

24 September 2013

Ms Joanne Reid  
Director  
Anti-Dumping Commission  
C/o The Australian Customs and Border  
Protection Service  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601



T: (03) 5023 5174 F: (03) 5023 3321  
E: enquiries@driedfruitsaustralia.org.au  
[www.driedfruitsaustralia.org.au](http://www.driedfruitsaustralia.org.au)

Received  
30 September 2013

54 Lemon Avenue  
P.O. Box 5042, Mildura Vic. 3502

ABN: 88 658 293 079

Dear Ms Reid

**Re: Continuation and Review of Measures Inquiries – Processed currants exported from Greece**

#### Introduction

Dried Fruits Australia (“DFA”) is an interested party in the Anti-Dumping Commission’s (“the Commission”) Continuation (Investigation No. 213) and Review (Investigation No. 220) inquiries into anti-dumping measures exported from Greece. DFA is the industry association that represents growers of dried vine fruits, including dried currants, the unprocessed raw material used in the manufacture of processed currants.

In the original investigation (Inquiry No. 140), the then Australian Customs and Border Protection Service (“Customs and Border Protection”) concluded that the industry supplying dried currants had experienced material injury in the form of price depression, price suppression, loss of sales volumes and unprofitable rates of return. The injury experienced by the dried currant growers could be attributed to exports of processed dried currants from Greece at dumped prices.

The anti-dumping measures applicable to processed currants exported from Greece are scheduled to expire on 14 January 2013. DFA, on behalf of its members, is seeking the continuation of the anti-dumping measures and requests the Commission to recommend to the Minister that the measures not be allowed to expire on 14 January 2014.

#### Impact of the measures

Prior to the measures being imposed in 2009, the impact of the dumped prices for Greek processed currants on Australian growers of dried currants was significant. Australian Bureau of Statistics (“ABS”) import data confirmed that Greek export prices averaged approximately A\$1.70 per kg, and were as low as A\$1.42 per kg. Following the imposition of the measures, Greek export prices increased to non-dumped levels and have been priced at approximately \$2.70 per kg.

As detailed in Trade Measures Report No. 140, the Greek export prices in 2007/08 were injurious to the Australian processors and the Australian dried currant growers. The anti-dumping measures have enabled the Australian processors to sell at non-depressed levels and raise the purchase price to growers for the raw material sun-dried currants. The measures have enabled the industry to recover from the depressed levels that was attributed to the dumping.

Importantly, the improved prices to growers has halted the exit from the industry, and provides a reasonable basis for an optimistic outlook for stability in returns to growers in the absence of dumping from Greece.

### Should the measures be allowed to expire?

The Commission is examining whether the expiration of the measures would lead, or likely lead, to a recurrence of material injury. It is DFA's position that the measures are required beyond 14 January 2014, for the following reasons:

- Greek production of processed currants has increased in 2013 to between 26,000 to 27,000 tonnes<sup>1</sup>;
- the 2013 harvest is forecast to be approximately 20 per cent higher than in 2012<sup>2</sup>;
- there is a carry-over of approximately 2,000 to 3,000 metric tonnes in inventories from last season (2012) yet to be sold;
- in light of the carry-over and increased production volumes, export markets will be a focus for excess volumes;
  - the quality of the Greek harvest is "good" with larger size berries expected;
- Greek exporters have maintained distribution channels into the Australian market;
- the Australian market for currants is an attractive market for Greek currant suppliers as Australia is the third largest consumer market for processed currants (behind USA and the Netherlands);
- the excess production volumes will likely lead to reduced prices on export markets for Greek processed currants; and
- in the absence of the anti-dumping measures it is likely that exports of Greek currants to Australia will increase at declining prices.

The increased production of Greek currants will result in increased available volumes for the global export market. Australia's demand for processed currants will be an attractive market for Greek exporters – particularly so if the anti-dumping measures are allowed to expire.

### Imports by Frutex Australia

In the recently completed review of anti-dumping measures on exports of processed currants by Agricultural Co-Operative Union Aeghion ("Aeghion") it was established by the then Customs and Border Protection that exports by Aeghion to Australia during the 2011/12 investigation period were at dumped prices of 4.2 per cent. DFA highlights that even with the anti-dumping measures in place, exports from the largest Greek supplier to Australia were at dumped prices.

DFA also notes that the Frutex Australia Pty Ltd ("Frutex") Importer Visit report confirms that all imports of Greek processed currants by Frutex in the 12 months to 30 June 2013 were sold at a loss. It is unclear why Frutex would seek to sell imports at a loss on the Australian market, however, this should be recognized by the Commission as a price-suppressing factor on the Australian industry's selling prices.

DFA has also observed comments in the Frutex importer visit report referring to the quality of locally-grown currants where it is claimed that a high moisture content is apparent. This is not the case. Australian currants are sold to the customer's specifications (i.e. a moisture content of 16-18 per cent), and are considered to be of high quality.

### Summary of Key Points

DFA urges the Commission to recommend that the Minister take steps to ensure that the anti-dumping measures on Greek exports of processed currants do not expire on 14 January 2014. The available information on the 2013 Greek harvest indicates that there will be increased volumes of Greek currants available for supply to export markets. The Australian market is a large consumer of processed currants and, in the absence of anti-dumping measures, excess sales volumes will be supplied to the Australian market at reducing prices. It is considered likely that Greek export prices to Australia will fall in the absence of measures

<sup>1</sup> [www.Agra-net.com/portal2/home](http://www.Agra-net.com/portal2/home)

<sup>2</sup> The Public Ledger, August 23, 2013.

– potentially to the levels experienced prior to the imposition of measures given the likelihood of excess production supplies in Greece in 2013.

The DFA requests the Commission to further consider that the Australian industry has experienced a return to stable production volumes and prices in 2012/13 and in the event the measures are allowed to expire it is likely that the Australian industry (i.e. both growers and processors) would experience a recurrence of material injury that the measures were intended to prevent.

It is the DFA's firm view that the measures have been effective in minimizing the injurious effects of dumping. The maintenance of distribution channels in Australia by Greek exporters and the recent finding and conclusions in Report No. 192 that exports by the largest Greek supplier to Australia during 2011/12 were at dumped prices (with measures in place), are indicative that in the absence of measures, Greek export prices for increased excess production will likely fall, resulting in material injury to the Australian industry.

DFA submits that the present circumstances involving the likely increased availability of Greek processed currants for export in 2013 will lead to the Chief Executive Officer of the Commission being satisfied that the expiration of the measures would lead, or would be likely to lead, to a continuation of, or a recurrence of, the dumping and the material injury that the anti-dumping measure imposed in January 2009 was intended to prevent.

If you have any questions concerning this letter, please do not hesitate to contact me on (03) 5023 5174.

Yours sincerely



Phil Chidgzy  
Chief Executive Officer

