

The Director, Investigations 2
Anti-Dumping Commission
GPO Box 2013, Canberra ACT 2600
By email:
investigations2@adcommission.gov.au

Prot. 07-10-368

Napoli, 8 October 2026

Oggetto: Investigation No. 654 – Tomatoes, prepared or preserved, exported from Italy - ANICAV comments on the Preliminary Reinvestigation Report of 28 September 2026

Dear Sir/Madam,

ANICAV, the national association representing the Italian tomato processing industry, including all the cooperating exporters (I.M.C.A., La Doria, Mutti and De Clemente), submits these brief comments on the Preliminary Reinvestigation Report within the deadline of 12 October 2026.

ANICAV welcomes the Commissioner's preliminary affirmation of the finding in REP 654 that dumping and subsidisation have not caused material injury to the Australian industry, and respectfully asks that this conclusion be confirmed in the report to the Anti-Dumping Review Panel.

In ANICAV's view the PRR does exactly what the Review Panel asked of it. It separates the additional injury attributable to dumping and subsidisation from the injury caused by the Italian producers' competitive advantage and by the other factors, as section 269TAE(2A) of the Customs Act 1901 and Article 3.5 of the Anti-Dumping Agreement require, and it then asks whether that additional injury is material.

The "but for" counterfactual adopted for this purpose is an appropriate method, and it shows how limited that injury is. Without dumping and subsidisation, Italian prices would have been on average 3.3% higher (3.6% if negligible subsidy margins are included), and even this figure is an upper bound because it assumes full pass-through to Australian prices (PRR, pp 22–23 and 41–43).

The Commission's view that pass-through would have been lower, given the buying power of the major retailers and the continuing price advantage of Italian producers, is well reasoned, and on its range of 25% to 100% pass-through the likely effect on revenue is between 0.8% and 3.3% (PRR, pp 54–55).

The same picture emerges from the price gap. Italian imports undercut Australian industry prices by around 13.1% to 23.6%, and even with dumping and subsidisation removed they would have remained between 9.4% and 20.4% below Australian prices, so that dumping explains only about 3.3 percentage points of the differential (PRR, p 56). The weighted average dumping margin is 4.6% (PRR, p 49). The great majority of the price advantage of Italian products therefore comes from other sources, above all from structural competitive advantage, and it would have continued to exert the same pressure whatever measures had been imposed. The Commission also found no sufficient evidence of a causal link between dumped and subsidised prices and the decline in Australian sales volumes: the market was stable overall, Australian and import prices moved together, and the relative price gap was broadly stable during the investigation period and narrowed over the injury analysis period (PRR, pp 23–24 and 55–56). Whatever injury exists is thus confined to price effects.

The Commission has also rightly put that injury in context. On full pass-through, its effect equals about 18% of the average annual variation in SPC's profit over the injury analysis period (PRR, p 57), and even in the upper-bound scenario about half of SPC's losses and about two-thirds of Safcol's would have remained (PRR, pp 57–58). This confirms that most of the financial difficulty of the Australian industry has other causes and that the effect of dumping lies within the normal ebb and flow of business described in the Material Injury Direction. ANICAV has no objection to the Commission's decision to treat higher raw material and production costs as part of the Italian producers' competitive advantage, which answers the Review Panel's concern about double counting (PRR, section 3.3.1). The Commission also continues to find that competition following Simplot's entry contributed to SPC's discounting and lost sales, although to a lesser extent after the revision of the Simplot volume estimate, and that consumer preferences are a relevant factor (PRR, sections 3.3.2 and 3.3.3). None of these refinements changes the conclusion on materiality. Nor is there any inconsistency between finding that the injury is not negligible and finding that it is not material, since the two questions arise under different provisions and the PRR explains the difference clearly, as the Review Panel asked (PRR, sections 5.3.6 and 5.3.7).

ANICAV maintains the arguments in its submission of April 2026 and in its response to SEF 654. It notes that the Commission regards the 2022-23 climatic shock and SPC's structural fragility as outside the scope of the reinvestigation, but submits that they remain relevant to the Review Panel's overall assessment, because they help explain the fluctuations in SPC's performance against which the effect of dumping has rightly been measured. The preliminary conclusion does not depend on them.

ANICAV expects SPC to challenge the pass-through range and the profitability estimates. The Commission's conclusion, however, does not rest on any single threshold. It rests on the combination of modest margins, a limited price effect, the absence of volume injury, a small effect on revenue and a minor share of the overall injury (PRR, section 5.1), and a different weighting of one of these elements would not displace that combined assessment, which is a reasoned judgment well within the Commission's discretion under Article 17.6 of the Anti-Dumping Agreement.

ANICAV therefore respectfully requests that the Commission confirm in its final report that dumping and subsidisation have not caused material injury to the Australian industry and that no measures be recommended. ANICAV reserves the right to respond to the submissions of other interested parties and remains at the Commission's disposal for any clarification.

Yours faithfully,

Il Direttore Generale
Giovanni De Angelis

