popular stuffings are jalapeno, garlic, and cheese. The raw olives that are used to produce Spanish-style green olives are picked while they are unripe, after which they are submerged in an alkaline solution for typically less than a day to partially remove their bitterness, rinsed, and fermented in a strong salt brine, giving them their characteristic flavor.
- “Sicilian-style” green olives: Sicilian-style olives are large, firm green olives with a natural bitter and savory flavor. This style of olive is produced in small quantities in the United States using a Sevillano variety of olive and harvested green with a firm texture. Sicilian-style olives are processed using a brine-cured method, and undergo a full fermentation in a salt and lactic acid brine for 4 to 9 months. These olives may be sold whole unpitted, pitted, or stuffed.
- “Kalamata” olives: Kalamata olives are slightly curved in shape, tender in texture, and purple in color, and have a rich natural tangy and savory flavor. This style of olive is produced in Greece using a Kalamata variety olive. The olives are harvested after they are fully ripened on the tree, and typically use a brine-cured fermentation method over 4 to 9 months in a salt brine.
- Other specialty olives in a full range of colors, sizes, and origins, typically fermented in a salt brine for 3 months or more.

## NEXT STEPS

- The ITC is scheduled to make its final determinations on or about July 24, 2018.
- If the ITC makes affirmative final determinations that imports of ripe olives from Spain materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. In the event that a CVD order is issued and suspension of liquidation is resumed in the CVD investigation, Commerce will instruct CBP to require AD cash deposits adjusted by the amount of export subsidies, as appropriate. If the ITC makes negative determinations of injury, the investigations will be terminated.

## FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE	ADJUSTED CASH DPOSIT RATE *
Spain	Aceitunas Guadalquivir S.L.	17.46%	17.45%
	Agro Sevilla Aceitunas S.COOP Andalusia	25.50%	25.39%
	Angel Camacho Alimentacion S.L.	16.88%	16.83%
	All others	20.04%	19.98%

\* The calculated estimated weighted-average dumping margin will be adjusted for export subsidies if the ITC issues an affirmative injury determination and we resume collection of countervailing duties. Unless and until that occurs, AD cash deposits will be collected at the dumping rates shown above.

## FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
Spain	Aceitunas Guadalquivir S.L.U.	27.02 %
	Agro Sevilla Aceitunas S.Coop.And.	7.52 %
	Angel Camacho Alimentacion S.L.	13.22%
	All Others	14.75%

**CASE CALENDAR:**

<b>EVENT</b>	<b>CVD</b>	<b>AD</b>
<b>Petitions Filed</b>	<b>June 22, 2017</b>	<b>June 22, 2017</b>
<b>DOC Initiation Date</b>	<b>July 12, 2017</b>	<b>July 12, 2017</b>
<b>ITC Preliminary Determinations</b>	<b>August 11, 2017</b>	<b>August 11, 2017</b>
<b>DOC Preliminary Determinations</b>	<b>November 20, 2017</b>	<b>January 18, 2018</b>
<b>DOC Final Determinations<sup>^</sup></b>	<b>June 11, 2018</b>	<b>June 11, 2018</b>
<b>ITC Final Determinations</b>	<b>July 24, 2018</b>	<b>July 24, 2018</b>
<b>Issuance of Orders*</b>	<b>July 31, 2018</b>	<b>July 31, 2018</b>

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended (the Act). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act. These deadlines may be extended under certain circumstances.

\*This will take place only in the event of affirmative final determinations from Commerce and the ITC.

<sup>^</sup> As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (January 23, 2018), Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20, through January 22, 2018. Therefore, the final date for these investigations has been tolled by 3 days and all other deadlines have been adjusted accordingly.

**IMPORT STATISTICS:**

<b>SPAIN</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Volume (metric tons)	31,785	31,878	29,739
Value (USD)	62,960,346	70,891,065	67,567,553

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2005.70.5030, 2005.70.5060, 2005.70.6020, 2005.70.6030, 2005.70.6050, 2005.70.6060, 2005.70.6070). Subject merchandise may also be imported under subheadings 2005.70.0230, 2005.70.0260, 2005.70.0430, 2005.70.0460, 2005.70.7000, 2005.70.7510, 2005.70.7515, 2005.70.7520, 2005.70.7525, 2005.70.0600, 2005.70.0800, 2005.70.1200, 2005.70.1600, 2005.70.1800, 2005.70.2300, 2005.70.2510, 2005.70.2520, 2005.70.2530, 2005.70.2540, 2005.70.2550, 2005.70.2560, 2005.70.9100, 2005.70.9300, and 2005.70.9700. These HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics above.