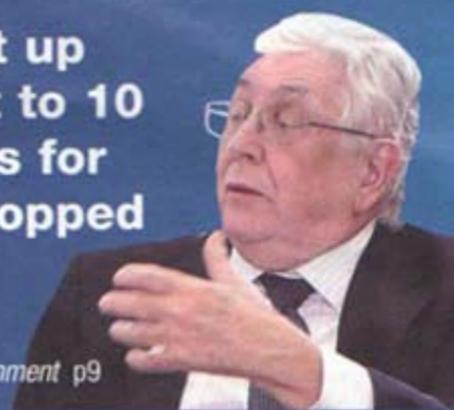


**“OJ export prices went up 180% in the past eight to 10 years, while fruit prices for end producers have dropped in this same period”**

Flavio Viegas, Associtrus president  
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## Thailand faces five more years of sweet corn anti-dumping duties

BY AMY BOOTH

The EU has decided to renew anti-dumping duties on Thai canned sweet corn for a further five years, in a decision which came as little surprise to the industry. Nothing has been published in the Official Journal of the EU at the time of writing, but sources say the duties are set to remain.

This came after an investigation found that dumping had continued at levels of between 8-44% in terms of free-at-Union frontier price before duty. The vote to keep the duties of up to 14.3% was made on September 2, according to Bloomberg. This was the expected outcome, claim a number of sources.

According to the European Commission website, the deadline for the publication of the new anti-dumping regulation is September 13. The law will enter into force the day after it is published in the Official Journal of the EU.

A spokesperson for the European Association of Sweet Corn Processors (AETMD) told *FOODNEWS*: “The AETMD and its members are satisfied with the outcome of the inquiry. The result confirms that the Thai industry is continuing with its illegal commercial practices and that the European Commission has taken action and decided to renew the measures in order to reduce the injury suffered by the European industry.”

A proposal for the regulation was published in August. This regulation proposed 3.1% duty for the Karn Corn company, a default duty of 14.3%, and 12.9% duty for

companies on the list of co-operating manufacturers. Three companies (Malee Sampran, River Kwai and Sun Sweet) were slightly under the 12.9% threshold.

*FOODNEWS* understands that there will be, essentially, no change to the old duties. One trader commented: “It would only really have been big news if the levels of duties on the various factories had changed significantly.” Since the duties were maintained during the expiry review period, as is standard in the EU, this basically means that there will be no change to the market, but at least the trade knows for sure that there will be no change. “I’ve heard this from a Thai packer. It’s not a shock, not a surprise, to the people here,” commented a Thai exporter. “It would have been a surprise if they had lifted it.”

### Other markets

The news may trigger some buying if any customers were waiting for the outcome before entering the market. “EU imports from Karn Corn will remain strong, and the others will sell to different markets, such as the Middle East or Russia,” a second Thai exporter summarised.

According to the draft regulation, the Commission found it was likely that dumping would continue if the duties were removed. It concluded that Thailand had considerable idle capacity, amounting to 40,000-60,000 tonnes among the three producers sampled. This capacity could easily be turned to produce canned sweet corn for the EU market if it were not for the duties.

The EU paid 5% higher prices

for Thai canned sweet corn on average than third countries, making it an attractive market. Some parties made the argument that this was insufficient to make a difference to the market, but the investigation showed that Karn Corn, whose dumping duty is lower than most other companies at 3.1%, doubled its export volumes to the EU after the duties were first introduced. “This shows the attractiveness of the EU market compared to other markets even in the case of a small price differential,” the report said.

The argument that markets such as Japan pay higher prices than the EU was not accepted because the third country value was calculated as an average.

The first Thai exporter opined that anti-dumping duties were not a suitable measure to take here. “Anti-dumping duties are designed to help a dying industry, but the EU industry isn’t dying. It is very healthy,” he said. “This simply opens the EU market up to other origins, such as China or Indonesia.”

However, the conclusions of the draft proposal disagreed. It recognised that Thai prices were not undercutting EU prices during the review period, but stated that a lack of price undercutting and a strong market share of the domestic industry “do not automatically point to lack of injury”. It added that the European industry had been forced to suppress its prices as a result of Thai competition, meaning it could not pass increased production costs on to consumers.

The report described the EU industry as “still in a vulnerable and fragile situation”, adding that

“The draft proposal adds that the European industry had been forced to suppress its prices as a result of Thai competition meaning it could not pass increased production costs on to consumers”

the private label sweet corn business was “poor in terms of profitability”. Private label was judged to be the only category which Thailand and the EU directly compete. The sector, which accounts for 60% of value and 7

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Turkish sultana prices continue to rise as a result of lower crop

Strong opening offers for early high acid AJC surprise traders

Canned mushroom market stays flat as McDonald's delists burger

China shows lead in AJC

Reduced EU tomato production to create new gap in global supply

### Key Indicator Snapshot

**Chinese AJC price**  
+USD100 from Aug  
USD1,400/tonne fob ▲

**Indian TMC**  
+12% from May  
USD1,175/tonne fob ▲

**Polish AJC**  
+13% since July  
EUR1.30/kg ex-works ▲

Find more key data in our on-line library at [www.agra-net.com](http://www.agra-net.com)

# Brazilian orange growers make a case to national government

BY VLADIMIR PEKIC

**Citrus producers in Brazil are going to Brasilia this week in a decisive attempt to secure more financial concessions from federal authorities, and to curtail the market power of the juice industry in Brazil's citrus fruit market.**

As *FOODNEWS* goes to press, Brazil's agriculture minister, Antonio Andrade, is meeting leaders of Associtrus, the citrus growers' association, to discuss the long-lasting crisis in the country's orange production sector.

The meeting was scheduled after Brazil's vice president Michel Temer, in his role as acting president of Brazil, received a delegation of Associtrus directors and federal Congressman Edinho Araújo on September 4.

Araújo and the Associtrus officials presented Temer with the principal demands of the sector,

which include: rescheduling of long-term loans with low interest rates; re-inclusion of industrial oranges in the federal minimum price programme; strengthening of the representation of independent citrus producers in the country's emerging Council of Orange Producers and Orange Juice Industries (Consecitrus); tax exemptions; a better business environment with more transparency of information about consumption and harvest estimates, and, finally, investment to promote increased orange juice consumption.

## Hopes for Consecitrus

Viegas also indicated, after holding talks with Brazil's anti-trust organ CADE in Brasilia last week, that Consecitrus could start operating before the end of the year. He said the current proposal is to have a transitory stage for Consecitrus operations that would

last five years, during which Consecitrus would count on support from CADE to mediate possible conflicts between producers and the industry.

Viegas stressed that a key component of this proposal is to ensure a [orange fruit] price proposal before the end of this year for the following harvest, reported news agency Agência Estado. "We reviewed [orange juice] export prices and they went up 180% in the past eight to 10 years, while fruit prices for end producers have dropped in this same period," complained Associtrus president Flavio Viegas in an interview broadcast on Canal Rural.

The establishment of Consecitrus is one of the points listed in the so-called Performance Commitment Agreement (TCD) that was imposed on Citrusuco and Citrovita by CADE when it approved their merger conditionally in December 2011.

Congressman Araújo, who accompanied the producers on their visit to CADE, said in a release that producers are involved in a "fight against the power of [juice] industry, which they accuse of forming a cartel".

## Domestic consumption

Separately, Moacyr Saraiva, president of Brazil's Fruits Institute (IBRAF), said it would be very difficult for the juice industry to boost sales of industrialised juice in Brazil.

"We have oranges available all year and Brazilian consumers still have a strongly ingrained habit of buying oranges and then making fresh orange juice at home. In bars and restaurants there is great demand for orange juice, but behind the counter you will always find a machine making fresh orange juice. This makes it very difficult for processed juice to enter the market," he explained.



*Apple juice concentrate*  
*Sour cherry juice concentrate*  
*Strawberry juice concentrate*  
*Black currant juice concentrate*  
*Aronia juice concentrate*  
*Raspberry juice concentrate*  
*Fruit purees and NFC juices*  
*Frozen fruits and vegetables*



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