

New Zealand Customs Instructions: Non-Confidential

Peaches in Preserving Liquid from the People's Republic of China

6 September 2006

Information in these instructions relating to anti-dumping duties which is considered to be confidential in terms of Sections 9(2)(b)(ii) and 9(2)(a)(i) of the Official Information Act has been deleted.

1. Introduction

1. This set of New Zealand Customs Service (Customs) instructions replaces the previous customs instructions, dated 21 August 2006, relating to preserved peaches from the People's Republic of China (China).
2. The Minister of Commerce has imposed final anti-dumping duties on imports of preserved peaches from China on 21 August 2006.

2. Goods Subject to Anti-Dumping Duties

2.1 Description

3. The goods subject to anti-dumping duty are:

Peaches in preserving liquid, in containers up to and including 4.0 kg

4. Not all goods within the description of goods are subject to anti-dumping duty. Refer to paragraph 8 below.

2.2 Country of Origin

5. The country of origin of the subject goods is the People's Republic of China (CN). Goods of Chinese origin exported to New Zealand via other countries are also subject to these duties.

3. Anti-Dumping Duties

3.1 Description

6. The amount of anti-dumping duty to be paid on demand in respect of each size of preserved peaches imported or intended to be imported into New Zealand from China shall be, for subject goods from the suppliers/exporters listed in Table 3.1, the amount per kilogram by which the reference price, Normal Value (Value for Duty Equivalent) (NV(VFDE)) amount exceeds the FOB invoiced value of the goods.

7. The NV(VFDE) is denominated in Chinese Yuan/Renminbi (CNY) on a per kg basis. The FOB invoiced value of the goods shall normally be the Value for duty (VFD) for Customs purposes.

8. There is no anti-dumping duty imposed on imports of preserved peaches in containers less than 265 g in size and greater than 1.91 kg. Anti-dumping duty is imposed on container sizes between 265 g to 1.91 kg inclusive. See Table 3.3.

3.2 Anti-Dumping Duty

9. The following table lists the names of suppliers and the NV(VFDE) amount that applies to 410 g and 820 g sizes.

Table 3.1: Rates of Duty

Names of Suppliers/Exporters	410 g ¹	820 g ¹
	NV(VFDE) amounts per kg (CNY)	
AHCOF International Development ²	██████████	██████████
Beijing Huiyuan Group Feicheng	██████████	*
Chic International Trading (Shanghai Pudong New Area) Co., Ltd	*	*
Dalian Leasun Food Co., Ltd	*	*
Guangxi Fungrich Import & Export Co., Ltd	*	██████████
Laiwu Prince Import & Export Co., Ltd	██████████	*
Zhejiang Cereals, Oils & Foodstuffs Import & Export Co., Ltd ²	*	*
Zhejiang Iceman Foods Co., Ltd (exporting directly)	██████████	0
Zhejiang Iceman Foods Co., Ltd (via intermediary) ²	██████████	0
Other Exporters Reference Price	8.02	7.54

* The Other Exporters Reference Price for that container size applies.

10. For exports of those container sizes where the symbol * is displayed in Table 3.1 above, the “Other Exporters Reference Price”, provided at the bottom of the table, applies for that container size.

11. To establish the correct NV(VFDE) amount it is necessary to identify the supplier/exporter of the goods subject to the duty. Some of the companies in the

¹ See Table 3.3 for the range of sizes subject to this rate.

² This company is known to export via an intermediary. See Table 3.2 for intermediaries known to export to New Zealand.

table above do not export directly to New Zealand. To assist in identifying the correct company, the following table shows exporters known to be associated with those companies that do not export directly to New Zealand.

12. In the following table, the companies on the left are those from Table 3.1 that are known to sell to the companies on the right, who are final exporters to New Zealand. Always confirm the originating Chinese exporter.

Table 3.2: Chinese Exporters and Known Exporter to New Zealand

Chinese Exporter	Exporter to New Zealand
AHCOF International Development	[Redacted]
Zhejiang Cereals, Oils and Foodstuffs Import & Export Co	[Redacted]
Zhejiang Iceman Foods Co., Ltd	[Redacted]
[Redacted]	[Redacted]

13. Almost all of the preserved peaches investigated fall within one of four container sizes: 120 g, 410 g, 820 g and 3 kg (or close alternatives). NV(VFDE) amounts have been established only for the 410 g and 820 g sizes. Where the containers are not one of the specified sizes, the closest size is to be used to determine the reference price. The following table shows the range of container sizes that apply to the specified sizes:

Table 3.3: Range of Weight of Specified Sizes

Range of Weights	Specified Sizes	Rate of Duty
<265 g	120 g	No Duty Applies
>265 g to 615 g	410 g	Rate for 410 g containers applies
>615 g to 1.91 kg	820 g	Rate for 820 g containers applies
>1.91 kg	3 kg	No Duty Applies

3.3 Method

14. Choose the appropriate NV(VFDE) amount depending upon the supplier and the size of the container. See Table 3.3 to determine whether a NV(VFDE) amount or no duty applies.

15. For containers to which duty does apply, establish the total amount of kilograms (kg) for each size of container and calculate the foreign value on a per kg basis.

16. Convert the foreign invoiced FOB value per kg to New Zealand Dollars (NZD) using the exchange rate that applies at the date of import.

17. Convert the applicable NV(VFDE) amount(s) to NZD using the exchange rate that applies at the date of import.

18. If the comparison of the two values shows that the invoiced FOB value per kg in NZD is less than the NV(VFDE) amount per kg in NZD then anti-dumping duty is payable equal to the difference between the 2 amounts. If the reverse situation occurs no anti-dumping duty is payable.

3.4 Examples

19. Below are examples of the calculation of the anti-dumping duty applicable to these goods. Note: the invoiced amounts used below are not actual prices.

Example One:

20. You have an invoice for the importation of preserved peaches on an FOB basis regarding preserved peaches supplied by Laiwu Prince Import & Export. The details are as follows:

Quantity (Number of Cases)	Size of Container (grams)	Price per Case/Unit (USD)	Containers/ Units per Case	Amount (USD)
2,000	410	7.00	24	14,000.00
1,000	500	5.00	12	5,000.00
2,000	850	8.00	12	16,000.00
1,000	3000	11.00	3	11,000.00

21. The exchange rate at the date of importation is NZD1.00:USD0.65 and NZD1.00:CNY4.99.

22. According to Table 3.1 the NV(VFDE) amount per kg that applies to imports of 410 g containers is CNY[redacted]. The NV(VFDE) amount per kg that applies to imports of 850 g size containers is the 820 g amount of CNY7.54. Imports of preserved peaches of 3 kg are not subject to anti-dumping duty.

23. According to the details of the invoice shown above the total kg's and the price per kg are:

Size (Grams)	Containers/ Units per Case	Quantity (number of cases/units)	Total kg	Price per kg (USD)
410	24	2,000	19,680	0.71
500	12	1,000	6,000	0.83
850	12	2,000	20,400	0.78

24. The following table shows the conversion of the invoiced amount to NZD on a per kg basis:

Size (Grams)	USD per kg	Ex. Rate	NZD per kg
410	0.71	0.65	1.09
500	0.83	0.65	1.28
850	0.78	0.65	1.20

25. The following table shows the conversion of the NV(VFDE) amounts to NZD on a per kg basis:

Size (Grams)	NV(VFDE) per kg	Ex. Rate	NZD per kg
410		4.99	
500 (410 amount)		4.99	
850 (820 amount)	7.54	4.99	1.51

26. The following table shows the comparison of the two values and establishes the amount of anti-dumping duty payable:

Size (Grams)	NV(VFDE) converted to NZD per kg	Invoiced Amount converted to NZD per kg (VFD)	Duty Payable per kg	Total kg	Anti-dumping Duty Payable
410		1.09		19,680	
500		1.28		6,000	
850	1.51	1.20	0.31	20,400	\$6,324.00

27. Since the invoiced amount (VFD) per kg is lower for the 410 g, 500 g and 820 g containers than the respective NV(VFDE) amounts when converted to NZD, anti-dumping duty is payable. The total anti-dumping duty payable is \$[REDACTED].

Example Two

28. You have an invoice for the importation of preserved peaches on an FOB basis regarding preserved peaches supplied by ABC Import & Export Co. The details are as follows:

Quantity (Number of Cases)	Size of Container (grams)	Price per Case/Unit (USD)	Containers/ Units per Case	Amount (USD)
4,000	180	3.00	24	12,000.00
1,000	500	5.00	12	5,000.00
1,000	1,500	6.00	4	6,000.00

29. The exchange rate at the date of importation is NZD1.00:USD0.65 and NZD1.00:CNY4.99

30. The invoice shows that the sizes of the containers are not exactly those shown in Table 3.1. No anti-dumping duty applies to the imports of 180 g container sizes as they are less than 265 g and the appropriate NV(VFDE) amounts for 500 g and 1,500 g containers are the 410 g and 820 g amounts, respectively (See Table 3.3). The Other Exporters Reference Prices apply as the exporter is not named in Table 3.1. These are CNY8.02 (410 g) and CNY7.54 (820 g) per kg.

31. According to the details of the invoice shown above the total kg's and the price per kg are:

Size (Grams)	Containers/ Units per Case	Quantity (number of cases/units)	Total kg	Price per kg (USD)
500	12	1,000	6,000	0.83
1,500	4	1,000	6,000	1.00

32. The following table shows the conversion of the invoiced amount to NZD on a per kg basis:

Size (Grams)	USD per kg	Ex. Rate	NZD per kg
500	0.83	0.65	1.28
1,500	1.00	0.65	1.54

33. The following table shows the conversion of the NV(VFDE) amounts to NZD on a per kg basis:

Size (Grams)	NV(VFDE) per kg	Ex. Rate	NZD per kg
500 (410 amount)	8.02	4.99	1.61
1,500 (820 amount)	7.54	4.99	1.51

34. The following table shows the comparison of the two values and establishes the amount of anti-dumping duty payable:

Size (Grams)	NV(VFDE) converted to NZD per kg	Invoiced Amount converted to NZD per kg	Duty Payable per kg	Total kg	Anti-dumping Duty Payable
500	1.61	1.28	0.33	6,000	\$1,980.00
1,500	1.51	1.54	Nil	6,000	Nil

35. For the 500 g containers, the invoiced amount (VFD) per kg is lower than the NV(VFDE) amount when converted to NZD, therefore anti-dumping duty is payable. For the 1,500 g size containers, the invoiced amount (VFD) per kg is greater than the NV(VFDE) amount when converted to NZD, therefore no anti-dumping duty is payable. The total amount of anti-dumping duty payable is \$1,980.00.

4. Notes

4.1 Alert

36. In respect of imports from China, an ALERT has been put in place for the following tariff item and statistical key: 2008.70.09.00L.

4.2 Goods Description

37. Because certain sizes have been found to be undumped duties will not apply to all sizes within the goods description.

38. The following points should be noted:

- i. Imports of containers that are less than 265 g or greater than 1.9 kg will not be subject to anti-dumping duty.
- ii. Preserved peaches in jelly do not attract anti-dumping duty as the carrier is not a liquid. Common liquids include syrup, juice or water.

- iii. Duties apply to varieties of preserved peach, including white peaches. Containers containing a mixture of peaches and other fruit, such as fruit salad, and peaches and pears, are not subject to anti-dumping duty.
- iv. Sizes refer to net weights, and therefore exclude the weight of the container.

39. Preserved peaches of the kind subject to anti-dumping duties may be invoiced according to either net weight or standard size descriptors, the equivalents of which are shown in the table below.

Nominal Weight	Standard Description
410 g	N1M
825 g	A2.5 or A22
3 kg	A10

4.3 Refunds of Anti-Dumping Duty

40. Provisional anti-dumping duties were imposed by the Minister on 17 July 2006 under section 16(1) of the Act. Under section 16(5) of the Act the Minister has approved the refund by Customs of any provisional anti-dumping duty paid that was in excess of any final anti-dumping duty.

41. It is possible that provisional anti-dumping duty has been paid that is greater than would have been paid under the final duties set out above. In those cases Customs should calculate and refund any excess duty paid where an importer requests that excess duty be refunded.

4.4 Invoicing

42. If the invoice prices are not FOB, the FOB price for individual product lines can be calculated as follows:

- a. Calculate the percentage of the invoice dollar total represented by the product line.
- b. Apply this percentage to the foreign VFD shown on the entry to calculate the FOB applicable to the product line.

4.5 FAQ Page

43. The Frequently Asked Questions page [http://www.med.govt.nz/templates/Page____13226.aspx] may provide additional guidance regarding the applicability of the duties.

5. Further Information

44. Should you have any queries regarding the operation of the anti-dumping duties described in these instructions please contact the following:

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