

NON-CONFIDENTIAL

New Zealand Customs Instructions

Canned Peaches from South Africa

May 2014

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1 Introduction

These Customs Instructions replace all previous instructions concerning canned peaches from the Republic of South Africa (South Africa). Any queries concerning these instructions should be directed to the Trade Remedies team of the Ministry of Business, Innovation and Employment. Contact details are given at the end of these instructions.

The Minister of Commerce first imposed anti-dumping duties on imports of canned peaches from South Africa in 1996. There have been a number of reviews and reassessments in the intervening period. The rates of anti-dumping duty in these instructions are the result of a further review and reassessment and apply from 29 May 2014.

2 Goods Subject to Anti-Dumping Duties

Description

The goods subject to the anti-dumping duty are:

“Canned peaches (halves, slices or pieces) packed in various concentrations of sugar syrup and in can sizes ranging from 110 grams to 3 kilograms (A10)”

Refer to [notes](#) below for further comment.

Country of Origin

The country of origin of the subject goods is South Africa.

3 Anti-Dumping Duties

Description

There are two forms of anti-dumping duty imposed: anti-dumping duties in the form of reference prices for the named exporter, and an *ad valorem* (percentage) rate for all other exporters.

Reference Prices:

- Anti-dumping duty is payable only when the average Customs value-for-duty (VFD) of the export price per kilogram of the canned peaches is lower than the reference

price. The amount of anti-dumping duty payable for a specific grade of canned peaches is the difference per kilogram between the export price and the reference price, multiplied by the number of kilograms imported.

- The reference prices for the different grades of canned peaches are in the form of Normal Value (Value for Duty Equivalent) amounts (referred to as NV(VFDE) amounts) and are set in South African Rand.

Ad Valorem (Percentage) Rate:

- The amount of anti-dumping duty payable is the Customs VFD multiplied by the percentage rate (for all grades).

Method

Exporter: Langeberg & Ashton Foods Pty Ltd (L&AF)

For L&AF reference prices have been set on a per kilogram basis for each of the three grades of canned peaches (Choice, Standard and Sub-Standard) that the exporter exports to New Zealand. See Table 1 below.

Table 1: Langeberg & Ashton Foods – Reference Prices

Canned Peach Grade	Reference Price (Rand per Kg)
Choice	■
Standard (Std)	■
Sub-Standard (Sub-Std)	■

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To Calculate the Duty:

Calculate, for each grade of canned peaches, the VFD on the invoice.

Then calculate the weight in kilograms imported for each grade (the nominal can weight multiplied by the number of cans).

Divide the total VFD for each grade with the total number of kilograms imported for that grade. This equals the VFD per kilogram for each grade imported.

To calculate the duty, for each grade the amount per kilogram calculated must be compared in South African Rand with the relevant reference price from Table 1. Therefore convert the amount per kilogram calculated into South African Rand, using the exchange rate for the date of the invoice.

Anti-dumping duty is **only payable** where the average VFD price per kilogram is **lower** than the reference price per kilogram. Therefore for each grade, compare the amount per kilogram calculated on the invoice with the relevant reference price in Table 1 above.

If the VFD calculated is **equal to or higher** than the reference price for that grade **no** anti-dumping duty is payable.

If the VFD per kilogram for the grade is **lower** than the reference price, the anti-dumping duty payable is the difference multiplied by the number of kilograms imported.

The total amount of anti-dumping duty payable is the sum of the amounts calculated for each grade of canned peaches.

All Other Exporters

For all other exporters an *ad valorem* (percentage) rate has been set. This is calculated as **11 percent of the VFD** for all grades and sizes of canned peaches fitting the goods described in Section 2 above.

Examples

L&AF – Comparison with the Reference Prices

Note that the invoiced amounts used below are not actual prices and are used for the purposes of the examples only.

Exchange Rates at Date of Importation:

Find the applicable exchange rates for the date of the invoice.

USD 1.00 : ZAR 10.559; USD 1.00 : NZD 1.2131; ZAR 1.00 : NZD 0.1147

You have an invoice with the following details.

Step 1: For each grade calculate the kilograms (kgs) as per Table 2 below.

Table 2:

Grade and Can size (g/kg)	Quantity	FVFD	Total Kg
Choice 410g	200 cartons (24 cans per carton)	USD1800	$0.410 \times 24 \times 200 = 1968\text{kg}$
Choice 3kg (A10)	50 cartons (6 cans per carton)	USD1278	$3.00 \times 6 \times 50 = 900\text{kg}$
Std. 820g	150 cartons (12 cans per carton)	USD2109	$0.820 \times 12 \times 150 = 1476\text{kg}$
Sub-Std. 410g	200 cartons (24 cans per carton)	USD1863	$0.410 \times 24 \times 200 = 1968\text{kg}$

Step 2: Determine whether Anti-dumping duty is payable:

For each grade calculate the FVFD per kg (as per Table 3 below).

Then convert the FVFD/kg amounts to Rand (ZAR) using the exchange rate at the date of importation (see the exchange rates above). Then compare the average Rand per kg calculated with the reference price for that grade.

Table 3.

Grade	FVFD/kg (USD)	Convert to ZAR/kg	Reference Price	Duty payable	Difference ZAR per kg
Choice	$3078/2868 = 1.073$ (1800+1278/1968+900)	11.33	█	Yes	█
Std.	$2109/1476 = 1.429$	15.09	█	No*	-
Sub-Std.	$1863/1968 = 0.947$	10.00	█	Yes	█

***NOTE:** If the calculated rate per kg of the grade is equal to, or greater than the reference price, no anti-dumping duty is payable.

Step 3: Calculate the anti-dumping duty payable.

Choice grade: ZAR █ (Diff) x (1800kg+1278kg) = ZAR █

Sub Std grade: ZAR █ (Diff) x 1863kg = ZAR █

Total Anti-dumping Duty Payable = ZAR █

Converted to NZD: ZAR █ x 0.1147 (X-rate) = NZD █

Example: All Other Exporters: Application of *Ad valorem* rate

Using the same example invoice data above in Table 2 and the exchange rates:

Calculate the total NZD value for duty on the shipment and multiply by the “other exporter” (residual rate) of **11 percent** on all canned peach imports that fit the goods description.

From the example above: $USD1800+1278+2109+1863 = USD7050$ (FVFD)

Convert to NZD: USD. $USD7050 \times 1.2131$ (USD:NZD X-rate) = NZD8552.36

Total anti-dumping duty payable: $NZD8552.36 \times 11\% = NZD940.76$

4 Notes

1 General

An ALERT is in place for Tariff Item and Statistical Key 2008.70.09 00L and country of origin South Africa.

Goods Description

The anti-dumping duty applies only to peaches imported in cans as described under Section 2 above. It does not cover peaches in other container types.

Container/Can Sizes and Product Styles

The goods covered by the description given above are “*Canned peaches (halves, slices or pieces) packed in various concentrations of sugar syrup and in can sizes ranging from 110 grams to 3 kilograms (A10)*”

Container sizes for these goods are nominal and are based on normal industry usage.

Table 4 below shows nominal sizes and the industry descriptions of the common container/can sizes falling within the description of goods. This list is not exhaustive and peaches may be imported in container/can sizes other than those listed.

The following points should be noted:

- Can sizes refer to nominal net weights, and therefore exclude the weight of the container. Nominal net weights outside the range specified in the goods description (see Section 2) are not subject to anti-dumping duty.
- A10 size cans may be shown with a nominal weight up to 3060 grams. These cans are included in the determination and anti-dumping duty should be collected where applicable on the basis of the nominal weight, for example, 3000 grams for 3060 gram cans.
- Canned peach styles other than halves, slices and pieces are excluded from the determination and are not covered by the anti-dumping duty. Other styles may include peach pulp. Peaches (e.g. sliced, diced or pieces) in jelly do not attract anti-dumping duty as the medium is not a syrup.
- “Sugar syrup” includes fruit juice.
- Sugar should be interpreted broadly to include any sweetener (natural or artificial).
- Duties apply to varieties of peaches, including white peaches. Cans containing a mixture of peaches and other fruit, such as fruit salad, and peaches and pears, are not subject to anti-dumping duty.
- Peaches packed in containers other than cans are not covered by the determination and are not subject to the anti-dumping duties. These may include, for example, frozen peaches in solid pack cartons, peaches packed in plastic pottles, plastic packs and glass jars.

Canned peaches of the kind subject to anti-dumping duties may be invoiced according to either net weight or standard size descriptors, the equivalents of which are shown in Table 4 below.

Table 4

Nominal Weight	Standard Description
120g	Pottles
410 g	N1M
820 g	A2.5 or A22
3 kg	A10

Invoiced Currency

As noted above, in most circumstances the subject goods from South Africa are invoiced in a foreign currency. If calculating the anti-dumping duty for imports from L&AF using the reference prices, the FVFD's need to be converted to South African rand to determine whether anti-dumping duty is payable and the amount payable, which can then be converted back to New Zealand dollars.

5 FAQ Page

The Frequently Asked Questions page may provide additional guidance regarding the applicability of the duties.

6 Further Information

Should you have any queries regarding the operation of the anti-dumping duties described in these instructions please contact Trade Remedies as shown below:

Contact for this investigation: Mike Andrews or Amy Van Ossenbruggen

Direct Telephone: (04) 4702341 or (04) 495 1267

Email: tradrem@mbie.govt.nz