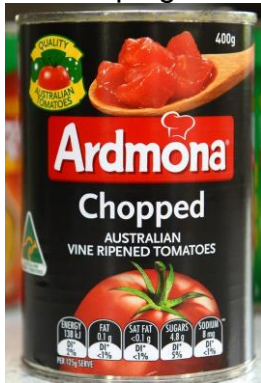


Synthesis of previous Tomato News articles on the same topic

March 2016:

Australia to impose duties on canned Italian tomatoes

The Australian Federal Government will impose duties on two of the largest Italian brands – Feger and La Doria – after it was found their product had been “dumped” in the Australian market. It now means that all canned tomatoes from Italy are subject to anti-dumping measures.



Importers will now have to pay dumping margins of 8.4% to Feger tomato products and 4.5% to La Doria imports, which will likely push up their shelf price. The tariffs will not be applied to paste, puree, sauces, juices or dried tomatoes. The two Italian companies account for about 40% of all canned tomatoes exported to Australia.

Industry Minister Christopher Pyne said that “This ruling will ensure that Australia’s only canned tomato producer, SPC Ardmona, can now compete equally in Australian stores and supermarkets.” Mr Pyne said Australian tomato growers would also benefit from a fairer economic environment, potentially selling more of their product to local processors.

The Australian Food and Grocery Council (AFGC) welcomed the announcement, citing high and rising input costs, retail price deflation and high compliance costs as factors that were placing pressure on Australia’s food processing industry.

In its submission to the Anti-Dumping Commission, AFGC member company SPC estimated that from 2010 to 2014, the processed tomato industry in Italy received more than EUR 900 million (approximately AUD 1.2 billion) in subsidies through programs under the EU’s Common Agriculture Policy. AFGC Chief Executive Officer Gary Dawson said the dumping decision recognised the impact of these subsidies on the Australian agri-food sector.

Reaction of ANICAV

“This decision is completely unfounded from the technical and legal point of view”, said Giovanni De Angelis, Director of ANICAV. “The decision taken by the Australian government to impose anti-dumping duties on preserved tomatoes exported by our companies is clearly a political one, and is based solely on the desire of the Australian government to protect and facilitate the only tomato products company in Australia, SPC Ardmona.”

Despite the joint intervention of the ANICAV, the Italian Government and the European Union, the anti-dumping Commission considered that the support schemes under the Common Agricultural Policy may have influenced production costs, to the point of considering an aid to agriculture of more than EUR 2 500 /ha.

“Considering as legitimate the granting of agricultural subsidies as part of a dumping procedure,” said De Angelis, “is a very dangerous precedent for the food industry, not only Italian but also European”.

May 2016:

Australia: the value of anti-dumping system questioned

With global anti-dumping activity on the rise, a recent Productivity Commission report has questioned the value of Australia's anti-dumping measures, concluding that overall the measures cost society more than the benefits they brings in.

The report makes special mention of Australian tomato processor SPC Ardmona, and its anti-dumping actions taken against European producers. "By supporting the viability of local production, anti-dumping protection might, in some cases, enhance security of supply for downstream industries," it said. But the report also highlighted "the huge administrative costs incurred in enforcing anti-dumping penalties, as well as the costs that accrue to consumers from paying more for products".

Australia ranks 10th among the world's most frequent imposers of anti-dumping measures, behind India, the European Union, the United States and China.

May 2016:

Mooroopna plant for sale



Aerial view of Mooroopna's site

Coca Cola Amatil is selling the former SPC Ardmona manufacturing plant in Mooroopna. The 13.4 hectare property – about four kilometres from Shepparton – is expected to return about AUD 8 million. CCA is now offering the Mooroopna plant with a short-term leaseback, but the campaign is targeting owner-occupiers or developers.

September 2016:

EU – Australia: tomatoes as a test case?

[The EU is being challenged over its “lavish farm subsidies”](#)

The fight over Italian canned tomato is undermining relations between the EU and Australia, just as both parties are set to launch talks regarding a possible free-trade agreement.

In the coming weeks, Australia will decide if it should continue to impose retaliatory duties introduced on products exported by the companies Feger and La Doria, which have been accused of offloading their wares at excessively low prices. Between them, these two companies represent about 40% of the Australian tinned tomato market.

[The issue is larger than it looks](#)

While canned vegetables are hardly a critical sector for the European Union, the decision of the government in Canberra has sparked outrage in Brussels, where it is estimated that the Australian Anti-Dumping Commission is using tomatoes as a test case to target a far more sensitive issue: the agricultural subsidies granted by the EU, which have been called “lavish”.

In trade terms, the Australians are breaking one of the EU's greatest taboos by suggesting that the tomatoes are excessively cheap because of payments granted under the Common Agricultural Policy. The CAP accounts for 40% of the EU budget, and France and Italy, among other countries, remain very defensive over any external attempt to undermine the legitimacy of farm subsidies, of which one of the original justifications was to help smooth out distortions in competition caused by local market conditions.



Paolo De Castro



Cecilia Malmström

"Australia will have to rethink its protectionist policies on canned tomatoes if it does not want to put the future free-trade agreement with the EU at risk," said Paolo De Castro, a parliamentarian and member of the European Parliament's Agricultural Committee.

Mr. De Castro, a former Italian agriculture minister, has raised the issue with Cecilia Malmström, the EU's trade commissioner, who said she was *"very worried about the anti-dumping inquiries that Australia has undertaken against Italian tinned tomatoes and in particular the methodology used to calculate the dumping margins."*

The reaction of European commissioners stems from the Australian anti-dumping commission's initial report on the case in February, when it announced Feger should face retaliatory duties of 8.4% and La Doria of 4.5%, tariffs that are now undergoing internal review by Australian regulators.

The anti-dumping commission said it reckoned the *"support payments made to growers of raw tomatoes in Italy have significantly affected the prevailing market prices in Italy for raw tomatoes."* It added that it was *"therefore satisfied that the costs recorded by Feger and La Doria for raw tomatoes in their records do not reasonably reflect competitive market costs."*

But EU officials insist that the largesse is permissible under World Trade Organization rules, and they have increased the pressure: *"This approach is clearly in breach of WTO rules and sets a dangerous precedent for agricultural raw material processors in the EU."* *"The calculations for this anti-dumping case go against the WTO rules and there is no way that Australia would be able to defend its claim at a dispute settlement court in Geneva,"* M. De Castro said.

The Australian government said it was *"aware of Italian government concerns about Australia's anti-dumping investigation of Italian canned tomatoes, including its WTO concerns,"* adding that Canberra officials have *"a strong commitment to transparency and due process,"* and remain *"committed to securing a free trade agreement with the EU."*

The EU's farm subsidies have often been criticized and come under political attack; however this is only the second time the EU's agricultural subsidies have been challenged in a trade spat. This complaint was brought by Australian company SPC, which said in February that *"since 2010, the illegal dumping of products has resulted in material damage to SPC, including a loss of 40% of its volume and reduced profitability, as it struggled to compete on price with dumped Italian tomato products."*

February 2017:

Australia: a decisive shift on taxes imposed on Italian products

"Calculations for dumping margins should not take account of EU financial aid"

"2017 has started with good news for the Italian food industry: Australia has canceled or reduced customs tariffs on canned tomatoes." This is how Paolo De Castro, former chairman of the European Commission for Agriculture, commented on the decision of the Australian government to reconsider, on appeal, the taxation measures that had been imposed on the products of a number of Italian companies upon entry to

Australia. The disagreement stemmed from an anti-dumping inquiry launched in 2013 at the request of Australian processor SPC Ardmona against the importing of Italian canned tomato products (diced/chopped, crushed, whole peeled, with or without added ingredients, and conditionings of no more than 1.14 liters in volume).

At the beginning of January, following an appeal launched by the companies Feger and La Doria (which represent 40% of the volumes of canned tomatoes imported into Australia), the Canberra government modified its February 2016 decision, based on the claimed impact of aid to European growers in the context of the CAP on the cost of production and therefore on the competitiveness of canned products from Italy. Extra customs tariffs were slapped on the production of both companies, allegedly because of the anti-dumping measures decided by Australia.



Antonio Ferraioli , ANICAV President

"This decision taken by Canberra is particularly important, as it does away with dangerous precedent that could have been used to block the export of agricultural products processed within the European Union," stated Antonio Ferraioli, ANICAV President and Federalimentare Vice-President responsible for first-stage processing.

The meaning of these words is echoed in the statement of Anicav Director Giovanni de Angelis:

"This decision is promising in terms of the favorable conclusion to the latest inquiry recently launched against our canning companies... and it underlines

that the aid paid out to growers has no impact on the price paid by our processors to source their raw tomatoes. Therefore, EU aid for the agricultural system should not be taken into account for the calculation of dumping margins."»

Canberra's decision is based on a report from the Anti-Dumping Review Panel (ADRP), which took part in the appeal by Feger and La Doria against the decision of the Australian Anti-Dumping Commission (ADC) last February. So the Australian government canceled the IDD (Interim Dumping Duties) imposed on La Doria products) and considerably reduced those imposed on Feger Spa (from 8.4% to 4.8%). This is "*a very positive development*" tweeted European trade Commissioner Cecilia Malström, who committed herself to the cause of the Italian government in an attempt to obtain a review of decision.