

SA canned-fruit producers win first round

South African canned-fruit producers have won the first round in the battle against an Australian producer who brought applications for safeguard measures and anti-dumping duties against them.

By Amanda Visser 7 Nov 2013



The Rhodes canning factory in Tulbach. Australia wants to ban all imports of South African canned fruit. Image: Rhodes

The Australian authorities responsible for the investigations have found no grounds for the implementation of provisional safeguard duties on canned-fruit producers or anti-dumping duties on canned peaches from SA during their preliminary investigations. Affected parties still have time to submit supplementary information before the authorities make their final recommendations.

Australia earlier this year sought a total ban on all canned-fruit products produced abroad. The move would have hit SA's fruit producers hard since they supply 40% of the total processed fruit market in that country.

Australia is SA's fourth-largest market for canned peaches.

The ban is being sought as a safeguard measure to protect the local Australian industry.

SA's producers as well as the Department of Trade and Industry opposed the total ban and have made submissions to the Australian investigating authority dealing with safeguards.

Rian Geldenhuys, an international trade and commercial lawyer with Trade Law Chambers, said that although the commission's findings were not final, the outlook remained positive for South African producers.

According to the World Trade Organisation, safeguard measures are defined as "emergency" actions with respect to increased imports where the increase has caused or threatens to cause serious damage to the importing country's domestic industry.

Anti-dumping measures are introduced where the price of a product produced in one country, but sold in another country less than the price at which the local industry produces and sells it.