

MOST URGENT
No. 0310/2639



Department of Foreign Trade
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17 July 2013

Dear Sir/Madam,

Subject : Initial Response Regarding the Initiation of Safeguard Investigation on Imports of Processed Fruit Products and Request for Non-Confidential Petition

The Department of Foreign Trade ("DFT") wishes to refer to the Notification under Article 12.1(a) of the Agreement on Safeguards on Initiation of an Investigation on the imports of "Processed Fruit Products under HS Codes 2008.30.00, 2008.40.00, 2008.50.00, 2008.70.00, 2008.97.00 and 2008.99.00" originating in various countries including Thailand into Australia.

According to the notification G/SG/N/6/AUS/4 dated 3 July 2013, the DFT is of a view that the Productivity Commission should provide more information, such as import share from Thailand, for interested parties to respond to the investigation since there is insufficient disclosure of the notification of the imports made from Thailand in the relevant period.

In the view of the DFT, since the processed fruit market is divided between the fruit concerned, and on the condition of import, therefore it is best assessed on a product basis. Consumers do not consider processed fruits as being homogenous. Each fruit has its distinctive shape, texture and taste and the decision to purchase instead of pears reflects this. Most of processed fruit products originating in Thailand are domestically consumed, some have also been exported. In particular, more than 80% of total production of processed fruits, longan and lychee, have been exported into EU, USA, Canada and Asia, namely China, Singapore, Taiwan, Japan and Korea. Australia is not an intended market for Thai exports as they are generally unable to compete. It is, therefore, not "like or directly competitive", with the domestic industry.

Additionally, pursuant to the Thailand – Australia Free Trade Agreement (TAFTA), product of Thai origin may be excluded if those imports are not cause of serious injury which is reflected by the insignificant amount imports to Australia by Thailand and should, therefore, be excluded from this investigation.

With a view to provide further comments, the DFT kindly requests the Productivity Commission to provide a copy of non-confidential petition so that the DFT can carefully study the petition.

The DFT is looking forward to receiving your positive response at your earliest convenience.

Yours sincerely,

(Miss. Banjongjitt Angsusingh)
Deputy Director-General
Acting Director-General

Processes Fruit Safeguards Inquiry
Productivity Commission
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