



Continuation Inquiry 571
Consumer Pineapple
Exported to Australia from the Republic of the Philippines
File note

The Anti-Dumping Commission (Commission) conducted a benchmark verification of the response to the exporter questionnaire (REQ) by Dole Philippines, Inc.¹ The verification involved targeted procedures informed by risk and consistent with Anti-Dumping Notice No. 2016/30 to satisfy the verification team of the accuracy, relevance and completeness of the REQ.

This file note details the findings, analysis, evidence relied upon and reasoning on key verification outcomes of data submitted to the Commission by the verification teams for publication on the public record.

It provides interested parties with information regarding all material aspects of the verification, including explanations of any material issues identified during the verification. It outlines the nature, extent and consequences of any changes made to the data submitted, including data corrections made by the company or by the verification team.²

Verification teams are authorised to conduct verifications under section 269SMG and 269SMR of the *Customs Act 1901* (Cth) (the Act).³

¹ EPR 571 and 572, item 5 refers.

² Please note that, due to corrections made, some findings in this file note differ from the findings provided in *Statement of Essential Facts No. 571 and 572*: EPR 571 and 572, item 14.

³ References to any section in this report relate to provisions of the Act, unless specifically stated otherwise.

DOLE PHILIPPINES, INC.

Export price

The exporter

The term 'exporter' is not defined in the Act, however the Commission will generally identify the exporter as:

- a principal in the transaction located in the country of export from where the goods were shipped and who knowingly placed the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia; or
- a principal will be a person in the country of export who owns, or who has previously owned, the goods but need not be the owner at the time the goods were shipped.

Dole Philippines is 100% owned by Singapore based Dole Asia Holdings Pte Ltd. (Dole Asia). Dole Asia manages the sales function in relation to the goods to Australia and other export markets. Dole Asia pays Dole Philippines via an intra-company transfer.

In respect of Australian sales of the goods manufactured by Dole Philippines, the Commission considers Dole Philippines to be the exporter of the goods, as Dole Philippines:

- is the manufacturer of the goods;
- is named on the commercial invoice as the supplier, by order of Dole Asia;
- arranges and pays for the inland transport to the port of export; and
- arranges and pays for the port handling charges at the port of export.

The importer

The Commission considers that, in relation to the goods exported by Dole Philippines via its parent company Dole Asia, the Australian customers listed in the consolidated Australian sales listing were the beneficial owners of the goods at the time of importation and therefore were the importers of the goods.

The Commission found that all Australian exports of the goods were to unrelated parties.

In respect of Dole Asia's Australian sales of the goods during the period, the Commission found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than price; or
- the price appeared to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or

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- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.

The verification team therefore considers that all export sales made by Dole Asia to its Australian customers, all of whom were unrelated, during the period were 'arms length' transactions.

Assessment of export price

In respect of Australian sales of the goods by exporter, the verification team found that the importer has not purchased the goods from the exporter, therefore, export prices cannot be determined under sections 269TAB(1)(a) or 269TAB(1)(b). The verification team recommends that the export price be calculated under section 269TAB(1)(c) having regard to all the circumstances of the exportation. Specifically, the Commission has determined the export price based on the price paid by the Australian importers to Dole Asia.

The Commissions preliminary export price calculations are at **Confidential Appendix 1**.

Normal Value

The Commission found Dole Philippines' domestic sales of like goods in the inquiry period to be made to unrelated customers. In respect of Dole Philippines domestic sales of like goods during the inquiry period, the verification team found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price;
- the price appeared to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or
- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.⁴

The verification team therefore considers that all sales made by Dole Philippines to its domestic customers during the inquiry period were arms length transactions.

The Commission assessed the total volume of relevant sales of like goods as a percentage of the goods exported to Australia and found that the volume of domestic sales was not a low volume.

In respect of domestic sales of like goods by Dole Phillipines, the verification team recommends that the normal value be determined under section 269TAC(1), being the price paid or payable for like goods sold in the ordinary course of trade for home consumption in the country of export in sales that are arms length transactions by the exporter.

⁴ Section 269TAA of the Act refers.

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The Commission's normal value calculations are at **Confidential Appendix 3**.

Adjustments

The normal value of the goods exported by Dole Philippines to Australia is the price paid for like goods sold by Dole Philippines to its domestic customers during the Inquiry period. The Commission therefore considered adjustments under section 269TAC(8) to ensure fair comparison.

The Commission found that:

- The like goods sold on the domestic market were not identical to the goods exported to Australia;
- Some sales of the like goods occurred at different times compared to the sales of the corresponding export model; and
- The sales of the like goods were made at different terms and during different circumstances to the sales to Australia

The verification team considers these adjustments to be necessary to ensure a fair comparison of normal value and export prices at FOB:

Adjustment Type	Deduction/addition
Specification	Since the goods exported to Australia is not identical to the like goods sold domestically the Commission selected surrogate domestic models that were adjusted based on quarterly cost to make data and domestic gross margin.
Timing	The cost to make data was adjusted for timing differences where relevant sales were not made within the quarter of production.
Domestic inland transport	Deduct an amount for domestic inland transport
Export inland transport	Add an amount for export inland transport
Domestic packaging	Deduct an amount for domestic packaging
Export packaging	Add an amount for export packaging
Domestic port handling and warehousing	Deduct an amount for domestic port handling and warehousing
Export port handling	Add an amount for export port handling
Domestic credit terms	Deduct an amount for domestic credit terms
Export credit terms	Add an amount for export credit terms

Table 1 - Summary of adjustments under section 269TAC(8)

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Dumping margin

The preliminary dumping margin in respect of the goods exported to Australia by Dole Philippines for the inquiry period is 16.7%.

The preliminary dumping margin calculation is at **Confidential Appendix 4**.

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CONFIDENTIAL APPENDICES

Confidential Appendix 1	Dole Philippines– Export price
Confidential Appendix 2	Dole Philippines– Cost to make and sell
Confidential Appendix 3	Dole Philippines– Normal value
Confidential Appendix 4	Dole Philippines– Dumping margin