

1. Introduction

These customs instructions replace all previous instructions concerning canned peaches from South Africa. Any queries concerning these instructions should be directed to the Trade Rules and Remedies Group of the Ministry of Economic Development (MED). 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. The rates of anti-dumping duty were reassessed by the Minister of Commerce on 11 February 2008 following the completion of a review. The rates of anti-dumping duty in these instructions apply from 12 February 2008.

2. Goods Subject to Anti-Dumping Duties

2.1 Description

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

2.2 Country of Origin

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

2.3 Known Exporters

Known exporters are Langeberg and Ashton Foods Pty Ltd (Langeberg) and Del Monte South Africa Pty Ltd (Del Monte) and a separate rate of duty has been established for these exporters. Other South African exporters may export to New Zealand from time to time and will be subject to duty at the “other suppliers” rate.

3. Anti-Dumping Duties

3.1 Description

The anti-dumping duties are imposed through the form of reference prices, where anti-dumping duty is payable only when the export price is lower than the reference price. The amount of anti-dumping duty payable is the difference between the two prices.

There are 2 forms of reference prices that are applicable to canned peaches from South Africa.

- Normal Value (Value for Duty Equivalent) amounts (referred to as NV(VFDE) amounts) in South African rand.
- Non-injurious Free on Board amounts (referred to as NIFOB amounts) in NZ dollars.

3.2 Method

Reference prices have been set for the most common can sizes (i.e. 410gm, 825gm and 3kg cans). The duty payable is calculated by deducting the New Zealand Value for Duty (VFD) from the reference price. Where the reference price is in South African rand it must be converted into NZ dollars at the Customs exchange rate at the date of import.

Where exchange rate movements cause the NIFOB amount to exceed the NV(VFDE) amount (which is set at the full margin of dumping) the duty shall be based on the NV(VFDE) amount using the Alternative Rates set out in the table below.

In the case of can sizes that are subject goods but for which separate rates have not been established in the table below, the rate of duty applying shall be based on the NIFOB amount or NV(VFDE) amount for the can size closest to the particular size of the can being imported.

3.3 Rates of Duty

The anti-dumping duty rates established as outlined above are as follows:

Reference Price Levels Per Kilogram

(South African rand, unless otherwise stated)								
Product type and size	Imports from Langeberg & Ashton by Brooke Holdings		Imports from Langeberg & Ashton by other importers		Imports from Del Monte		Imports from Other Suppliers	
	Choice	Sub-std	Choice	Sub-std	Choice	Sub-std	Choice	Sub-std
410gm	NZ\$ 8.65	8.65	12.07	8.65	NZ\$ 8.75	8.75	12.21	8.75
825gm	9.91	7.11	9.91	7.11	10.02	7.19	10.02	7.19
3kg	NZ\$ 7.01	7.01	9.78	7.01	9.89	7.09	9.89	7.09
Alternative Duty*:								
410gm	12.07	-	-	-	12.21	-	-	-
825gm	-	-	-	-	-	-	-	-
3kg	9.78	-	-	-	-	-	-	-

*Note: An alternative duty rate has been set at the NV (VFDE) rate. The NV (VFDE) rate should be applied instead of the NIFOB rate where the NIFOB amount exceeds the NV (VFDE) amount calculated in NZ dollars due to exchange rate fluctuations.

3.4 Example

Below is an example of the calculation of the anti-dumping duty applicable to these goods. Note that the invoiced amounts used below are not actual prices and are used for the purposes of the examples only.

You have an invoice presented by *Brooke Holdings* for the importation of canned peaches from *Langeberg* as follows:

Type and Can Size	Quantity	FVFD	Total Kg
Choice Grade, 410g cans	100 Cases (24 cans/case)	\$US 850	24 x .410 x 100 = 984 kg
Substandard Grade, 825 g cans	100 Cases (24 cans/case)	\$US 1,150	24 x .825 x 100 = 1980 kg

The exchange rate at the date of importation is **NZ\$1 = US\$0.77 and NZ\$1= 5.50 rand.**

The producer is Langeberg and the relevant NIFOB/ NV(VFDE) amounts for this company therefore apply.

Choice Grade 410g cans

Step 1: Identify the NZ VFD per Kg. i.e. establish the foreign value per kg of the goods. Convert this amount into NZD using the exchange rate at the date of importation. This amount is the NZ VFD/kg.

Total FVFD per kg is \$USD 850/ 984 Kg = \$USD 0.86

$\$USD\ 0.86/0.77 = NZ\$ 1.12$
NZ VFD per kg = NZ\$ 1.12

Step 2: Identify the appropriate duty rate for comparison.

Nb. For Brooke Holdings imports from Langeberg only, where a NZ\$ NIFOB rate has been set, an alternative NV(VFDE) rate has also been set in South African rands. Convert this alternative rate to New Zealand dollars using the exchange rate at the date of importation and compare to the NIFOB rate which is already in New Zealand dollars. Select **the lower** of the two rates as this is the applicable anti-dumping duty rate.

NIFOB rate = NZ\$ [redacted] and
Alternative rate = 12.07 rands or $12.07/5.50 = NZ\$2.19$

Since the NIFOB rate (NZ\$ [redacted]) is less than the NV(VFDE) rate (NZ\$ 2.19) the anti-dumping rate that applies in this case is **NZ\$ [redacted]**.

Step 3: Calculate the anti-dumping duty payable.

Nb. No anti-dumping duty is payable if the VFD/kg is higher than the applicable reference price (in this example, NZ\$ [redacted])

If the NZ VFD/kg is lower than the applicable reference price, the difference is the amount of duty payable per kilogram. The amount of duty payable per kilogram multiplied by the number of kilograms of product in the shipment (for that product line) is the total anti-dumping duty payable on the goods.

Since the NZ VFD (NZ\$1.12) is lower than the applicable reference price (NZ\$ [redacted]) by a margin of NZ\$ [redacted], the choice grade peaches will attract a duty of: **NZ\$ [redacted] x 984 Kg = NZ\$ [redacted]**

Sub-Standard Grade 825g cans

Step 1: Total FVFD per Kg is \$USD 1,150/1980 Kg = \$USD 0.58

$\$USD\ 0.58/0.77 = NZ\$ 0.75$

$NZ\ VFD\ per\ kg = NZ\$ 0.75$

Step 2: From the table, the NV(VFDE) rate of 7.11 rand applies. $7.11\ rands/5.50 = NZ\$ 1.29$, therefore the duty = $NZ\$1.29 - NZ\$ 0.75 = NZ\$ 0.54$.

Step 3: Since the VFD is lower than the NV (VFDE) by NZ\$ 0.54, the Sub-standard grade peaches will attract a duty of: $NZ\$ 0.54 \times 1980\ Kg = NZ\$ 1,069.20$.

4. Notes

General

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

Goods Description

Can sizes and Product Styles

The goods covered by the description given above are "Canned peaches (halves, slices and pieces) packed in various concentrations of sugar syrup and in can sizes ranging from 110 grams to 3 kilograms (A10)". Can sizes for these goods are nominal and are based on normal industry usage.

The table given below shows the nominal size and the industry descriptions of the common can sizes falling within the description of goods. This list is not exhaustive and peaches may be imported in can sizes other than those listed.

The following points should be noted:

- Cans with a nominal net weight outside of the range specified in the above goods description, i.e. cans of a size greater than A10 (nominal size 3 kilograms) are excluded from the determination. These goods are therefore not subject to anti-dumping duty.
- A10 size cans may be shown with a nominal weight of up to 3060gms. 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 3000gms for 3060gm cans.
- Canned peach styles other than halves, slices and pieces are excluded from the determination and are not subject to anti-dumping duties. Other styles may include peach pulp.
- "Sugar syrup" includes fruit juice.
- Peaches packed other than in cans are not covered by the determination and are not subject to anti-dumping duties. These may include for example, frozen peaches in solid pack cartons and peaches packed in plastic pottles.

Industry Descriptions

Canned peaches of the kind subject to anti-dumping duties may be invoiced according to either net weight or standard can sizes, e.g. 410gm or N1M. Nominal industry standard weight equivalents are shown below.

Nominal Weight/Contents	Standard Can Description
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410 gm	N1M
825 gm	A2.5 or A22
3 kg	A10

Invoiced Currency

As noted above, in normal circumstances the goods subject to the anti-dumping duties covered by these instructions are invoiced in USD. Therefore the USD invoice should be converted to NZD using the NZCS exchange rate applicable on the date of importation for the purposes of calculating anti-dumping duty. Invoices in other currencies should also be converted to NZD accordingly.

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 the Trade Rules and Remedies Group as shown below:

Contact for this investigation: Anaru Silao or Mike Andrews

Direct Telephone: (04) 470 2284 or (04) 495 1267

Email: anaru.silao@med.govt.nz

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