



Australian Government
**Australian Customs and
Border Protection Service**

INTERNATIONAL TRADE REMEDIES BRANCH

CONSIDERATION REPORT NO. 213

**APPLICATION FOR CONTINUATION OF
ANTI-DUMPING MEASURES**

PROCESSED DRIED CURRANTS

EXPORTED FROM

GREECE

24 JUNE 2013

1 SUMMARY AND RECOMMENDATIONS

This report provides the results of the consideration of an application lodged by Sunbeam Foods Pty Ltd (Sunbeam) for the continuation of anti-dumping measures applying to processed dried currants (currants) exported to Australia from Greece.

1.1 Recommendations

It is recommended that the delegate of the Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (ACBPS) decide not to reject the application.

If the delegate accepts this recommendation, to give effect to that decision, the delegate must sign the instrument at **attachment 1** and publish a notice indicating that ACBPS will inquire into whether the continuation of the anti-dumping measures is justified.

1.2 Application of law to facts

Division 6A of Part XVB of the *Customs Act 1901* (the Act)¹ sets out, among other things, the procedures to be followed by the CEO in dealing with an application for the continuation of measures.

The Division empowers the CEO to reject or not reject an application for continuation of anti-dumping measures.

If the CEO decides not to reject the application, the CEO must publish a notice indicating that it is proposed to inquire whether continuation of the measures is justified.

The CEO's powers have been delegated to certain officers of ACBPS.

1.3 Findings and conclusions

The CEO must reject an application for the continuation of measures if he or she is not satisfied that:

- the application complies with section 269ZHC; and
- there appear to be reasonable grounds for asserting that the expiration of the anti-dumping measures to which the application relates might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.

Sunbeam's application complies with the requirements of section 269ZHC, in that it is in writing, in an approved form, contains the information that the form requires and is correctly signed.

¹ A reference to a division, section or subsection in this report is a reference to a provision of the Act, unless otherwise specified.

Having regard to the applicant's claims and other relevant information, there appears to be reasonable grounds for asserting that the expiration of the anti-dumping measures might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.

The anti-dumping measures on currants as far as they relate to all exporters other than Agricultural Co-Operative Union Aeghion (Aeghion) have not been reviewed since their introduction in 2009.

The anti-dumping measures on currants as far as they relate to Aeghion were reviewed in 2012/13, and the measures in so far as they relate to that entity were revised on and from 13 May 2013.

As it appears that one or more of the variable factors relevant to the taking of the measures may have changed, for both Aeghion and all remaining exporters, it is proposed to recommend that the Minister for Home Affairs (the Minister) request that the CEO initiate a review of the measures to be conducted concurrently with the continuation inquiry.

2 BACKGROUND

On 5 April 2013, ACBPS published a notice in *The Australian* newspaper inviting certain persons to apply to the CEO of ACBPS for the continuation of anti-dumping measures on currants exported to Australia from Greece.²

On 3 June 2013, Sunbeam, the major producer of currants in Australia, lodged an application for the continuation of the measures, in accordance with the applicable legislative timeframes.³

2.1 History of the anti-dumping measures

- 4 March 2008 Sunbeam lodged an application requesting that the then Minister publish a dumping duty notice in respect of currants exported to Australia from Greece.
- 6 January 2009 The then Minister published a dumping duty notice applying to currants exported from Greece after accepting the recommendations made by ACBPS in Trade Measures Report No. 140 (REP 140).
- This decision was subject to a reinvestigation following an appeal to the Trade Measures Review Officer and the original decision was affirmed by the Minister on 4 November 2009 (after accepting the recommendations contained in Trade Measures Report No. 149 (REP 149)).
- 13 May 2013 The measures relating to exports of currants from Greece by Aeghion were subject to a review and the Minister subsequently revised the measures in so far as they relate to Aeghion (after accepting the recommendations in International Trade Remedies Report No. 192 (REP 192)).

The anti-dumping measures on currants as far as they relate to all exporters other than Aeghion have not been reviewed since their introduction in 2009.

3.2 The goods

The goods subject to anti-dumping measures are processed dried currants of the grape variety *Vitis Vinifera L. Black Corinth*.

Sultanas, muscat raisins, unprocessed currants or blended dried fruit mixtures are excluded from the definition of the goods.

The goods subject to anti-dumping measures do not include a reference to the percentage content of currants.

² In accordance with section 269ZHB.

³ In accordance with section 269ZHC(2).

2.2 Tariff classification of the goods

The goods are correctly classified to tariff subheading 0806.20.00, statistical code 29 in Schedule 3 of the *Customs Tariff Act 1995* (Cth).

The rate of duty for the goods exported from Greece is 5 per cent.

2.3 Australian industry producing like goods

The issue of like goods was considered during the original investigation in REP 140.

In REP 140 (affirmed in REP 149) ACBPS was satisfied that there was an Australian industry producing like goods to the goods under consideration.

In REP 140, Sunbeam was recognised as major producer of currants in Australia. In its application for the continuation of measures, Sunbeam has again identified itself as the major Australian producer of currants, claiming that its production represents over 80 per cent of the total Australian production of currants.

In REP 140, ACBPS determined that, in line with section 269T(4B), that currants are close processed agricultural goods. ACBPS was therefore satisfied that, due to the operation of section 269T(4A), the Australian industry for currants (i.e. processed dried currants, the goods subject to measures) consists not only of the person or persons producing currants, but also of the person or persons producing the raw agricultural goods (i.e. dried currant growers, with dried currants being the input into processed dried currants) from which the processed goods are derived.

2.3.1 Processed dried currant producers

In REP 140, ACBPS found that there were three Australian currant producers during the investigation period of that investigation (1 April 2007 to 31 March 2008):

- Sunbeam;
- Sunraysia Dried Fruits Pty Ltd (Sunraysia); and
- Clyne Foods Pty Ltd (Clyne).

In the review report, REP 192, ACBPS found that there was an Australian industry producing currants that consisted of:

- Sunbeam;
- Sunraysia; and
- Australian Premium Dried Fruits Pty Ltd (Australian Premium).

REP 192 noted that the entities which comprise the Australian industry have changed since the original investigation, outlining that Clyne has ceased operation, and that Australian Premium was a relatively new entrant to the

Australian industry and has, in general terms, absorbed the market share previously held by Clyne.

Sunbeam submitted in its continuation application that Australian Premium is now the sole other Australian producer of currants, and that entity's production makes up the balance of currants produced in Australia (i.e. only Sunbeam and Australian Premium produce currants in Australia). Sunbeam makes no mention of Sunraysia in its continuation application.

It is unclear whether Sunraysia is still a member of the Australian currants industry – this will be examined by ACBPS during its continuation inquiry.

2.3.2 Dried currant growers

In REP 140, ACBPS noted that there are numerous producers of dried currants in Australia.

ACBPS identified that the Australian Dried Fruit Association Inc. (ADFA) is the peak industry body that represents Australian dried fruit growers. ACBPS understood that, in respect of dried currants, ADFA members account for the majority of dried currant production in Australia.

For the purposes of REP 140, ACBPS accepted information presented on behalf of Australian dried currant growers by ADFA as being reasonably representative of dried currant growers, generally.

In its application, Sunbeam has identified that Dried Fruits Australia (DFA – previously ADFA) still represents Australian dried currant growers.

2.4 Australian market

The currants market in Australia is supplied by Australian production, imports from Greece and imports from other countries.

The original investigation found that the Australian market for currants during the 2007/08 financial year was in excess of 2,800 metric tonnes.

In its application for continuation, Sunbeam provided sales, cost to make and sell (CTMS), and profit data for the period of financial year 2010/11 to quarter one 2013 (i.e. up to quarter three of financial year 2012/13). This data has been combined with import data and the assumption that Sunbeam represents 80 per cent of the Australian industry to arrive at an estimate of total market size for April 2012 – March 2013.

2.4.1 Market segmentation

In REP 140, ACBPS found that the Australian currants market can be broadly segmented into the following categories:

- retail
- food service; and

- industrial food processing.

These segments are differentiated by pack size, with the retail market involving packs of 300 grams – 1 kilogram and the food service and industrial segments involving larger pack sizes, including 10 – 12 kilogram sizes.

ACBPS therefore considered that the market could be divided effectively into two segments:

- retail; and
- industrial food (industrial food processing and food service).

This segmentation will again be considered in the continuation inquiry.

3 COMPLIANCE WITH SECTION 269ZHC

Sunbeam's application complies with the requirements of section 269ZHC.

3.1 Legislative framework

Section 269ZHC(1) specifies that an application under section 269ZHB must:

- (a) be in writing;
- (b) be in an approved form;
- (c) contain such information as the form requires; and
- (d) be signed in the manner indicated in the form.

Section 269ZHC(2) and (3) cover procedural matters in relation to lodgement of the application.

3.2 ACBPS assessment

Sunbeam's application was in writing, in the approved form, contains such information as the form requires and is signed in the manner indicated in the form.

The applicant also provided a non-confidential version of the application for distribution to interested parties.

The non-confidential version of the application adequately reflects the reasons for seeking a continuation of the anti-dumping measures. The non-confidential application will be available on ACBPS' public record (which can be accessed electronically at www.customs.gov.au).

4 CONSIDERATION OF REASONABLE GROUNDS

Having regard to the applicant's claims and other relevant information, there appear to be reasonable grounds for asserting that the expiration of anti-dumping measures might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.

4.1 Legislative framework

Section 269ZHD(2)(b) requires consideration of whether there appear to be reasonable grounds for asserting that the expiration of the anti-dumping measures might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.

For the purposes of considering section 269ZHD(2)(b), the applicant's claims have been examined and assessed according to whether it is reasonable to assert that, in the absence of anti-dumping measures, exports of the goods might:

- 1) continue or recur;
- 2) be at dumped prices; and
- 3) lead to a continuation of, or recurrence of material injury.

4.2 Is it reasonable to assert that exports of the goods might continue or recur in the absence of measures?

4.2.1 Applicant's claims

Sunbeam has relied on Australian Bureau of Statistics (ABS) data submitted in its original (2008) application for anti-dumping measures and further ABS data for the 2010/11 – 2012/13 harvesting years (March to February) to demonstrate trends of imports of currants from 2002 – March 2008 and then March 2010 – February 2013.

Sunbeam's application observes that import volumes of Greek currants during the 2010/11 harvesting year were approximately 14 per cent below the period April 2007 – March 2008, while imports in the 2011/12 harvesting year increased by 27 per cent from the previous year (and were approximately 9 per cent above the period April 2007 – March 2008).

Following this increase, Sunbeam's application alleges that, in the harvesting year 2012/13, imports of currants from Greece fell significantly (by 72 per cent) from the harvesting year 2011/12.

Sunbeam alleges in its application that it is anticipated that, if measures are not continued, the levels of imports of currants from Greece seen in the 2012/13 harvesting year will likely increase to levels seen prior to the original investigation and imposition of measures (i.e. specifically, pre-March 2008).

Sunbeam submits that these previous levels are only likely in the absence of measures, as Sunbeam's view is that the measures operate as a deterrent to exports of Greek currants at dumped prices.

Further, Sunbeam highlighted in its application that Greek exporters of currants have maintained distribution links into the Australian market (evidenced by the recent review of exports by Aeghion).

4.2.2 ACBPS assessment

ACBPS's import database shows the following trend in imports of currants from all origins by financial year (not harvesting year as discussed by Sunbeam in its application).

This analysis forms **confidential appendix 1**.

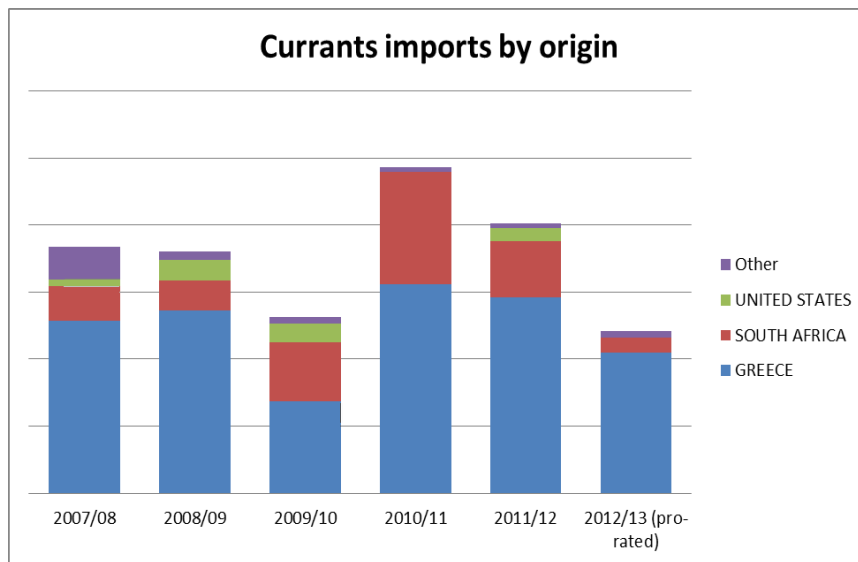


Chart 1 – Imports of currants by country of origin

Imports of currants from Greece were subject to anti-dumping measures from 17 November 2008.⁴ The 2009/10 financial year was the first full financial year since the imposition of anti-dumping measures on currants from Greece.

Noting the trends demonstrated in Chart 1, it is evident that Greece is historically and currently an important source of supply for imported currants. Greek currants are known to have an established distribution network in Australia, evidenced in the most recent review of the anti-dumping measures, and through multiple duty assessments of imports of Greek currants that have occurred regularly since the imposition of anti-dumping measures in 2009.

⁴ The CEO made a preliminary affirmative determination in relation to currants from Greece on 17 November 2008, and collected securities on imports of those goods that were entered for home consumption on and after that date. Where applicable, these securities were converted to interim dumping duty following the Minister's decision to impose measures in January 2009.

ACBPS considers that the ACBPS import data correlates with data submitted by Sunbeam (noting the difference between the period examined by Sunbeam (harvesting year) and ACBPS (financial year)).

However, ACBPS' data does not necessarily support Sunbeam's submission that the removal of anti-dumping measures on currants may see an increase to pre-March 2008 (or pre-measures) levels and that this is 'only likely' in the absence of the measures. In particular, ACBPS' import data shows that total volumes of imports of currants from Greece in the 2010/11 and 2011/12 financial years (subject to anti-dumping measures) exceeded the import volume of the 2007/08 (not subject to the measures) and 2008/09 financial years (partially subject to the measures).

The data shows that the trends relevant to Greek currant imports highlighted by Sunbeam in its application in fact follow the overall trend of total currant imports, as opposed to being specific to Greek currants alone. It is clear from the data that there have been significant fluctuations in overall import volumes over the past four financial years, which warrants further investigation in considering whether or not to continue the anti-dumping measures.

Regardless, ACBPS considers that the importance of Greek currants as a source of import supply, and the fact that established distribution links for Greek currants remain in place in the Australian market, make it reasonable to assert that, in the absence of anti-dumping measures, exports of currants from Greece might continue (noting that, even with measures in place, significant imports of these goods have occurred).

4.3 Is it reasonable to assert that exports of the goods might be at dumped prices in the absence of measures?

4.3.1 Applicant's claims

In its application, Sunbeam submits that, in the absence of measures, it is likely that Greek currants exported to Australia would be at dumped prices.

In making this submission, Sunbeam has relied on ABS data from its original application for measures to demonstrate the export price of Greek currants during 2007 (pre-measures), and additional ABS data submitted in its application for the continuation of measures to demonstrate that Greek export prices have increased by between 57 and 88 per cent from 2007 to the harvesting year 2012/13.

Sunbeam notes the findings of the original investigation that currants from Greece were dumped at between 30 and 80 per cent, and submits that, despite an appreciation of the Australian dollar, export prices of currants from Greece have increased in accordance with the anti-dumping measures.

Sunbeam further submits that, in the absence of anti-dumping measures, exporters of currants from Greece will likely reduce their export prices to Australia to 'secure increased volumes at comparable levels evident prior to the imposition of the anti-dumping measures'.

Further to the above, Sunbeam’s application highlights the outcome of the recent review into exports by Aeghion, a major exporter of currants from Greece to Australia. Currants exported by Aeghion from 1 October 2011 to 30 September 2012 were found to be dumped by 4.2 per cent.

Sunbeam further submits that it has not observed any increase in export prices of currants from Aeghion following the review period, and included a quote in its application that it cites as being sourced from ACBPS’ report for the recent review (REP 192) to support this (refer page 6 of Sunbeam’s application).

ACBPS is unable to locate this quote in REP 192, and is hence unclear as to where the quote has been sourced from.

Sunbeam subsequently submits these assertions are evidence of the fact that exports of currants from Greece have been dumped following the initial investigation of the goods (demonstrated by the recent review) and that future exports ‘at these levels’ (i.e. those observed from Aeghion following the review) will also likely be at dumped prices.

4.3.2 ACBPS assessment

ACBPS has examined trends in export prices from the major import sources of currants to Australia (Greece and South Africa) from financial years 2006/07 to 2012/13.⁵ This is outlined in the below table.

This data is contained in **confidential appendix 2**.

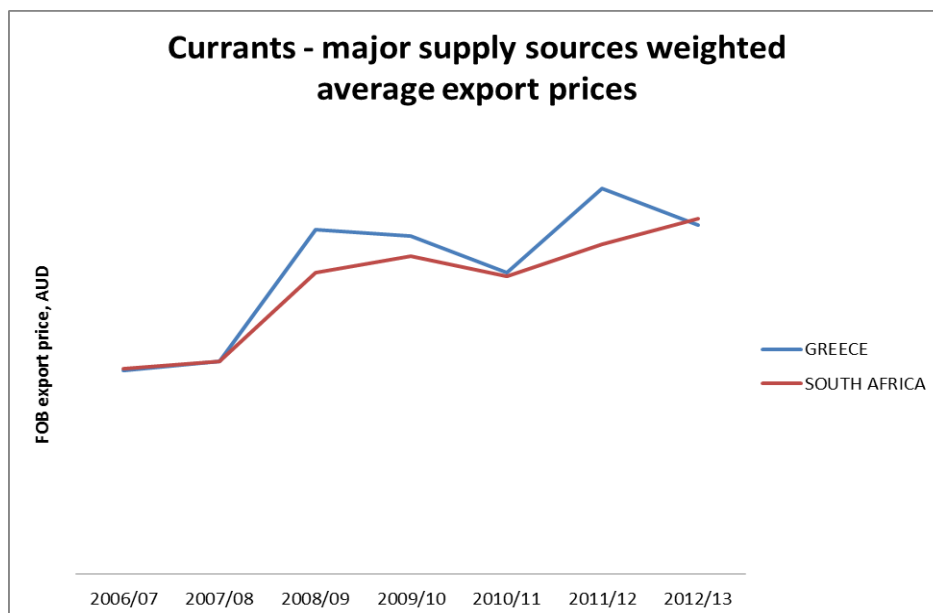


Chart 2 – currants weighted average export prices of major supply sources

⁵ At the time of publication of this report, the 2012/13 financial year has not been completed. Chart 2 therefore includes data up to mid-June 2013.

The above demonstrates the increase in export prices observed in Sunbeam's application in relation to Greek currants, but indicates that this trend is also observable in relation to South African currants, the other major source of import supply (not subject to anti-dumping measures).

Further, the data in Chart 2 demonstrates that unit FOB export prices of Greek currants have been above those of the major other import supply (excluding 2012/13, where Greek export prices have dropped below South African prices).

The trend demonstrated in Chart 2 indicates that factors other than the anti-dumping measures may have contributed to increasing export prices from Greece following the 2009 imposition of measures, and that the anti-dumping measures currently in place are not necessarily responsible for keeping Greek export prices above that of pre-measure levels. Consequently, Sunbeam's submission that it believes that the removal of measures would result in a decrease in export price (and hence dumping) is not wholly supported by the observed trends in export prices.

In addition, ACBPS considers that Sunbeam's submission that if the measures lapse it expects to see a decrease in export prices of Greek exporters to increase export volumes to pre-measures levels is also not fully supported.

Specifically, the data outlined in Chart 1 above indicates that export volumes of currants from Greece have reached (and in some cases exceeded) pre-measures volumes while measures have been in place. It is also clear from the data in Charts 1 and 2 that Greek currant exporters have managed to maintain volumes to Australia even while their export prices have increased. This has been the case even though Greek currants have generally been more expensive than currants from South Africa, the next largest source of supply.

Despite this, the outcome of the recent review of measures demonstrated that currants exported to Australia from Greece from a major Greek exporter have been dumped as recently as the period 1 October 2011 to 30 September 2012. In addition, the export price data in Chart 2 above demonstrates that there has been a decline in export price of currants from Greece in the 2012/13 financial year, indicating that export prices have fallen since the review period (though the relativity to the normal value of the goods, which may also have decreased, is unknown for the majority of this period).

Further, imports of currants from certain exporters have been subject to several duty assessments since the 2009 imposition of anti-dumping measures. In multiple cases, these assessments resulted in a partial (and not full) refund of interim dumping duty.

Consequently, it is considered that there are reasonable grounds to assert that, in the absence of anti-dumping measures, exports of currants from Greece may be at dumped prices.

4.4 Is it reasonable to assert that exports of the goods might lead to a continuation of, or recurrence of material injury, in the absence of measures?

4.4.1 Applicant's claims

In its application, Sunbeam submitted that, if anti-dumping measures on currants from Greece were allowed to expire, it is likely that the Australian industry (including processors and dried currant growers) would experience a recurrence of material injury from dumped Greek currants.

In making this claim, Sunbeam submits that:

- the anti-dumping measures have reduced the level of material injury caused to the Australian industry since the original investigation, causing reasonable restraint by Greek exporters that have increased export prices to Australia, allowing Australian currant producers to increase their selling prices and have a flow-on effect of raising prices paid to dried currant producers; and
- two recent examples have been observed where Sunbeam has been injuriously undercut by Greek currants (which were reportedly chosen over Sunbeam currants at prices below its offers, and even below Sunbeam's net price realisations).

Sunbeam did not provide documentary evidence of the alleged recent undercutting of its prices by Greek imports. Limited weight has therefore been placed on this claim.

Further, Sunbeam submitted that, since the imposition of anti-dumping measures, its profit on currants has improved and the payments from processors (Sunbeam and other currants producers) to growers of dried currants increased.

However, Sunbeam's application highlights that the data submitted in its application demonstrates a deterioration in profits over the period of financial year 2010/11 to quarter three 2012/13, as well as a 'reduction in payments to growers' of dried currants, which Sunbeam attributes to 'further price competition from imports'.

Sunbeam submits in its application that the reduced prices to growers demonstrates that the Australian industry is susceptible to a recurrence of material injury from Greek currants should anti-dumping measures be removed.

4.4.2 ACBPS assessment

For the purposes of this report, ACBPS has amalgamated data provided by Sunbeam to ACBPS for the purposes of:

- this continuation inquiry;
- the original investigation; and

- a past duty assessment

to enable the examination of Sunbeam’s domestic sales volumes, values CTMS over the period 2003/04 to 2012/13.

This data is only partially verified by ACBPS.

This data, and its analysis, is contained within **confidential appendix 3**.

Examination of Sunbeam’s economic performance

a) Sales volume

Sunbeam’s Australian sales volume of currants is charted below (pro-rated in the case of volumes for the final quarter of the 2012/13 financial year).

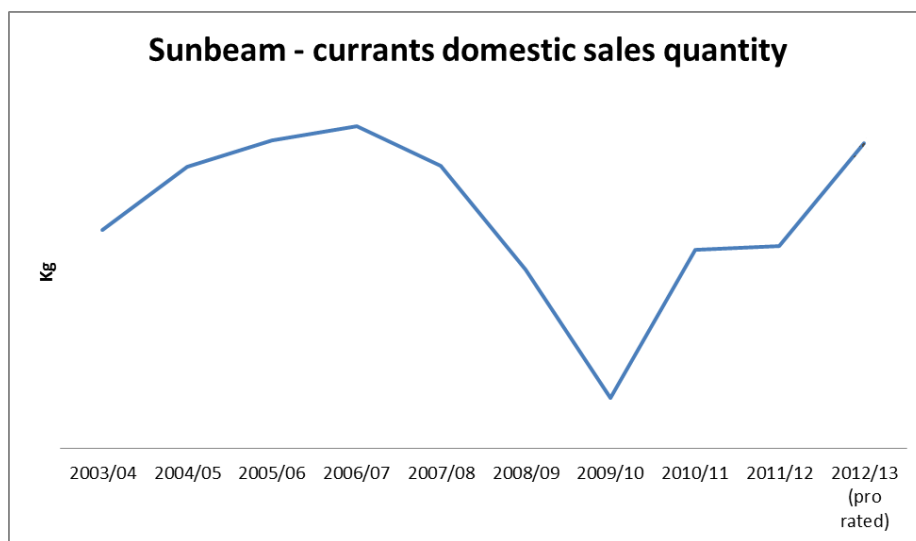


Chart 3 – Sunbeam currants domestic sales volumes

This chart demonstrates that Sunbeam’s overall sales volume of currants, while growing year-on-year from 2003/04 to 2006/07, suffered a decrease in 2007/08 followed by a significant fall in 2008/09 and a further significant drop in 2009/10 (the first year covered partially by anti-dumping measures). Sunbeam’s total sales volume of currants then increased in 2010/11, 2011/12 and 2012/13.

The trends shown in Chart 3 up to 2011/12 appear consistent with those observed in Chart 1 relating to the total import volumes of currants, suggesting overall market expansions and contractions over these years have driven the volume trends seen in Charts 1 and 3, as opposed to marked shifts between import and domestic supply. However, Chart 3 displays a significant increase in Sunbeam’s total sales volume of currants in 2012/13, which is contrasted with the overall decline in import volumes observed in Chart 1 in that year (noting that Sunbeam’s data for this year has been pro-rated based on the assumption that all quarters have similar sales volumes, which may not be the case).

b) *Costs/price relationship*

Sunbeam's average unit domestic selling prices and unit domestic CTMS for two of Sunbeam's largest volume selling products have been charted below.

The two products represented in the below charts represent in excess of 70% of Sunbeam's sales volume of currants throughout the examined period.⁶

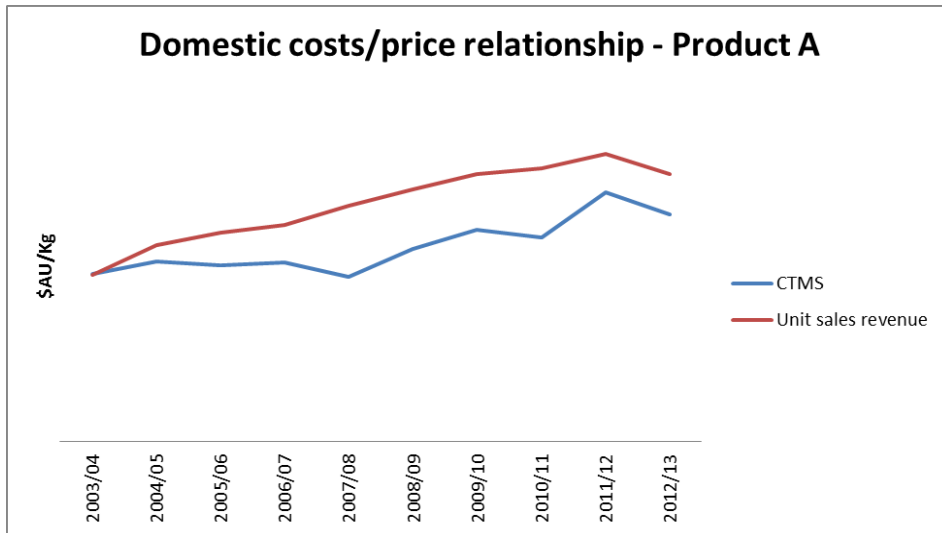


Chart 4 – Sunbeam currants domestic sales volumes

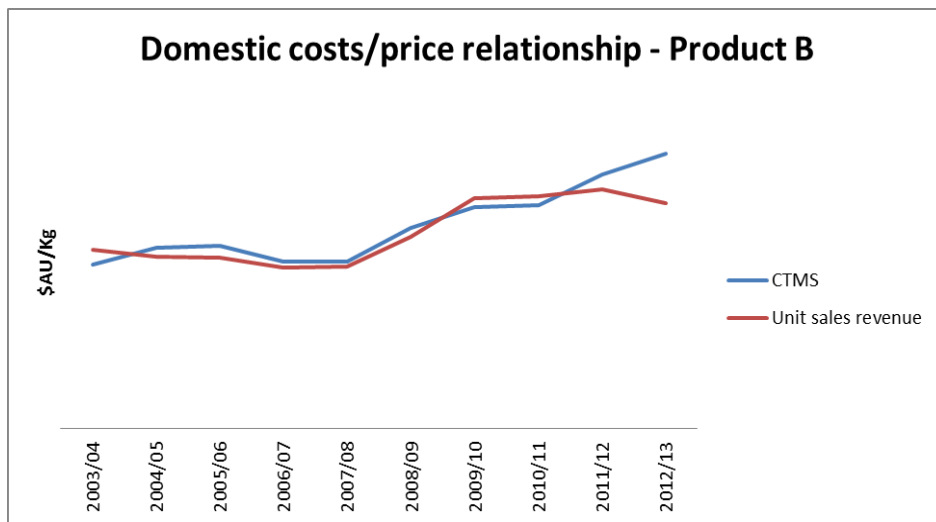


Chart 5 – Sunbeam currants domestic sales volumes

These charts support Sunbeam's submission that its selling prices increased following the imposition of anti-dumping measures, and follow a trend somewhat consistent with that observed in relation to the export price (and presumably resultant Australian selling prices) of Greek currants in Chart 2,

⁶ For 2012/13, ACBPS observed that a shift occurred in Product A from the product code used for 2003/04 – 2011/12 to a slightly different product code that appeared to be introduced in 2012/13. From the data provided, it appears that these product codes are effectively the same product, and hence the data for the 2012/13 product code has been used in this report's analysis.

including a fall in selling prices for both products from 2011/12 to 2012/13. This suggests that the price of Australian and Greek currants is somewhat interconnected.

This is supported by ACPBS' findings in REP 140, which states:

Customs considers that the Australian industry competed directly with imports of currants from Greece and that Frutex⁷ was a price leader for currants imported from Greece.

Notwithstanding the range of global factors likely to affect the price of currants, as suggested by Frutex, Customs is satisfied that the relativity of prices offered by suppliers in Australia, at any given point in time, remains a very important consideration for purchasers of currants.⁸

The data also demonstrates an overall increase in Sunbeam's unit CTMS for its two major currants products, which was at all times from 2004/05 below the unit sales price of Product A, but in several financial years was above the unit sales revenue of Product B (remaining above the unit sales revenue of Product B in 2012/13). The data also shows that increases in the CTMS of Product A in 2011/12 were not accompanied by a proportionate increase in unit selling prices, though an increase in these prices is observed.

This data indicates that Sunbeam has experienced price injury across both examined products since the imposition of anti-dumping measures.

c) Unit profit

Sunbeam's domestic unit profit in relation to its two largest volume selling products is charted below.

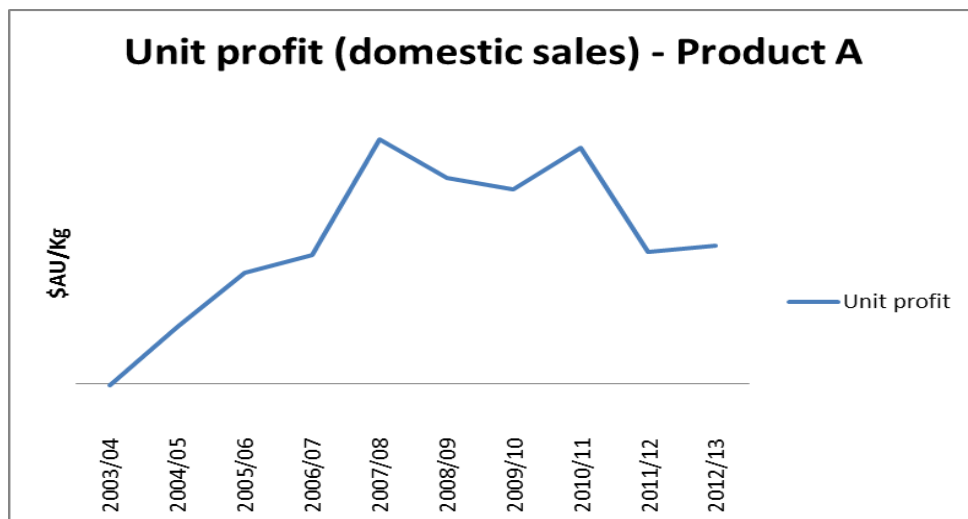


Chart 6 – Sunbeam profit – Product A

⁷ A major Australian importer of currants during the investigation period. Frutex remains a major currants importer.

⁸ REP 140 at Section 6.5.1.

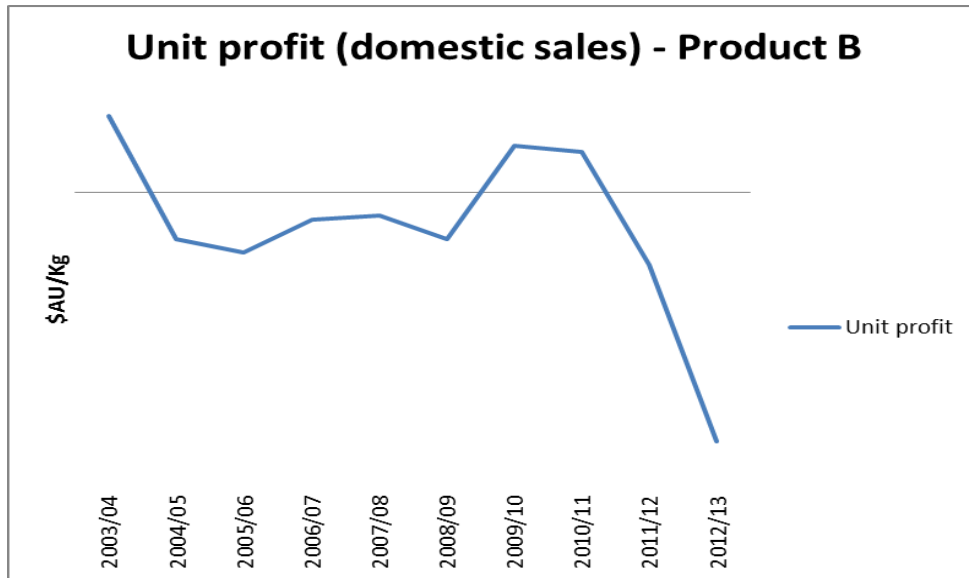


Chart 7 – Sunbeam profit – Product B

The above charts demonstrate an increase in unit profit for the two examined products following the imposition of measures in financial years 2008/09 and 2009/10, as submitted by Sunbeam in its application. This is followed by a slight decrease in profit for Product B in 2010/11, accompanied by an increase in unit profit for Product A in that period.

However, into 2011/12, significant decreases in unit profit for both products are observed, with a continued drop in unit profit for Product B into 2012/13 and a slight improvement in unit profit for Product A over that period.

d) Conclusion

From the above, ACBPS considers that evidence exists that demonstrates that, since the imposition of anti-dumping measures in financial year 2008/09 Sunbeam has experienced some profit and price injury in 2011/12 and 2012/13, and volume injury in 2009/10.

It is evident that the Australian industry is therefore susceptible to material injury, even with anti-dumping measures in place.

Market share and impact of Greek currants

The below charts display ACBPS' analysis of the total Australian currants market for 2011/12 and 2012/13 (pro-rated), using import data, Sunbeam data and an estimation of the sales volume of other Australian industry members.

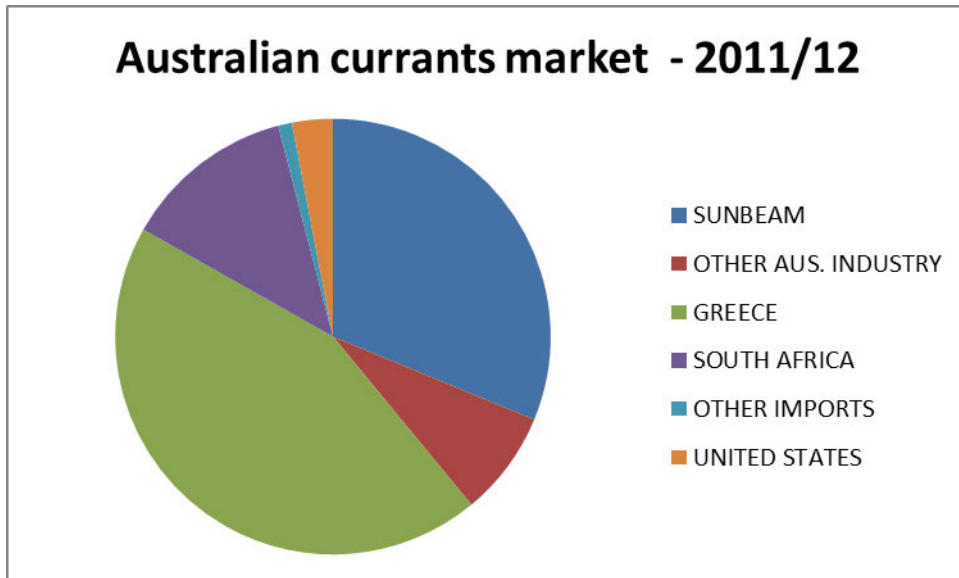


Chart 8 – Australian currants market share – 2011/12

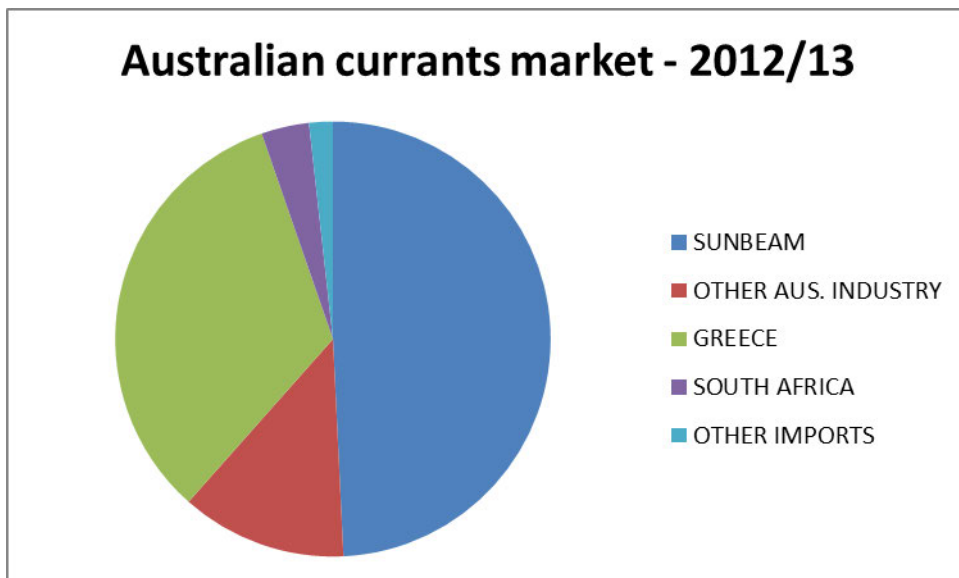


Chart 9 – Australian currants market share – 2012/13

As discussed in Section 4.2, Greek currants remain the predominant source of import supply of currants, and have established distribution links in Australia.

Charts 8 and 9 above show that Greek currants were the largest source of overall supply of the Australian currants market in 2011/12, followed by Sunbeam. In 2012/13, Sunbeam was the major source of supply, followed by Greece.

This demonstrates the prevalence of Greek currants in the Australian market.

In addition, the findings of REP 140 (reproduced at Section 4.4.2 above), demonstrates the importance of price in purchasing decisions.

Consequently, the importance of Greek currants, their potential impact on the Australian market (and therefore Australian industry), and the importance of price in making purchasing decisions, is considered to be well established.

ACBPS' assessment

Although ACBPS considers that available evidence does not conclusively support Sunbeam's claim that exporters are likely to decrease export prices (and hence increase dumping) in the absence of measures, causing material injury to the Australian industry, ACBPS considers that:

- Greece is a major source of supply in the Australian market, and it is reasonable to assert this supply is likely to continue in the future;
- currants from Greece have been imported recently at dumped prices and it is reasonable to assert this dumping will continue in the absence of anti-dumping measures;
- Greek currants have a major impact on the Australian currant market, with the Australian industry competing directly with Greek imports; and
- the Australian currant market is price-sensitive;
- the Australian industry's and Greek exporters' prices of currants follow similar pricing trends and appear interconnected; and
- the Australian industry is susceptible to injury.

In light of the above, ACBPS considers that it is reasonable to assert that, in the absence of anti-dumping measures, the Australian industry may experience a recurrence or continuation of material injury from dumped Greek currants.

4.5 Conclusion on "reasonable grounds"

There appear to be reasonable grounds for asserting that the expiration of anti-dumping measure to which the application relates might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.

Accordingly as the delegate of the CEO you are recommended not to reject the application.

In accordance with section 269ZHD(4) you will need to publish notice indicating that it is proposed to inquire into whether continuation of the measures is justified.

5 LIST OF APPENDICES AND ATTACHMENTS

Attachment 1	Delegate's instrument
Confidential appendix 1	Import volume data analysis.
Confidential appendix 2	Export price data analysis
Confidential appendix 3	Sunbeam CTMS, sales and price analysis