



Non Confidential Submission

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Non Confidential submission (supplementary information submitted with 24th July 2015 submission).

- Please find attached subsidy impact calculation spreadsheet. [Not attached, commercially sensitive information showing SPC's data] .The methodology used in the spreadsheet is similar to what was explained in the application.
- Based on this the subsidy impact for 2014 would have been 42% on raw prices.
- Assuming that the raw tomatoes make up about [x]% of the can cost(some products may even have higher depending on recipe of the product), impact of subsidy on canned cost and therefore on canned price would be around[x]%. [Commercially sensitive percentages deleted]
- SPC believes this to be significant impact.
- Also attached above is document¹ which validates SPC's calculation of 42% impact on raw tomato prices. Page 4 of the above report suggests that the subsidy impact of 43%. Please note this document is heavily referenced in the Report by the consultant.
- As an aside , we would like to highlight that whilst the Report uses Solazzo sample for its calculations , it deviates from the sample statistics in regards to sell price used for raw tomatoes.
- Euro 88/T used in the Report is not a FADN data (refer footnote 1 of Solazzo report), rather a market price. Equivalent number in the Solazzo report was Euro 62 per tonne. If market price of raw tomatoes (not a price established from the sample) was used in the calculations, why wasn't actual known subsidy of 2802 per ha (or euro 38/T) used for subsidy calculation.

¹ Domestic Support and Border Measures for Processed Horticultural Products
Bradley J. Rickard and Daniel A. Sumner, 2007