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DOF: 20/12/2024

**RESOLUTION** accepting the request of the interested party and declaring the initiation of the administrative procedure for the anti-dumping investigation of imports of pineapple in syrup originating in the Kingdom of Thailand, the Republic of the Philippines and the Republic of Indonesia, regardless of the country of origin.

**On the margin a seal with the National Coat of Arms, which reads: United Mexican States – Ministry of Economy.**

RESOLUTION ACCEPTING THE INTERESTED PARTY'S REQUEST AND DECLARING THE INITIATION OF THE ADMINISTRATIVE ANTI-DUMPING INVESTIGATION PROCEDURE ON IMPORTS OF PINEAPPLE IN SYRUP ORIGINATING IN THE KINGDOM OF THAILAND, THE REPUBLIC OF THE PHILIPPINES AND THE REPUBLIC OF INDONESIA, REGARDLESS OF THE COUNTRY OF ORIGIN

Having seen the resolution at the initiation stage of administrative file AD 21-24 filed in the International Trade Practices Unit of the Ministry of Economy, hereinafter the Secretariat, this Resolution is issued in accordance with the following

#### RESULTS

##### A. Application

1. On July 31, 2024, Productos Santa Mónica, S.A. de C.V. and Sabormex, S.A.P.I. de C.V., hereinafter Productos Santa Mónica and Sabormex, or as a whole, the Applicants, filed the request for the initiation of the administrative investigation procedure for unfair international trade practices, in their form of price discrimination, on imports of pineapple in syrup originating in the Kingdom of Thailand, the Republic of the Philippines and the Republic of Indonesia, hereinafter Thailand, the Philippines and Indonesia, regardless of the country of origin.

2. The Petitioners stated that imports of pineapple syrup originating in Thailand, the Philippines and Indonesia were made in significant volumes and under conditions of price discrimination, causing injury to the domestic industry.

3. They proposed the period of investigation to be from April 1, 2023 to March 31, 2024 and the period of injury analysis to be from April 1, 2021 to March 31, 2024. They presented arguments and evidence in support of their request for investigation, which are contained in the administrative file and were considered for the issuance of this Resolution.

##### B. Applicants

4. Productos Santa Monica and Sabormex are companies incorporated under Mexican law. Among its main activities are the preparation, maquila, industrialization, purchase and sale and marketing of food, preserves and their derivatives. They indicated as the address to receive notifications the one located at San Telmo No. 108, Col. Plazas de San Buenaventura, C.P. 50110, Toluca, State of Mexico.

##### C. Product under investigation

###### 1. Overview

5. The product under investigation is pineapple prepared or preserved in a covering liquid (clarified juice or syrup). Generically it is known as pineapple in syrup or canned pineapple, while technically or commercially as pineapple prepared or preserved in its juice, even with the addition of sugar or other sweetener.

6. Productos Santa Monica and Sabormex indicated that the product under investigation that is exported to the United Mexican States, hereinafter Mexico, is marketed in the following presentations: slices and pieces in different sizes, which are identified by various trade names, such as chunks and pieces or *tid bits*. These presentations are packaged in cans with different net content, such as: 567 grams, 850 grams and 3,060 grams.

7. To support the description of the product under investigation, the Applicants submitted reports of laboratory studies of pineapple samples in syrup originating in the Philippines, Indonesia, Thailand, and Mexico, conducted in October 2023 by the Institute's Center for Research in Applied Biotechnology National Polytechnic, Tlaxcala Unit, hereinafter CIBA, and by the Quality Control Laboratory of the University of the Americas Puebla, hereinafter the Quality Control Laboratory of the UDLAP.

###### 2. Features

8. The Applicants indicated that the characteristics and composition that constitute the description of the pineapple in syrup under investigation, as well as its minimum and maximum parameters, are as indicated in the following table:

Concept	Product under investigation	
Generic and commercial name	Pineapple prepared or preserved in a coating liquid (clarified juice or syrup), or simply pineapple in syrup	
Packaging Type	tin	
Presentation	slices and chunks, also known as <i>tid bits</i> and chunks.	
General characteristics	Minimal	Maximum
Net content	567 grams	3,060 grams
Drained mass (%)	Minimum 58% All forms of presentation, except whole, crushed and <i>chips</i>	
Drained mass (grams)	349 grams	1,860 grams
Chemical characteristics	Minimal	Maximum

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Exchange Rate and Rates as of 12/20/2024

<b>DOLLAR</b>	<b>UDIS</b>
20.4402	8.331147
<b>TIE 28 DAYS</b>	<b>TIE 91 DAYS</b>
10.4250%	10.6327%
<b>TIE 182 DAYS</b>	<b>ANCHORING TIE</b>
10.7692%	10.26 %

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<b>Hydrogen Potential (pH)</b>	3.5	4.2
<b>Brix</b>	Very diluted syrup - minimum 10° Brix Diluted syrup - minimum 14° Brix Concentrated syrup - minimum 18° Brix Highly concentrated syrup - minimum 22° Brix	
<b>Ingredients</b>	Pineapple, water, added sugars (clarified pineapple juice, sugar, sucrose, dextrose), citric acid, ascorbic acid, maltodextrin, steviol glycosides (stevia, 0.05%)	
<b>Coverage Medium</b>	syrup, clarified pineapple juice	
<b>Physical characteristics</b>	<b>Minimal</b>	<b>Maximum</b>
<b>Empty</b>	Min. 13.54 kPa (3.99 in Hg)	
<b>Headspace</b>	Maximum 10%	
<b>Organic plant-based impurities</b>	0.05% m/m	

Source: Information provided by the Applicants.

9. To prove the characteristics and composition of the pineapple in syrup under investigation, the Applicants submitted the reports of laboratory studies of pineapple in syrup samples originating in the Philippines, Indonesia, Thailand and Mexico, which are indicated in point 7 of this Resolution.

### 3. Tariff treatment

10. The Petitioners indicated that according to the website [https://www.snice.gob.mx/oracle/SNICE\\_DOCS/LIGIE-UNIFICADA-30012023-LIGIE\\_20230130-20230130.01.2023.pdf](https://www.snice.gob.mx/oracle/SNICE_DOCS/LIGIE-UNIFICADA-30012023-LIGIE_20230130-20230130.01.2023.pdf), the pineapple in syrup subject to investigation is classified under tariff heading 2008.20.01, with Commercial Identification Number hereinafter NICO, 00 of the Tariff of the Law on General Import and Import Taxes. Export, hereinafter TIGIE.

11. The Ministry found that, according to the source referred to in the previous point, the pineapple in syrup under investigation enters the domestic market under tariff heading 2008.20.01, with NICO 00 of the TIGIE, the description of which is as follows.

Tariff classification	Description
Chapter 20	Preparations of vegetables, fruit or other fruits or other parts of plants
Departure 2008	Fruit or other fruits and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included.
Subheading 2008.20	- Pineapples.
Fraction 2008.20.01	Pineapples.
NICO 00	Pineapples.

Source: "Decree issuing the Law on General Import and Export Taxes", hereinafter LIGIE Decree 2022, published in the DOF on June 7, 2022 and "Agreement by which the Commercial Identification Numbers (NICO) and their correlation tables are disclosed", published in the DOF on August 22, 2022.

12. According to the LIGIE 2022 Decree, imports that enter under tariff heading 2008.20.01 of the TIGIE are subject to a general tariff of 20% for countries with which Mexico does not have free trade agreements. However, imports made under tariff heading 2008.20.01 of the TIGIE originating in Panama are subject to the tariff rate provided for in Article 1 of the LIGIE, without any tariff reduction, in accordance with the "Agreement by which the Applicable Rate of the General Import Tax for goods originating in the Republic of Panama is disclosed". Panama", published in the DOF on August 30, 2022.

13. The unit of measurement for pineapple in syrup established in the TIGIE is the kilogram.

### 4. Production process

14. Productos Santa Monica and Sabormex indicated that the inputs used for the production of pineapple in syrup are: fresh pineapple, syrup composed of water, pineapple juice, sugars, citric acid, jar, label and box. They specified that sugars or their similar can be: clarified pineapple juice, sucrose, dextrose, maltodextrin, glucose, invert sugar, or high-intensity sweeteners.

15. The Applicants stated that the production of pineapple in syrup, both for the presentations in slices and in pieces, is carried out through a mature process that has not undergone significant changes in recent decades, which is carried out through the following stages:

- a. Reception: fresh pineapple is received from the warehouse.
- b. Cutting process: the leaves, stem, and crown of the fresh pineapple are removed.
- c. Selection: only the pineapple that meets the specifications is placed on a conveyor belt.
- d. Washing: the pineapple passes through a vibrating machine to remove dirt and any dirt; at the same time it is washed with water by means of sprays.
- e. Classification: the pineapple is classified by size.
- f. Peeling and core removal: the pineapple goes through the machine that removes the peel and removes the hard core, as well as its upper and lower ends.
- g. Cutting eyelets: The shelled pineapple passes through the conveyor belt for employees to remove the remaining eyelets and any defective parts with a knife; once this is done, they return the pineapple to the conveyor belt.
- h. Slicing: the pineapple goes through the slicing machine.
- i. Selection of slices: the slices are manually selected, where the approved ones are destined for the sliced product, while those that are defective, if applicable, are sent for the production of pieces.
- j. Chopping: the slices go through a cutting machine to cut them. This process is skipped when the product will be sold in slices. In other words, it is an additional step when the product is marketed in pieces.
- k. Preparation and filling of the containers: the cans are placed on a conveyor belt, washed and ready for filling; then, manually or by machine, the cans are filled, either with the slices or the pieces, and weighed to verify that the contents are correct.
- l. Filling with syrup or clarified juice: the cans filled with the pineapple in slices or pieces go through a syrup or clarified juice dispenser, where they are filled with these liquids.
- m. Sealing of the container: the lids, previously washed, are placed on the can and the crimping machines close them hermetically.
- n. Sterilization: by cooking and subsequent cooling, the cans filled with the product are sterilized.
- o. Coding: the packaged product, the batch and the date of manufacture are indicated.



p. Labeling: the product is labeled, boxed and packed to be delivered to the finished product warehouse .

16. To support the pineapple syrup production process in the Philippines, Indonesia and Thailand, the Applicants submitted videos of the pineapple syrup production lines of three companies and screenshots of the websites of two Chinese companies that manufacture processing machinery of the product under investigation of the People's Republic of China, hereinafter China:

- a. Saming Foods Corp. LTD., of Thailand <https://www.youtube.com/watch?v=xTA6PQtC2YA>.
- b. Wondastic Tech and which is observed to be used by the company Del Monte de Filipinas ([https://www.youtube.com/watch?v=1LS7\\_Nkb24Y](https://www.youtube.com/watch?v=1LS7_Nkb24Y)).
- c. Intechwell Equipment & Engineering Co., Ltd., of China (<https://www.youtube.com/watch?v=rta505EcMvE>).
- d. Screenshots of the websites of the Chinese companies Willman Machinery and Shanghai Beyond Machinery (<https://www.willmanmachinery.com> and <https://fruitprocessingmachine.com/canned-pineapple-production-machine/>, respectively), where the production line that Chinese companies offer for the production of the product under investigation can be seen.

17. The Petitioners argued that the production line for the production of the product under investigation offered by the Chinese companies, indicated in the previous point of this Resolution, demonstrates that: (i) the production process is the same throughout the world, regardless of the country in which the product under investigation is manufactured; ii) the machinery manufactured in China can be exported to other countries, such as those originating in the investigated merchandise, which reveals the similarity in the production processes, and iii) the production process of pineapple in syrup is a mature process since the machinery currently marketed is similar to that used in the countries of origin of the investigated merchandise.

18. In this regard, the Ministry considered that the information provided by the Applicants on the production process of the product under investigation, previously indicated, provides elements that allow it to be seen that, in fact, pineapple in syrup is produced worldwide and, therefore, in the countries under investigation, through processes that do not show substantial differences.

## 5. Standards

19. The Applicants stated that the following national standards issued by the General Directorate of Standards apply to the product under investigation: i) NOM-002-SCFI-2011 "Prepackaged Products -Net Content- Tolerances and Verification Methods", hereinafter NOM-002-SCFI-2011, and ii) NMX-F-011-1983 "Food. Fruits and Pineapple Derivatives in Syrup", hereinafter NMX-F-011-1983, and the international standard CODEX-STAN-42-1981 "Standard for canned pineapple" of the Food and Agriculture Organization of the United Nations, hereinafter CODEX-STAN-42-1981. The Requestors provided these standards.

20. The Secretariat noted that standards NOM-002-SCFI-2011 and CODEX-STAN-42-1981 are applicable to the product under investigation, since CIBA and the UDLAP Quality Control Laboratory considered the parameters established by these standards to carry out laboratory studies of samples of pineapple in syrup originating in the Philippines, Indonesia and Thailand, referred to in point 7 of this Resolution.

## 6. Uses and functions

21. The Applicants indicated that the product under investigation is mainly used for direct human consumption and as an input for the preparation of different foods, among which are: desserts, pizzas, salads and, in general, those made in confectioneries, restaurants and hotels.

## D. Stakeholders

22. The parties of which the Secretariat is aware and which may have an interest in appearing in this investigation are the following:

### 1. National production companies

Agrover, S. de R.L. de C.V.

2 de abril Street No. 213  
Fraccionamiento Virginia  
C.P. 94294, Boca del Río, Veracruz

Conservas La Torre, S.A. de C.V.  
Carretera Puente de Vigas Km 24.5  
San Lorenzo Río Tenco  
C.P. 54830, Tepetzotlán, State of Mexico

Conservas La Bonita, S.A. de C.V.  
Coahuila No. 22  
Col. Centro  
C.P. 68400, Loma Bonita, Oaxaca

Empacadora San Marcos, S.A. de C.V.  
Puebla-Amozoc-Oriental Highway Km 54  
C.P. 75120, Nopalucan, Puebla  
Juan Cruz Elvira  
Carretera Isla Santiago Tuxtla-Playa Vicente Km 3.5  
El Dorado  
C.P. 95640, Island, Veracruz

La Costeña, S.A. de C.V.  
Vía Morelos No. 268  
Col. Santa María Tulpetlac  
C.P. 55400, Ecatepec, State of Mexico

### 2. Importers

Abarrotera de Baja California, S.A.  
1521 Calle de la Industria  
Col. Industrial  
C.P. 21010, Mexicali, Baja California

Abarrotes La Manita, S.A. de C.V.  
Melchor Ocampo No. 59  
Col. Magdalena Mixiuhca  
C.P. 15850, Mexico City

Agrana Fruit México, S.A. de C.V.  
Martínez de Navarrete No. 83-B  
Col. General Francisco Villa  
C.P. 59845, Jacona, Michoacán

Alba Frio International, S.A. de C.V.  
Adolfo López Mateos No. 1615  
Col. Melchor Ocampo  
C.P. 32380, Ciudad Juárez, Chihuahua

Alceda, S.A. de C.V.  
Wood Industry No. 154

Col. Industrial Zapopan Norte  
C.P. 45130, Zapopan, Jalisco

Alimentos Centralizados de México, S. de R.L. de C.V.  
Carretera Lago de Guadalupe Km 27.5, nave B  
Tlanepark Industrial Park  
Col. San Pedro Barrientos  
C.P. 54010, Tlalnepantla, State of Mexico

Alimentos e Importaciones de la Peninsula, S. de R.L. de C.V.  
Engineer Lobato No. 1991 A  
Col. López Leyva  
C.P. 22416, Tijuana, Baja California

Almacenadora y Maquilas, S.A. de C.V.  
López Mateos Extension No. 12114, Int. 13  
Col. Buenavista  
C.P. 45640, Tlajomulco de Zúñiga, Jalisco

Almacenes Altamira, S.A. de C.V.  
Straw Bridge No. 18, zone 1, nave 1  
Col. Central de Abasto  
C.P. 09040, Mexico City

Asided BC, S.A. de C.V.  
Sor Juana Inés de la Cruz No. 19345, Int. 2 B  
Col. Nueva Tijuana  
C.P. 22435, Tijuana, Baja California

Avomex International, S.A. de C.V.  
Andrés Flores s/n  
Col. Los Pinos  
C.P. 26737, Sabinas, Coahuila

BCG Food Suppliers, S.A. de C.V.  
Av. Paseo de los Leones No. 2226  
Col. Las Cumbres  
C.P. 64610, Monterrey, Nuevo León

Bodega de Granos el Alazán y el Rocío, S.A. de C.V.  
Straw Bridge No. 18  
Col. Central de Abasto  
C.P. 09040, Mexico City

Calkins Burke and Zannie de México, S.A. de C.V.  
Privada Ixtepete No. 12  
Col. Mariano Otero  
C.P. 45071, Zapopan, Jalisco

Central Detallista, S.A. de C.V.  
Ignacio Comonfort No. 9351  
Col. Zona Urbana Río Tijuana  
C.P. 22010, Tijuana, Baja California

Cobos González Asociados, S.A. de C.V.  
Av. San Rafael No. 7  
Col. Jacinto López II  
C.P. 88756, Reynosa, Tamaulipas

Comercial de Carnes Frías del Norte, S.A. de C.V.  
Av. Brasil No. 2800  
Col. Alamos  
C.P. 21210, Mexicali, Baja California

Comercial Hispana, S. de R.L. de C.V.  
Av. Homero No. 418, 11th floor  
Col. Polanco  
C.P. 11560, Mexico City

Comercialización y Servicio de Nogales, S.A. de C.V.  
Hermosillo No. 692  
Col. Granja Nogales  
C.P. 84065, Nogales, Sonora

Comercializadora Californiana, S. de R.L. de C.V.  
Sinaloa No. 15-3  
Col. El Manglito  
C.P. 23060, La Paz, Baja California Sur

Comercializadora de Lácteos y Alimentos AJ, S. de R.L. de C.V.  
Ruta Independencia No. 12091  
Col. Mariano Matamoros Norte  
C.P. 22206, Tijuana, Baja California

Comercializadora México Americana, S. de R.L. de C.V.  
Road to Nextengo No. 78  
Col. Santa Cruz Acayucan  
C.P. 02770, Mexico City

Comercializadora Mexport, S.A. de C.V.  
Cuahtémoc No. 5  
Col. Santa Clara  
C.P. 55540, Ecatepec, State of Mexico

Daqu de Sonora, S.A. de C.V.  
Bld. Eusebio Kino No. 510  
Col. Loma Linda  
C.P. 83150, Hermosillo, Sonora

Dawn-Mixco Internacional, S.A. de C.V.  
Bld. Manuel Ávila Camacho No. 5, 27th floor  
Col. Lomas de Sotelo  
C. P. 53390, Naucalpan, State of Mexico

Digrava, S.A. de C.V.

Coyul No. 2139  
Frac. Gardens of the Cross  
C.P. 44530, Guadalajara, Jalisco

Distribuciones Rembao, S.A. de C.V.  
Blvd. Venustiano Carranza No. 400  
Col. Villa Bonita  
C.P. 21383, Mexicali, Baja California

Distribuciones Santa Cruz, S.A. de C.V.  
Alba No. 4355-18  
Col. Las Brisas Norte  
C.P. 22115, Tijuana, Baja California

Distribuidora e Importadora Alsea, S.A. de C.V.  
Carretera Lago de Guadalupe Km 27.5, nave 6  
Col. San Pedro Barrientos  
C.P. 54010, Tlalnepantla, State of Mexico

Docian Mx Comercial, S.A. de C.V.  
Monte Campeche No. 1 A, block 83, warehouses 48 and 49  
Col. Benito Juárez  
C.P. 77536, Cancun, Quintana Roo

Economax, S.A. de C.V.  
International Highway Km 5, office 22  
Nogales Industrial Park  
C.P. 84094, Nogales, Sonora

Etrusca Comercial, S.A. de C.V.  
Av. Norte 35 No. 908, bodega B 2  
Col. Industrial Vallejo  
C.P. 02300, Mexico City

FI Avocado, S. de R.L. de C.V.  
Av. Río San Lorenzo No. 672  
Col. Castro del Río Industrial Park  
C.P. 36810, Irapuato, Guanajuato

Garza Herrera Comercializadora, S.A. de C.V.  
Beirut No. 49  
Frac. Sinai Hill  
C.P. 88736, Reynosa, Tamaulipas

Granos y Semillas de México, S.A. de C.V.  
Calle 2 No. 16 y 20, transfer warehouses  
Col. Central de Abasto  
C.P. 09040, Mexico City

Grupo La Florida México, S.A. de C.V.  
Ignacio Ramírez No. 20, 1st floor, office 101  
Col. Tabacalera  
C.P. 06030, Mexico City

Grupo Marr Distribuidores, S. de R.L. de C.V.  
Casimiro Chávez No. 2216  
Col. Guerrero  
C.P. 22055, Tijuana, Baja California

Hivecom, S.A. de C.V.  
Prolongación 15 Sur No. 2307, Int. 8  
Col. San Cristóbal Tepontla  
C.P. 72764, San Pedro Cholula, Puebla

ICR, S.A. de C.V.  
Av. Paseo de los Héroes No. 9911 B  
Col. Zona Urbana Río Tijuana  
C.P. 22010, Tijuana, Baja California

Importaciones Baroudi, S.A. de C.V.  
Calzada Veracruz No. 281  
Col. Adolfo López Mateos  
C.P. 77010, Quintana Roo, Chetumal

Importaciones Volt, S.A. de C.V.  
Calle 3 No. 17, block 3  
Col. Central de Abasto  
C.P. 09040, Mexico City

Importadora y Distribuidora La Canasta, S. de R.L. de C.V.  
Salinas No. 3600  
Col. Aviación  
C.P. 22014, Tijuana, Baja California

Industrias Citrícolas de Montemorelos, S.A. de C.V.  
Carretera a General Terán s/n  
Col. José María Parás  
C. P. 66580, Montemorelos, Nuevo León

Industrias Hodoyan, S.A. de C.V.  
Av. Guadalajara No. 6  
Frac. Jalisco  
C.P. 22116, Tijuana, Baja California

Ingredientes Alimenticios de Occidente, S.A. de C.V.  
Privada Ixtepete No. 12  
Col. Mariano Otero Zapopan  
C.P. 45071, Jalisco, Mexico

Junior Foods, S.A. de C.V.  
Av. Venustiano Carranza Sur No. 852  
Col. Ex Seminary  
C.P. 64049, Monterrey, Nuevo León

Livek del Caribe, S.A. de C.V.

Monte Campeche manzana 83, lote 01  
Col. Santa Ana  
C.P. 77560, Cancun, Quintana Roo

Materiales Primas La Concepción, S.A. de C.V.  
Bee No. 1114  
Col. Jardines de la Victoria  
C.P. 44530, Guadalajara, Jalisco

Mayoristas de Abarrotes y Servicios Alimentarios, S. de R.L. de C.V.  
Papaya No. 6220  
Col. El Granjero  
C.P. 32690, Ciudad Juárez, Chihuahua

Mercado 888, S. de R.L. de C.V.  
Ricardo Flores Magón No. 340, Int. 2  
Col. Independencia  
C.P. 22000, Tijuana, Baja California

Mercantil Cuautitlán, S.A. de C.V.  
Venustiano Carranza No. 411  
Col. El Partidor  
C.P. 54879, Cuautitlán, State of Mexico

Mex-Conex 2015 International Importers, S.A. de C.V.  
Poniente 10 No. 29, block 9, lot 9  
Col. Treasure Cleaver  
C.P. 07900, Mexico City

Operadora Comercial La Morelense, S.A. de C.V.  
Aisle 2, letter G and H, cellar H 44B  
Col. Central de Abasto  
C.P. 09040, Mexico City

Operadora de Ciudad Juárez, S.A. de C.V.  
Av. López Mateos No. 2125  
Col. Reforma  
C.P. 32380, Ciudad Juárez, Chihuahua

Operadora de Reynosa, S.A. de C.V.  
Av. Paseo de los Leones No. 3290  
Col. Bosques de las Cumbres  
C.P. 64619, Monterrey, Nuevo León

Organización del Guadiana, S.A. de C.V.  
Prolongación Gustavo Díaz Ordaz No. 304, bodega 8  
Col. José López Portillo  
C.P. 66480, San Nicolás de los Garza, Nuevo León

Prim Suppliers, S.A. de C.V.  
Canal de Churubusco s/n, zone 1, section 4, nave 1, warehouse B 24  
Col. Central de Abasto  
C.P. 09040, Mexico City

Productos Alta Repostería del Caribe, S.A. de C.V.  
Federal Highway No. 307, building B, local B 102  
Col. Puerto Morelos  
C.P. 77580, Puerto Morelos, Quintana Roo

Proveedora de Agua Prieta, S.A. de C.V.  
Calle 5 No. 1173  
Col. Agua Prieta  
C.P. 84200, Agua Prieta, Sonora

Proveedora del Panadero, S.A. de C.V.  
Calle 9 No. 232  
Col. Kanasín  
C.P. 97370, Kanasín, Yucatán

Rodinia Internacional, S.A. de C.V.  
Sócrates s/n, piso 5, área b  
Col. Polanco  
C.P. 11530, Mexico City

San Pedro Distribuidora de Alimentos, S. de R.L. de C.V.  
Bvd. Gustavo Díaz Ordaz s/n  
Col. Benton  
C.P. 22115, Tijuana, Baja California

Smart & Final del Noroeste, S.A. de C.V.  
Bvd. Salinas y Roviroso No. 4400  
Fracc. Aviation  
C.P. 22420, Tijuana, Baja California

Supermercados Internacionales HEB, S.A. de C.V.  
Hidalgo Poniente No. 2405  
Col. Obispado  
C.P. 64060, Monterrey, Nuevo León

Tepehuana, S.A. de C.V.  
Av. Cuauhtémoc No. 34  
Col. La Azteca  
C.P. 54010, Tlalnepantla, State of Mexico

Tiendas Soriana, S.A. de C.V.  
Alexander of Rhodes No. 3102 A  
Col. Las Cumbres  
C.P. 64610, Monterrey, Nuevo León

Tinmart Comercializadora, S.A. de C.V.  
California No. 337 B  
Col. Quinta Díaz  
C.P. 85110, Ciudad Obregón, Sonora

Valores Alimenticios, S.A. de C.V.

Av. Las Americas No. 6400  
Col. AVIA Industrial Park  
C.P. 66367, Santa Catarina, Nuevo León  
Woodn Lentes de Baja California, S. de R.L. de C.V.  
Carpenters No. 2073  
Col. Bureaucrats  
C.P. 21020, Mexicali, Baja California

### 3. Exporters

Cervantes Distributor Inc.  
471 W. Lambert Road, Suite 100  
Zip Code 92821, Brea, California, United States of America

Chalong Co. Ltd.  
55/5 Moo 5 Wat Prangern-Tessabambangyai 11  
Zip Code 11140, Nonthaburi, Thailand

Dole Asia Holdings Pte. Ltd.  
Wallich Street No. 32-01, Guoco Tower  
Zip Code 078881, Singapore

Kodanmal Group Co. Ltd.  
Sukhumvit Road 158/2-4, Soi 33  
Klongton Nua, Wattana  
Zip Code 10110, Bangkok, Thailand

Lotus Seafood Inc.  
Ord Way Oceanside 1865  
Zip Code 92056, California, United States of America

Natural Fruit Co. Ltd.  
Nhongtatam A. Pranburi 179/12 Moo 11 T  
Zip Code 77120, Prachuap Kiri Khan, Thailand

Philpack Corporation  
9th Avenue 30th Street  
Bonifacio Global City  
Zip Code 01634, Taguig, Philippines

Pranburi Hotei Co. Ltd.  
Nhongtatam Pranburi 179/4, Moo 4  
Zip Code 77120, Prachuap Kiri Khan, Thailand

Prime Products Industry Co. Ltd.  
Debaratna Road No. 163 ext. 589, 32nd floor, Central City Tower  
Zip Code 10260, Bang Na, Bangkok, Thailand

Pt. Great Giant Pineapple  
Jl. Jendral Sudirman Kav. No. 71  
Sequis Tower Level 39 - 40  
Zip Code 12190, Jakarta, Indonesia

Siam Agro-Food Industry Public Company Limited  
Sukhumvit 21 (Asoke) Road, 50 GMM Grammy Place Fl 17  
Klong Toei Nuea, Wattana  
Zip Code 10110, Bangkok, Thailand

Takerng Pineapple Industrial Co. Ltd.  
Phetkasem Road 220 Moo 6  
Sam Roi Yot  
Zip Code 77180, Prachuap Khiri Khan, Thailand

V&K Pineapple Canning Co. Ltd.  
Nongpanchan 99/9 Moo 7 T  
Zip Code 70180, Ratchaburi, Thailand

### 4. Governments

Embassy of the Philippines in Mexico  
Av. Thiers No. 111  
Col. Anzures  
C.P. 11590, Mexico City

Embassy of Indonesia in Mexico  
Jules Verne No. 27  
Col. Polanco  
C.P. 11560, Mexico City

Embassy of Thailand in Mexico  
Av. Paseo de las Palmas No. 1610  
Col. Lomas de Chapultepec  
C.P. 11000, Mexico City

### E. Prevention

23. On August 16, 2024, the Secretariat notified the Applicants of the prevention so that, among others, they could correct various aspects of form; submit the response to the form in force for applicants of investigation for price discrimination; provide the e-mails through which the SIS International Research, Inc., hereinafter SIS International Research, requested price quotes in the countries under investigation, including the data of senders and recipients, as well as the information requested by said consultant in the aforementioned emails; for the cost of production of Sabormex, to show the support of the figures reported for fresh pineapple without crown for the months of May 2023 and January 2024 and the calculation methodology and, if applicable, the relevant corrections; to provide the evidence that would allow the validation of the reported figures of the production yield per hectare of pineapple, the data of a 3-kilogram presentation tray and to confirm that the quantities reported come from its accounting system; to clarify whether the descriptions of "canned crushed pineapple (boxes)" and "ground pineapple (6 cans of 3.05 kg each)" they correspond to the product under investigation; explain what the crushed/ground presentations consist of and justify why they should be considered as a product under investigation; provide the costs of sugar per box; present the statement of costs and unit expenses of sales of the like merchandise for the domestic market for the periods April 2021-March 2022; April 2022-March 2023 and April 2023-March 2024, and in the case of Sabormex to exhibit the statement of financial position and the statement of cash flow for the first quarter of 2023. On September 11, 2024, Productos Santa Monica and Sabormex submitted their response.

### F. Information Requests

24. On August 16, 2024, the Ministry notified information requests to Agrover, S. de R.L. de C.V., hereinafter Agrover, Conservas La Bonita, S.A. de C.V., hereinafter Conservas La Bonita, Conservas La Torre, S.A. de C.V., hereinafter Conservas La

Torre, Empacadora San Marcos, S.A. de C.V., hereinafter Empacadora San Marcos, Grupo Industrial San Miguel, S. de R.L. de C.V., hereinafter Grupo Industrial San Miguel, Juan Cruz Elvira, La Costeña, S.A. de C.V., hereinafter La Costeña and the National Chamber of the Food Canned Industry, hereinafter, CANAINCA, a term that expired on August 30, 2024.

25. On August 26, 2024, CANAINCA responded to the Secretariat's request for information to provide the names of the domestic pineapple producers in syrup, the production and sales volumes of each.

26. On August 30, 2024, Grupo Industrial San Miguel responded to the Secretariat's request for information to indicate whether it produced pineapple in syrup under investigation, in sliced and chunked presentations, packaged in cans in the period April 2021-March 2024 and, if so, provide its production volumes, sales and installed capacity to produce it, as well as its position with respect to the request in this investigation. Agrover, Conservas La Bonita, Conservas La Torre, Empacadora San Marcos, Juan Cruz Elvira and La Costeña did not respond to the request for information.

#### G. Other appearances

27. On July 29, 2024, CANAINCA submitted a letter indicating the volumes of production and sales to the domestic market of pineapple in syrup of the Applicants, the rest of the producers and the total domestic production, for the periods April 2021-March 2022, April 2022-March 2023 and April 2023-March 2024.

### RECITALS

#### A. Jurisdiction

28. The Secretariat is competent to issue this Resolution, in accordance with the provisions of Articles 5 and 12.1 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, hereinafter the *Anti-Dumping Agreement*; 16 and 34, sections V and XXXIII of the Organic Law of the Federal Public Administration; 5, section VII and 52, sections I and II of the Foreign Trade Law, hereinafter LCE; 80 and 81 of the Regulations of the Foreign Trade Law, hereinafter RLCE, and 1, 2, section A, section II, numeral 7, 4 and 19, sections I and IV of the Internal Regulations of the Ministry of Economy.

#### B. Applicable Law

29. For the purposes of this proceeding, the *Anti-Dumping Agreement*, the LCE, the RLCE, the Federal Tax Code, the Federal Code of Civil Procedure, and the Federal Law of Contentious Administrative Procedure, the latter three of supplementary application, are applicable.

#### C. Protection of Confidential Information

30. The Secretariat may not publicly disclose confidential information submitted to it by interested parties, or confidential information submitted to it, in accordance with Article 6.5 of the *Anti-Dumping Agreement*; 80 of the LCE, and 152 and 158 of the RLCE. However, interested parties may obtain access to confidential information, provided that they meet the requirements set out in Articles 159 and 160 of the RLCE.

#### D. Procedural legitimacy

31. In accordance with the provisions of paragraphs 179 to 193 of this Resolution, the Secretariat determines that the Applicants are entitled to request the initiation of this administrative investigation procedure, in accordance with Articles 5.1 and 5.4 of the *Anti-Dumping Agreement*, and 50 of the FTA.

#### E. Period investigated and analyzed

32. The Ministry determines to set the period from April 1, 2023 to March 31, 2024, as the period of investigation, and the period of injury analysis as the period from April 1, 2021 to March 31, 2024, periods proposed by Productos Santa Monica and Sabormex, since they comply with the provisions of the provided for in Article 76 of the RLCE and the recommendation of the Committee on Anti-Dumping Practices of the World Trade Organization (document G/ADP/6 adopted on 5 May 2000).

#### F. Price Discrimination Analysis

33. Since the methodology submitted by the Applicants for the calculation of export price and normal value is consistent for the three countries under investigation, it will be described together, unless specific clarification is needed for a particular country.

##### 1. Export price

###### a. Indonesia, the Philippines and Thailand

34. In order to prove the export price, the Applicants provided a list of the import operations of pineapple in syrup or canned pineapple, originating in Indonesia, the Philippines and Thailand, which entered Mexico under tariff heading 2008.20.01, with NICO 00 of the TIGIE, for the period under investigation. They indicated that this database was provided by CANAINCA, which it obtained through the National Customs Agency of Mexico, hereinafter ANAM.

35. They indicated that goods other than the product under investigation enter through the tariff heading indicated, so in order to identify the merchandise under investigation, they proposed criteria considering the following:

- a. The description contained in the list of imports itself, in such a way that they were able to identify descriptions that corresponded to the product under investigation and those that did not, for example, artificial pineapple concentrate, dried pineapple, pineapple puree, sunflower seeds, almonds and crunchy sliced chips.
- b. The pedimento codes, so they excluded those imports that entered with code A4 - Introduction for fiscal warehouse, F4 - Change of regime of inputs or temporarily exported merchandise, IN - Temporary importation of goods that will be subject to transformation, processing or repair (IMMEX) and P1 - Reshipment of strip goods border region or border region within the country, because accounting for them could double import volumes when customs regimes change or include products that do not enter the Mexican market.

36. After filtering the import operations, the Applicants estimated a weighted average export price in United States dollars, hereinafter dollars per kilogram, considering the customs value, for each of the countries investigated.

37. The Ministry obtained import statistics from the Mexican Trade Information System, hereinafter SIC-M, during the period under investigation, for tariff item 2008.20.01 of the TIGIE and compared it with the information provided by the Applicants (inter alia, the description of the merchandise, the value in dollars, the volume in kilograms and the number of import operations), and found differences.

38. Due to the differences found between the two sources, the Ministry decided to use the basis of the import statistics reported by the SIC-M to calculate the export price, considering that the operations contained in that database are obtained from the customs declarations that occur in a framework of exchange of information between agents and customs representatives, on the one hand, and the customs authority on the other, and is therefore considered to be the best information available. In addition, this list of import operations includes, among other elements, the volume, value and description of the product imported in each operation.

39. Based on the identification criterion presented by the Applicants, which considers the description reported in the transactions exported to Mexico, the Ministry considered the use of this criterion reasonable, since the descriptions contained in the database make it possible to identify transactions that are within the coverage of the product, as well as descriptions that allow the Ministry to presume that they are the merchandise under investigation. Consequently, the Secretariat identified those operations corresponding to pineapple in syrup or in preserves.

###### b. Adjustments to the export price

40. The Applicants proposed adjusting the export price by classifying import operations according to the country of origin and the country of origin, since the database obtained from ANAM contains information on the country of origin, as well as the selling country, as follows:

- a. In the case of transactions that originate directly from the country of origin, they made a comparison of the commercial value with the customs value; derived from this analysis, in cases where the commercial value was lower, the



Applicants assumed that such value corresponded only to the value of the product at the exporter's plant, so no adjustments were necessary. For those operations in which the commercial value coincided with the customs value, they considered the latter value and proposed adjusting them for internal freight, customs rates, maritime freight and insurance.

- b. In the case of operations from a third country, they considered the customs value reported in the database and proposed adjusting it for internal freight, tariffs at the customs office of origin and provenance, maritime freight from the country of origin to the country of origin and from the country of origin to Mexico, and safe.

41. With respect to the adjustments for tariffs in the customs of the country of origin, maritime freight from the country of origin to the country of origin and from the country of origin to Mexico, the Ministry considered that they were not taken into account, since the merchandise could arrive directly from the country of origin to Mexico even though when the selling country is different, for logistical reasons. In addition, the Ministry considers that applying only the adjustments of the countries under investigation to Mexico proposes a conservative scenario for the calculation of the export price.

42. For adjustments for domestic freight and ocean freight in each of the countries investigated, the Applicants submitted quotes for 20-foot containers. They indicated that they correspond to October 2023 and September 2023, respectively.

43. They made an adjustment to bring freight to each of the months of the period under investigation, since they indicated that during that period, these services had a different behavior from that of general inflation, so they adjusted the contributions considering the Freightos Baltic Index: World Index of Container Transport, hereinafter FBX Index, for which they provided the graph of the behavior of the World Container Transport Index and the calculation methodology. Likewise, to justify the behavior observed in freight rates and their expectations in the period under investigation, they provided the articles "Maritime freight: What are the expectations of the price of international freight transport for 2023 and 2024?", published on August 2, 2023 on the <https://www.acglobally.com/es/> website; "Road and Ocean Freight Costs, the Biggest Risers in the United States," published on July 14, 2022, on the website <https://www.tyt.com.mx/nota/costos-highway-and-sea-freight-and-sea-freight-the-most-rising-in-the-United-States>, and "Will Regional Ocean Freight Rates Fall in 2023?- Part 1", published on May 10, 2023 on the website <https://blogs.iadb.org/transporte/es/bajaran-los-fletes-maritimos-regionales-en-2023-parte-1/>.

44. The Secretariat accessed the Freightos Baltic (<https://terminal.freightos.com/>) website to obtain the FBX Index and noted that Freightos Baltic has experience in the freight transport sector, with more than ten million quotes per year. He also noted that on that page the cost of freight worldwide can be identified, as indicated by the Applicants.

45. The Ministry replicated the methodology proposed by the Applicants in order to validate the factor they proposed to adjust the freight quotes provided to bring the prices to the period under investigation, without finding any differences, and therefore, as a reasonably valid methodology, it applied it in its calculations of the adjustments.

46. In order to calculate the dollar per kilogram adjustment amounts for domestic freight, ocean freight, and customs charges, the Requestors indicated that for each operation they determined the containers that were used to move the product under investigation according to volume reported in each operation, since it is sometimes transported with other products. When the product under investigation was transported with other products, for the calculation of unit freight, they considered a part of the freight amount, the number of containers used in the transport and the volume of the product exported to Mexico.

47. With regard to the proposed methodology for the allocation of adjustments for domestic freight, sea freight and customs charges for each operation, the Ministry considers that it overestimates the amount of the adjustment, since, as proposed by the Applicants, if the maximum load of a container of 20 feet from one kilogram, they consider the amount of an additional container. In this sense, the proposed methodology results in a greater adjustment applied to the export price, which leads to overestimating a margin of price discrimination.

48. Because the quotes submitted by the Applicants contain the amount for transporting merchandise in a container with a maximum capacity of 20 thousand kilograms, the Ministry calculated the amount of the adjustment in dollars per kilogram.

#### **i. Internal freight**

49. The Applicants identified the domicile of one of the main exporting producers in each of the countries under investigation and subsequently quoted the transport from the identified domiciles to the main ports of departure.

50. In order to prove the amounts for the adjustment for internal freight in each of the countries investigated, they submitted quotes for 20-foot containers from the Freightos Baltic platform, which they obtained through the <https://ship.freightos.com/> website. They indicated that they correspond to the month of October 2023, so they made an adjustment to bring the amounts to each of the months of the period under investigation, as indicated in point 43 of this Resolution.

51. The Secretariat reviewed the quotations provided by the Applicants and confirmed that they were obtained in October 2023, which correspond to a 20-foot container and contain the breakdown by internal freight as follows: from Kebayoran Baru, South of Jakarta City to the Port of Tanjung Priok in Indonesia, from the Davao Region, South Davao to the Port of Davao in the Philippines and from Bangkok to the Port of Bangkok in Thailand, so they are within the period under investigation. In order to adjust the contributions to the period under investigation, the Ministry applied the methodology described in paragraphs 42 to 44 of this Resolution.

52. To calculate the amount of the adjustment in dollars per kilogram, the Ministry divided the freight amounts for each country under investigation by the maximum capacity of the 20-foot container.

#### **ii. Sea freight**

53. The Applicants identified the main port of departure from each of the countries under investigation to the port of Manzanillo, Mexico. Based on this information, they obtained ocean freight quotes.

54. In order to prove the amounts for the adjustment for sea freight in each of the countries under investigation, they submitted quotes for 20-foot containers from the Hapag-Lloyd platform, which they obtained through the <https://www.hapag-lloyd.com/es/home.html> website. They indicated that they correspond to the month of September 2023, so they made an adjustment to bring the references to each of the months of the period under investigation as indicated in point 43 of this Resolution.

55. Similarly, the Secretariat entered the website of the Hapag-Lloyd company, where it observed that it is a leading shipping company throughout the world, founded in 1970 with more than 50 years of experience in the market. It reviewed the quotes provided by the Applicants and confirmed that they were obtained in September 2023, which correspond to a 20-foot container and contain the ocean freight breakdown as follows: from the port of Manila, Philippines to Manzanillo, Mexico; from Jakarta, Indonesia to the port of Manzanillo, Mexico; from the port of Bangkok, Thailand to Manzanillo, Mexico, so they are within the period under investigation. In order to adjust the contributions to the period under investigation, the Ministry applied the methodology described in paragraph 43 of this Resolution.

56. In order to calculate the amount of the adjustment in dollars per kilogram, the Secretariat divided the freight amounts for each country under investigation by the maximum capacity of the 20-foot container.

#### **iii. Customs Charges**

57. The Applicants indicated that the internal freight quotations indicated in point 50 of this Resolution show the breakdown corresponding to customs expenses.

58. The Secretariat reviewed the documentation submitted by the Applicants and observed that customs expenses include concepts such as: customs brokerage, customs clearance and customs tariff, for which reason it considered those amounts and obtained the amount of the adjustment per kilogram, as described in point 48 of this Resolution.

#### **iv. Insurance**

59. To calculate the amount of the proposed adjustment, the Applicants applied the percentage obtained from the quotation made by the company Skholl, which corresponds to the transport of goods from Thailand to Manzanillo. They explained that, even though the insurance belongs to one of the countries under investigation, it can be applied to goods from the other countries investigated, since they are part of the same region.

60. The Petitioners started from the unadjusted value of the merchandise under investigation, from which they subtracted the amount of the adjustments for domestic freight, sea freight, and customs expenses. The percentage corresponding to the premium was applied to the result.

61. They submitted the electronic communications with the company Skholl, which are within the period under investigation, in which the rate corresponding to the insurance for a 20-foot container with a capacity of 20 thousand kilograms, from Thailand to Manzanillo, Mexico, is observed.

62. The Applicants applied the amount of the insurance for the three countries under investigation, because the Philippines and Indonesia are located within the same geographical area and the maritime routes for transporting the goods are the same.

63. Based on the foregoing, the Secretariat reviewed the documentation provided by the Applicants and observed that the contribution is within the period under investigation. It also replicated the methodology proposed by the Applicants and applied it to obtain the amount of the adjustment in dollars per kilogram.

### **c. Determination**

64. Based on Articles 2.4 of the *Anti-Dumping Agreement*; 36 of the LCE, and 40, 53 and 54 of the RLCE, the Ministry calculated a dollar-weighted average export price per kilogram for pineapple syrup for the Philippines, Indonesia and Thailand during the period under investigation, based on the information provided by the Applicants and from which it itself relied, which was adjusted for domestic freight, customs, sea freight and insurance expenses, based on the methodology presented by the Applicants.

### **2. Normal value**

#### **a. Domestic prices**

65. The Petitioners indicated that the available information on pineapple syrup prices in the domestic market of the Philippines, Indonesia and Thailand is limited, due to the fact that the producers of the subject merchandise are very confidential in their domestic market, since who have been investigated for price discrimination in countries such as the Commonwealth of Australia, the United States of America, hereinafter the United States, and the European Union.

66. In order to obtain information on prices in the domestic market of each of the countries under investigation, the Applicants stated that they made reasonable efforts within their reach, which consisted of searching for information in specialized journals, on the Internet, through information published by governments, production companies and educational organizations, without achieving positive results.

67. The Applicants stated that they were unable to obtain sales prices in the domestic markets of the countries under investigation, despite having conducted Internet searches using criteria related to the product under investigation (e.g., canned pineapple prices, pineapple prices in syrup, canned pineapple prices, canned pineapple production value, pineapple production value in syrup, canned pineapple production value, canned pineapple production volume, canned pineapple production volume, pineapple production volume in syrup, pineapple production volume/canned) and having consulted statistics and official sites. In this regard, they provided a document with the results of the search engines. The Secretariat replied to the application of the criteria indicated by the Applicants, without finding relevant information for the analysis.

68. In addition, the Applicants contracted the companies SIS International Research and IndexBox, Inc., hereinafter IndexBox, to prepare price studies in the Philippines, Indonesia and Thailand.

69. For the study prepared by SIS International Research, hereinafter the SIS Price Study, they submitted communications via e-mail with SIS International Research and the Internet page <https://www.sisinternational.com/about-sis-international-research/> which the SIS International Research profile is located.

70. The Secretariat reviewed the e-mails by which the Applicants requested the consulting firm SIS International Research to prepare the price study for the Philippines, Indonesia and Thailand, and noted that the characteristics requested for its preparation consisted of information from prices of pineapple in syrup, canned or in its juice, sliced or in pieces, in different presentations and distribution channels and that these prices should correspond to prices from producers to customers not linked to the ex-factory level and, if they were not at that level, the information to make the necessary adjustments, and that they refer to quantities preferably per container. He also requested price lists or quotes or official publications.

71. With respect to the above-mentioned website, the Secretariat noted that it is a full-service global strategic consulting and market research company with more than 40 years of experience in the sector, with headquarters in New York, the United States, and offices around the world.

72. Based on the information from the SIS Price Study, the Secretariat identified the following:

- a. It points out that the strategies used to obtain information consisted of interviews and requests for quotes with different producers and distributors.
- b. It provides price lists and quotes obtained from companies established in each of the countries investigated.
- c. Particularly, in the case of the Philippines, it reports the results obtained from the interviews applied, from which specific data on the investigated industry were obtained, for example, the profit margin.
- d. Considers that the industry is cautious and that producers in all three countries showed a significant level of reluctance to share information. It also describes sending emails trying to make appointments for interviews and therefore price quotes. However, the level of response was low and some requests for interviews were rejected unless local government records were available.

73. As indicated in paragraph 23 of this Resolution, the Secretariat instructed the Applicants to provide evidence for the records or mailings. In their response, the Requestors submitted an email in which SIS International Research indicated that it is unable to comply with the request as the providers, as well as the research agencies contacted for this purpose, delete the information from their servers after a few months.

74. In relation to the study requested from the company IndexBox, hereinafter the IndexBox Price Study, the Applicants indicated that they requested the company to obtain price information for the product under investigation in the domestic markets of the Philippines, Indonesia, and Thailand. The report provided indicates that this was automatically generated by IndexBox's artificial intelligence platform and contains information on market trends by country, consumption, production and price evolution, as well as world trade, i.e. imports and exports.

75. The Applicants pointed out that the IndexBox Price Study did not meet the objective, as it included information on products other than the one under investigation, such as pineapple juice, jams and other pineapple preserves.

76. The Secretariat reviewed IndexBox's profile on the <https://www.indexbox.io/> Internet page contained in the report submitted and noted that it is a company specialized in providing data analysis, market research and business intelligence services through a data intelligence platform. It also identified that, to ensure the reliability of its analyses, it applies data selection and filtering criteria, since even the most reliable sources often contain distortions or omissions.

77. In the IndexBox Price Study, the Secretariat found that:

- a. Data collection is done with information obtained from official sources such as the United Nations, the World Bank, industry association sites, and business databases containing company data.
- b. The study develops the analysis of the industry, which includes the product under investigation, using the data in the preparation of forecasts, sizes, trends, which allow to have a context of the behavior of the industry at a general level.
- c. Presents tables and figures of topics related to the industry, which contain recent data, considering 2022 as the last reference year.

d. Provides a list of major producers of the product under investigation by country.

e. The report of domestic sales prices of the pineapple subject to investigation originating in the countries under investigation, in force in the period April 1, 2023 to March 31, 2024, is not part of the analysis.

78. With regard to the IndexBox Price Study, the Ministry conducted an Internet search and validated the profiles of the producing companies established in the countries under investigation. However, it is important to note that the study aims to report on the condition of the product under investigation industry at the international level and price trends in the international market, which place Indonesia, Thailand and the Philippines as the world's leading exporters of the product under investigation.

79. With respect to the calculation of normal value, the Applicants mentioned that, in accordance with the provisions of Articles 2.1 of the *Anti-Dumping Agreement*, and 31 of the FTA, they provided the results of the SIS Price Study, which contains the price references of goods identical to those exported to Mexico in the period under investigation, which are destined for the domestic market of the Philippines, Indonesia and Thailand, which served as the basis for the estimation of domestic prices for the purposes of calculating the margin of price discrimination.

80. Pursuant to Article 2.2 of the *Anti-Dumping Agreement*; 31 of the LCE, and 40 and 42 of the RLCE, the Ministry analyzed the prices in order to determine whether they allow reasonable comparability with the export price for the purposes of calculating the margin of price discrimination, or whether it considers the constructed value option for these estimates.

#### **i. Philippines**

81. The Applicants provided price references, which they obtained from price lists and quotes that are part of the SIS Price Study. They indicated that they correspond to prices to the wholesale public, retailer, distributors, intermediaries, among others.

82. The United States noted that the references provided constitute a reasonable basis for determining normal value, since they come from a source independent of the Applicants and directly from major producers or their main distributors in the country under investigation, and refer to relevant quantities.

83. From the evidence provided by the Applicants, the Secretariat identified the following:

a. Prices obtained from the application of interviews conducted with a distribution company established in the Philippines and corresponding to the product under investigation, for which the Ministry was unable to identify the validity or terms and conditions of sale.

b. Quotations and price lists issued by canned pineapple distribution companies that were established during the period under investigation.

84. Based on the canned pineapple price references in force during the period under investigation, the Ministry consulted the Internet pages of the companies, and those related to the product under investigation, noting the following:

a. The companies sell the canned pineapple subject to investigation, in the Philippine market, under the same trademark. The Secretariat noted that these distributors provide product catalogs identifying the brand and various presentations of canned pineapple for sale.

b. The product under investigation under its distribution is a brand that has a canning factory located in the Philippines that can process up to 110 tons of fruit per hour, manufactures more than one million cans per day, and operates the largest and most modern pineapple packing plant in the world.

c. They are distributors and sub-distributors of local food, and other consumer goods oriented to the food service industry, including restaurants, cafes, hotels, bakeries, convenience stores, supermarkets, among others.

d. They supply consumer markets and the industrial market, which includes food services, services to distributors and food service traders.

85. Based on the foregoing, the Ministry considers that the price references in force during the period under investigation were issued by companies established in the Philippines, which distribute a brand of product manufactured in that country that has a large processing capacity, and which focus on serving channels sales and industrial sectors of importance in the Philippines market. This allows us to presume that companies have a considerable share in this market.

86. In particular, for the quotations of the product under investigation in different presentations, the Ministry considers that the volume mentioned in the price report is reasonable and allows a valid comparison for the purposes of calculating normal value.

#### **a. Adjustments to normal value**

87. In order to make a correct comparison, the Applicants proposed to adjust the normal value references for tax burdens, distributor's profit, freight from the producer's warehouse to the distributor's warehouse, freight from the distributor to the consumer, and discounts.

88. Specifically for the price quotation in force during the period, they pointed out that the document included the legend *free delivery*, so that those price references were adjusted for land freight from the distributor to the final consumer.

89. The Ministry noted that the references issued by the distribution companies do not report the conditions of sale that the Applicants considered for the price adjustment proposals (e.g., the presence of freight charges), except for the tax burdens on which the companies indicated in the price register.

90. With respect to the proposed adjustments and estimation methodology to adjust for price references in the Philippine market, for purposes of calculating normal value, the Secretariat analyzed the information in accordance with Article 2.4 of the *Anti-Dumping Agreement*; 36 of the LCE, and 53, 54 and 57 of the RLCE. However, derived from what has been stated in the previous point, for the purposes of this proceeding, it is concluded that the application of the adjustments for discounts and freight from the producer's warehouse to the distributor's warehouse is not appropriate, because these concepts are not included in the price report.

91. In particular, for the proposed adjustment for land freight from the distributor to the final consumer, the Ministry considers that the legend *free delivery* corresponds to a free service provided by that company, so it is not part of the price, although it is incidental to sale. For this reason, it is considered that this adjustment is not appropriate for the purposes of calculating the normal value.

#### **1) Tax burdens**

92. The Petitioners indicated that the price information includes tax charges, specifically, the value added tax.

93. In this regard, the Ministry reviewed the evidence and noted that it contains the legend that prices include value-added tax. This tax burden was corroborated by the information obtained by the consulting firm through interviews that are part of the SIS Price Study, so that, for the purposes of calculating the normal value, the Ministry applied the corresponding adjustment since it is a condition of sale observed in the prices.

#### **2) Distributor Utility**

94. The Requestors provided information on the Philippines' profit margin, which was obtained from interviews conducted by the consulting firm in the Philippines and which is part of the SIS Price Study. As proof of the above, they presented the statements of one of the collaborators of the canned pineapple distribution companies in the Philippine market.

95. They indicated that they do not have any other information that would allow them to calculate the amount of this adjustment, therefore, since it is the best information available, they request that it be accepted for the purposes of the decision to initiate the *anti-dumping* proceeding.

96. Based on the foregoing, the Ministry corroborated the profile of the companies and the existence of the collaborator's statement regarding the profit margins existing for the product under investigation, and therefore proceeded to use that information to apply the profit adjustment considering the methodology proposed by the Applicants.

#### **3) Determination**

97. Pursuant to Article 2.4 of the *Anti-Dumping Agreement*; 31 and 36 of the LCE, and 53 and 54 of the RLCE, the Secretariat calculated the normal value in dollars per kilogram from the price references in the domestic market of the Philippines and adjusted it for tax burdens and distributor's profit based on the findings in the exhibits, since there was no information on more sales conditions established by the selling companies.

**b. Normal business operations**

98. The Requestors indicated that the price benchmarks provided were not found in the ordinary course of trade, as they were found to be below "constructed value". They added that because they did not have access to cost information from producers in the Philippines to calculate the constructed value, they proposed to use their own cost structure, as the production process is the same.

99. In this regard, the Secretariat considers that, in order to validate the Applicants' assertion and to be able to determine whether the adjusted price benchmarks permit a valid comparison for purposes of calculating the price discrimination margin, such benchmarks must cover the costs of production and overhead costs incurred in the manufacture of canned pineapple in the period under investigation, so the Ministry compared the price references and the cost of production described in the constructed value section. In this regard, the Panel noted that, contrary to the Applicants' assertions, price references in the domestic market of the Philippines allow for the recovery of costs and overheads incurred in production, and are therefore a reasonable basis for calculating normal value via domestic prices, in accordance with Articles 2.1, 2.2, and 2.2.1 of the *Anti-Dumping Agreement*; 31 and 32 of the LCE, and 42 of the RLCE.

**ii. Indonesia**

100. The Applicants provided domestic price references in the Indonesian market, which consisted of price lists, quotes and a proforma invoice, obtained by the consulting firm for the preparation of the SIS Price Study.

101. The United States noted that the references provided constitute a reasonable basis for determining normal value, since they come from a source independent of the Applicants and directly from major producers or their main distributors in the country under investigation, and refer to relevant quantities.

102. On the basis of the information provided by the Applicants, the Secretariat identified the following:

- a. Price references for canned pineapple through proforma invoices and a price list, issued by a producer company established in Indonesia, set in the period of investigation.
- b. Prices recorded by a producing company, quoted in the period under investigation.
- c. Price references issued by a marketing company that imports and exports investigated merchandise, which does not allow certainty of the origin of the canned pineapple.
- d. Quotations issued by companies producing and distributing the product under investigation in the domestic market of Indonesia, which did not report the period of validity or date of issuance of the prices.

103. The Ministry consulted the Internet pages of the companies that issued prices in force during the period under investigation, and those related to the product under investigation, observing the following:

- a. As regards the company from which price references were obtained:
  - 1) He works with local communities and farmers for the production of fresh and processed pineapple products, as his establishment is located in one of the largest pineapple-growing areas .
  - 2) It produces, markets and distributes its own products through direct channels (producer-customer) and indirect channels such as gift shops, bakeries, shops and tourist shops.
  - 3) The company is located in a district located in one of the largest pineapple-growing areas in the country.
  - 4) Its main product of preparation and sale is canned pineapple.
  - 5) During holiday periods, the demand for its products increases and the industry increases the volume of its production.
  - 6) The company has a range of between 51 and 100 employees.
  - 7) Its annual sales revenue for canned fruit is \$500,000 to \$1 million.
  - 8) It has online sales on major Indonesian trading platforms.
- b. As for the company from which they obtained prices through proforma invoices and a price list:
  - 1) It is a company registered with the Indonesian Ministry of Commerce.
  - 2) It offers several types of products including the product under investigation, including canned fruits, vegetables, and fish.
  - 3) The company publishes on its website the details of the product under investigation (some available data are those related to the origin of the goods, weight of the presentations and gross weight per box).
  - 4) The brand under which the product under investigation is marketed is recognized in Indonesia, as it supplies processed foods to hotels, restaurants, and other food services throughout Indonesia.
  - 5) The company has a presence in the international market, including China, Taiwan and a potential market expansion in the Middle East.

104. Based on the foregoing, the Ministry considers that the price references in force during the period under investigation were issued by companies established in Indonesia and are focused on serving sales channels and industrial sectors of importance in that market. This allows us to presume that companies have a considerable presence in this market.

105. In particular, for the quotations of the product under investigation in different presentations, the Ministry considers that the volume in the price report is reasonable and allows a valid comparison for the purposes of calculating normal value.

106. In accordance with Article 51 of the RLCE, for the purposes of calculating the normal value, the Ministry used net references of discounts, when the price payable and the directly related discount were reported in the respective documentary record.

**a. Adjustments to normal value**

107. In order to make a correct comparison, the Applicants proposed to adjust the normal value references for tax burdens, distributor's profit, freight from the producer's warehouse to the distributor's warehouse, and for discounts.

108. In this regard, the Ministry reviewed the evidence and observed that it comes from producing companies and does not include tax burdens in the price report. The Secretariat analyzed the information in accordance with Article 2.4 of the *Anti-Dumping Agreement*; 36 of the LCE, and 53, 54 and 57 of the RLCE and derived from the above, for the purposes of this proceeding, it is concluded that the application of the adjustments for tax burdens, distributor's profit, freight from the producer's warehouse to the distributor's warehouse is not appropriate. In the case of the discount adjustment, this was not considered, since the price references presented the collection detail and for the purposes of calculating normal value, the prices net of discounts were considered.

**b. Normal business operations**

109. The Requestors indicated that the price benchmarks provided were not found in the ordinary course of trade, as they were found to be below "constructed value". The United States indicated that, because they did not have access to cost information from

producers in Indonesia, to calculate the constructed value, they proposed to use their own cost structure since the production process is the same.

110. In this regard, the Ministry considers that in order to validate the Applicants' assertion and to be able to determine whether the adjusted price benchmarks permit a valid comparison for purposes of calculating the price discrimination margin, such benchmarks must cover the costs of production and overhead costs incurred in the manufacture of canned pineapples during the period of investigation, pursuant to Article 2.1 of the *Anti-Dumping Agreement*; 31 and 32 of the LCE, and 40 of the RLCE.

111. The Ministry compared the price references and the cost of production described in the constructed value section. The Panel noted that, contrary to the Applicants' assertions, price references in Indonesia's domestic market allow for the recovery of costs and overheads incurred in production, and are therefore a reasonable basis for calculating normal value via domestic prices.

### iii. Thailand

112. The Applicants provided ex-factory price references reported by a canned pineapple producer that they obtained from the SIS Price Study.

113. The United States noted that the references provided constitute a reasonable basis for determining normal value, since they come from a source independent of the Applicants and from a manufacturing company in the country under investigation, in addition to referring to relevant quantities.

114. The Ministry noted that the evidentiary support corresponds to the product under investigation, provided by a producer located in southern Thailand, where the largest pineapple plantation in Thailand is located. It has products made for its own brands or customers, has 16 assembly lines and a canned pineapple production capacity of 4 million boxes per year. However, the price reference does not report the period of validity or consultation of the prices.

115. The Ministry also noted that the consulting firm SIS International Research provided price references related to the product under investigation that it obtained from e-commerce platforms, however, the Ministry did not have sufficient elements to carry out the normal value analysis based on domestic prices.

116. From the foregoing, and on the basis of the specifications provided by the Applicants to the consultant for the preparation of the SIS Price Study for the Philippines, Indonesia and Thailand, which consisted of price information for pineapple in syrup, canned or in its juice, slices or in pieces, in different presentations, distribution channels, producer prices to unrelated customers, at the ex-factory level and, if they were not at that level, the information to make the necessary adjustments, among others, the Secretariat considers that the Applicants made considerable efforts to obtain price references in the domestic market of Thailand. However, the level of response given by the consultant did not allow corroborating certain variables to calculate the normal value based on price references in the domestic market.

117. It should be noted that the Applicants maintained constant communication with the consultant to provide information or data relevant to the response to the form and the prevention formulated by the Secretariat. In view of this situation, the Secretariat considers that, although the evidence does not allow, for this stage, to calculate the normal value based on Thailand's domestic prices, the Applicants proceeded to the best of their ability to try to provide sufficient information at their disposal to allow the calculation of the normal value based on domestic prices, even when there are obvious difficulties in obtaining it.

118. In view of the foregoing, in the absence of the necessary and sufficient information to consider all the price references that make up the SIS Price Study, the Secretariat considers that, in accordance with Articles 2.2 of the *Anti-Dumping Agreement*; 31 of the LCE, and 40 and 42 of the RLCE, it is appropriate to estimate the normal value through the constructed value proposed by the Applicants.

## b. Constructed value

### 1. Production cost

119. The Requestors indicated that because they did not have access to the cost information of the producers in Thailand, they used their own cost structure, as the production process is the same, so the cost structure must be the same.

120. The Petitioners clarified that, during the production process, different forms of measurement may be used, such as: kilos of fresh fruit entering the production line, kilos drained, net kilos, gross kilos and number of boxes produced. They indicated that this precision corresponds to the fact that, in the production process, the amount in kilos of fresh fruit that enter the line is greater than the number of kilos of drained canned pineapple that are obtained.

121. In relation to the foregoing, based on their own information, the Applicants compared the amount of pineapple that entered the production line against the total production drained, thus obtaining the yield for the period under investigation.

122. The Requestors provided information on the average purchase price of fresh fruit for each of the countries under investigation and indicated that the price corresponds to the price at which the farmer can sell the fresh fruit on his farm. They also specified that although the information provided does not indicate that the prices are for sale in the domestic or export market, they considered that farmers usually do not sell in the export market.

123. In relation to the price of fresh pineapple obtained for each country investigated, the information provided by the Applicants is described below :

- a. Indonesia: submitted the reference of the price of fresh pineapple in Indonesia from the Market Information System of the Department of Agriculture and Plantations of the Province of Central Java contained on the <https://agrojowo.distanbun.jatengprov.go.id/> website, corresponding to the period from April 1, 2023 to March 31, 2024.
- b. Philippines: they showed a query made to OpenSTAT (statistical data platform ) of the Internet page [https://openstat.psa.gov.ph/PXWeb/pxweb/en/DB/DB\\_2M\\_NFG/0032M4AFN07.px/](https://openstat.psa.gov.ph/PXWeb/pxweb/en/DB/DB_2M_NFG/0032M4AFN07.px/) where it shows the pineapple prices by farm, product, year and period, obtaining the pineapple prices in the period investigated.
- c. Thailand: provided the "Agricultural Statistics of Thailand" from the Bureau of Agricultural Economics of the Government of Thailand, obtained from the website <http://www.oae.go.th>, which reports the behavior of production and the historical price of Thailand.

124. The Ministry validated the price information for fresh pineapple for each of the countries under investigation, based on the evidence, including the Internet pages submitted by the Applicants, and the Ministry therefore considered it appropriate to use such information.

125. In order to obtain the amount of the cost per can or can, they indicated that it was impossible for them to obtain this data by country investigated, which is why for the purposes of the calculation they used information from China, which they consider applicable, since these can be considered a *commodity*, and Thailand, the Philippines, Indonesia and China belong to the Asian region.

126. Based on the price references by type of presentation in jars or cans, obtained from the <https://www.1688.com> website, they calculated a unit amount in dollars per net kilogram, for which they provided inflation in China, obtained from the Statista platform, whose website is <https://www.statista.com/statistics/271667/monthly-inflation-rate-in-china/#:text=In%20January%202024%2C%20the%20monthly,at%200.2%20percent%20in%202023,> to bring the jackpot prices to the period April 01, 2023 to March 31, 2024 and the yuan to dollar exchange rate published by <http://ftf.chinamoney.com.cn/english/bmkcpr/>.

127. The Petitioners stated that the price references obtained for the cans or cans indicate that they are prices in the seller's warehouse, which must be transferred to the producer's warehouse, and therefore must be adjusted for freight. However, at this stage of the investigation, they did not have information to make this adjustment, which, they indicated, benefits exporters because it decreases the constructed value.

128. For the information provided for the amount of cans used in the estimates of the costs of production of canned pineapples, the Ministry notes that, in the response to the form, the Requestors did not provide evidence showing the behavior of the prices of the cans as a *commodity*.

129. On the other hand, the Ministry considers that, since it has a production cost structure for canned pineapple in force in the period April 2023 to March 2024, in which the participation of cans can be observed, and which belongs to the Applicants, it is feasible to use the information of the Applicants, producing companies, since it has a production process similar to that of the countries under investigation, corresponds to the figures actually realized and the input used directly in the manufacture of the product under investigation.

130. The Ministry reviewed the evidence provided by the Applicants, consisting of invoices for the purchase of canisters for the different presentations of both companies, which are within the period under investigation and correspond to the cans of the different presentations. The Secretariat validated the information and obtained the amount from the average for each of the presentations.

131. The Applicants stated, in relation to the costs of labels, cardboard trays and other packaging, that, in view of the low participation of these elements in the constructed value, as well as the lack of information on those costs, they decided to use their own information from their accounting system. In particular, in the case of the company Sabormex, the Ministry did not identify the evidentiary support to support the figures reported by this company, which is why it warned it to provide them, as indicated in paragraph 23 of this Resolution.

132. In response to the prevention, Sabormex provided the corresponding evidentiary support, which was validated by the Secretariat, and therefore considered the costs reported for these items. For the cost of the labels and trays, the Requestors considered the average unit cost of these items for each of the companies. As for the other packaging, these include plastics, cardboard plate and adhesives, which correspond to the proportional part for a box of materials that are used for the assembly of a pallet, so this cost was obtained by dividing what corresponds to "other packaging" by the net content of the box according to the presentation.

133. In relation to sugar, the Applicants indicated that, in order to determine the kilograms of sugar required to manufacture a box of each presentation, i.e. 800 grams and 3 kilograms, they used their own information, thereby obtaining an applicable average factor in the constructed value.

134. The Secretariat reviewed the information provided by the Applicants, finding no differences, and therefore validated the figures reported for the calculation of the amount of sugar.

135. The Applicants indicated that, once they determined the number of kilograms of sugar required to manufacture a box, they obtained the average wholesale prices of sugar in the domestic market of each of the countries under investigation. They specified that the prices obtained correspond to the prices of sugar put in the seller's warehouse, so they must be adjusted for freight to the processing plant. However, at this stage of the investigation, they did not have the information on these costs, which they indicated favors exporters because it decreases the constructed value.

136. In the specific case of Indonesia, the Requestors provided information from the Bank of Indonesia, which is responsible for publishing prices for certain products, including sugar. They stated that they only considered the price of local granulated sugar. They provided the Internet page <https://www.bi.go.id/hargapangan/Home>, through which they obtained the prices.

137. The Petitioners obtained the price of sugar in the Philippines through the price monitoring report of the Sugar Regulatory Administration of the Government of the Philippines. In this case, they said that they only used the price of refined sugar since it allows the color of the syrup to be as crystalline as possible.

138. The Petitioners submitted the Thailand Annual Sugar Report, prepared by the United States Department of Agriculture (USDA), obtained from the website <https://fas.usda.gov/data/thailand-sugar-annual-7>, as well as the article "Trade Route" Sugar market "Thai prices: going abroad", obtained from the <https://www.thaipbs.or.th/news/content/333472> website.

139. With regard to the information submitted for each of the countries under investigation, consisting of the average price of sugar, the Secretariat reviewed the information for each country, in the case of Indonesia, entered the Internet page <https://www.bi.go.id/hargapangan/Home> through which it was able to validate the reported prices, which correspond to December 31, 2023, a date that is within the period investigated.

140. The Ministry analyzed the evidentiary support to validate the prices obtained in the Philippines and observed that these correspond to the months of September 2022 to May 2024, so it only used the information corresponding to the period under investigation.

141. Of the support provided for Thailand, the Secretariat noted that it is an article entitled "Trade Route, Sugar Market. Thai Prices: Going Abroad" of November 2, 2023, which contains information on sugar consumption, Thailand's exports, and production costs.

142. In order to determine the corresponding amount of sugar within the cost structure of each country under investigation, it applied the calculated average factor described in paragraph 133 of this Resolution, and obtained the sugar prices of each country according to the sources indicated in paragraphs 136 to 138 of this Resolution.

143. The cost per case of "other ingredients", "canning labour" and "indirect expenses" was derived from the apportionment of the Applicants' cost. To support their information, they provided the corresponding evidence.

144. Based on the foregoing, the Petitioners obtained the total cost of production from the sum of the cost of the concepts of fresh fruit, jar, label, cardboard tray, other packaging, sugar, other ingredients, canning labor and indirect expenses.

145. With respect to the calculation of the amount of overhead expenses for the Philippines, they started from the Financial Statements of Del Monte Pacific Limited for 2021, 2022 and 2023 as "general, administrative, and distribution and selling expenses" and obtained the average for the three years mentioned, which they divided by the average of the "revenues" reported in said financial statements for the three years referred to.

146. The Ministry noted that Del Monte Pacific is a company that markets fruits, vegetables, tomatoes and pineapple subject to investigation. During 2023, its main sales markets were the United States and the Philippines and it has efficient supply chains from production to market and product delivery. Likewise, the Secretariat corroborated that on the [https://](https://www.delmontepacific.com) website [www.delmontepacific.com](https://www.delmontepacific.com) the financial statements for 2023 are the latest report.

147. For the calculation of overheads, the Ministry considered the financial information of this company for 2023, specifically that related to revenues by product segments and regions. The generic category includes the investigational pineapple sold in the Asian region, where the Philippines market has a large presence. Likewise, this generic category has figures that allow establishing its participation in the concepts that make up the income statements; for example, in general expenses.

148. With respect to overhead costs for Indonesia and Thailand, the Requestors estimated the amount on the basis of their own information, providing evidence of their accounting system.

149. In accordance with Article 46, section IV of the RLCE, the Ministry considered the share of overhead costs in the costs of the product under investigation, as the expenses standardized in terms of cost of sale, according to the figures reported in the financial statements provided by the Applicants.

## 2. Profit margin

150. For the calculation of the profit margin, the Requestors provided the methodologies and evidence for the calculation of the profit amount per country investigated.

151. Because the domestic price benchmarks provided by the Applicants for Indonesia and the Philippines cover the amount of costs of production of the product under investigation, as noted in paragraphs 99 and 111 of this Resolution, the Secretariat will proceed to develop the methodology, testing and analysis of the pre-tax profit margin for Thailand.

152. The Applicants provided the 2022 financial statements of Siam Food Products Public Company Limited, hereinafter referred to as Siam Food, as "Results of Operating Activities" which were divided by the company's revenues and obtained a percentage that they used to calculate pre-tax profit.

153. They pointed out that they considered the operating results for 2022 as they are the ones that best reflect the usefulness of pineapple producers in syrup, since Siam Food is a company that has a sales segment related to the pineapple sector. They added that Siam Food will be the manufacturer, distributor and exporter of the products of the pineapple business instead of QPP, which is the entity that currently performs those tasks, as of August 2022, so they propose to use only the operating results of the pineapple segment of 2022.

154. They explained that, although they do not correspond to the proposed investigation period, the 2023 financial statements were not considered since, being an operation discontinued as of August 2022, they may have serious distortions. They considered that, for the purposes of initiating the investigation, the 2022 financial statements can be taken as the best information available.

155. The Secretariat validated the profit margin and accepted the methodology proposed by the Applicants, in accordance with Article 46, section XI of the RLCE, since Siam Food is considered to have presented a short-term situation, so it was considered financial information from a previous period, in which it was observed a normalized behavior of the sales, costs and distribution activities of the merchandise investigated.

156. To arrive at the constructed value of the merchandise under investigation, the Ministry added overheads plus the profit margin to the costs of production.

**c. Determination**

157. Based on the foregoing, and in accordance with the provisions of Articles 2.2 of the *Anti-Dumping Agreement*; 31, section II of the LCE, and 40, third paragraph, and 46 of the RLCE, the Secretariat calculated the constructed value of canned pineapple syrup in Thailand, in dollars per kilogram.

**3. Price discrimination margin**

158. In accordance with Articles 2.1 of the *Anti-Dumping Agreement*; 30 of the LCE, and 38 of the RLCE, the Secretariat compared the normal value calculated on the basis of the domestic market prices of the Philippines and Indonesia, and the constructed value of Thailand with the export price of each of those countries and determined that there is sufficient indication, based on positive evidence, to presume that, during the period under investigation, imports of pineapple in syrup originating in the Philippines, Indonesia and Thailand were made with a margin of price discrimination higher than *de minimis*.

**G. Damage and causation analysis**

159. The Ministry analyzed the arguments and evidence presented by Productos Santa Monica and Sabormex in order to determine whether there is sufficient evidence to support that imports of pineapple in syrup originating in the Philippines, Indonesia and Thailand were carried out under alleged discriminatory conditions caused injury to the domestic industry of the like product. This assessment includes, inter alia, an examination of:

- a. The volume of imports under conditions of alleged price discrimination, their price and the effect of these on domestic prices of the like domestic product.
- b. The impact of the volume and price of these imports on the economic and financial indicators of the domestic industry of the like product.

160. To this end, the Secretariat considered data from the following periods:

Period analyzed		
April 2021 - March 2024		
Period 1	Period 2	Period 3 or period investigated
April 2021 - March 2022	April 2022 - March 2023	April 2023 - March 2024

161. Unless otherwise indicated, the performance of the economic and financial indicators in a given year or period is analysed in relation to the immediately preceding comparable year.

**1. Product similarity**

162. Pursuant to Articles 2.6 of the *Anti-Dumping Agreement*, and 37(II) of the RLCE, the Ministry evaluated the information and evidence provided by the Petitioners to determine whether domestically produced pineapple syrup is like the product under investigation.

**a. Characteristics**

163. The Applicants provided a table showing the characteristics of pineapple in syrup from the Philippines, Indonesia and Thailand, and of pineapple produced domestically. In this table it is observed that they are called by the same name and have similar physical and chemical characteristics, which are indicated in point 8 of this Resolution.

164. The Applicants submitted the reports on the results of the analysis that CIBA and the UDLAP Quality Control Laboratory carried out on samples of pineapple in syrup both of national production and originating in the Philippines, Indonesia and Thailand, which are indicated in points 7 and 9 of this Resolution.

165. On the basis of this information provided by the Applicants, the Secretariat initially had sufficient evidence to indicate that domestically produced pineapple syrup and the product under investigation originating in the Philippines, Indonesia and Thailand have similar physical and chemical characteristics.

**b. Production process**

166. The Petitioners indicated that the product like the one under investigation is produced from fresh pineapple, syrup composed of water, sugars, and citric acid; other inputs are the can, label, and box.

167. They stated that the production of pineapple in syrup produced in the Mexican market, both for sliced and chunked presentations, is carried out, as in the Philippines, Indonesia and Thailand, by means of a mature process that has not undergone significant changes in recent decades, which is based on the production of pineapple in syrup carried out through the steps indicated in point 15 of this Resolution. In support of this, the Applicants submitted a description of the production process and the flow chart of one of them.

168. From the review and analysis of the flow chart and description of the production process submitted by the Applicants, the Secretariat noted that domestically produced pineapple syrup and pineapple imported from the Philippines, Indonesia, and Thailand are made from the same inputs and through similar production processes.

**c. Standards**

169. Productos Santa Monica and Sabormex stated that pineapple in syrup, both domestically produced and imported from the Philippines, Indonesia and Thailand, is subject to standards NOM-002-SCFI-2011, NMX-F-011-1983 and CODEX-STAN-42-1981. They indicated that these standards are not mandatory, but serve as a reference for the marketing of the product.

170. The Applicants, as indicated above, submitted the laboratory studies carried out by CIBA of pineapple in syrup samples originating in the Philippines, Indonesia and Thailand, as well as their production.

171. The Secretariat noted that standards NOM-002-SCFI-2011 and CODEX-STAN-42-1981 apply to pineapple in syrup of national production, since CIBA and the Quality Control Laboratory of UDLAP considered the parameters established by these

standards to carry out the laboratory studies indicated in the previous point.

172. It points out that the CIBA concluded in its laboratory study of pineapple samples in syrup that: "...regardless of the type, container size, fruit geometry and place of origin, the samples evaluated comply with the requirements of the international standard Codex STAN 42-1981 and the national standard NOM-051-SCFI/SSA1-2010 "General labeling specifications for prepackaged food and non-alcoholic beverages-Commercial and health information" which is complemented by other national standards, such as NOM-002-SCFI-2011.

#### **d. Uses and Functions**

173. The Petitioners stated that, like the product under investigation, domestically manufactured pineapple in syrup is used for direct human consumption and as an input for the preparation of various foods, including desserts, pizzas, and salads, as well as those made in bakeries, restaurants, and hotels.

174. According to the information in the administrative file, the Ministry had sufficient evidence to support that the pineapple in syrup of national production and that which is the subject of the investigation have the same uses.

#### **e. Consumers and distribution channels**

175. The Petitioners indicated that domestically produced pineapple syrup and pineapple imported from the Philippines, Indonesia and Thailand are distributed mainly through self-service and convenience stores, both wholesale and retail distributors, and price clubs, which market them for direct human consumption, or to companies in the food preparation industry, such as bakeries, restaurant chains, and hotels. They stated that some of their customers also imported pineapple syrup from those countries during the period analyzed.

176. In support of this, Productos Santa Monica and Sabormex provided lists of their sales to the domestic market to their main customers, identifying their line of business, as well as a list of their customers who imported the product under investigation.

177. In these lists of the Applicants' customers, the Ministry noted that there are self-service and convenience stores, as well as distributors. Likewise, according to these lists and the SIC-M import operations list, under tariff heading 2008.20.01 of the TIGIE, which is indicated in point 205 of this Resolution, 22 customers of the Applicants imported pineapple syrup from the Philippines, Indonesia and Thailand, during the period analyzed. These results suggest that domestically produced pineapple syrup and pineapple imported from these countries are distributed through the same channels and have common markets and consumers, allowing them to be commercially interchangeable.

#### **f. Determination**

178. On the basis of the results described in paragraphs 5 to 21 and 163 to 177 of this Resolution, the Secretariat had sufficient information to determine, initially, that domestically produced pineapple syrup is similar to the product imported from the Philippines, Indonesia and Thailand, since they have similar physical and chemical characteristics, they are manufactured with the same inputs and production processes that do not show substantial differences; they also serve the same markets and consumers, which allows both products to fulfill the same functions and be commercially interchangeable, so that they can be considered similar, in terms of the provisions of Articles 2.6 of the Agreement *Anti-dumping*, and 37, section II of the RLCE.

## **2. Domestic Industry and Representativeness**

179. Pursuant to Articles 4.1 and 5.4 of the *Anti-Dumping Agreement*; 40 and 50 of the LCE, and 60, 61 and 62 of the RLCE, the Ministry identified the domestic industry as a major proportion of the total domestic production of the like product under investigation, taking into account whether the manufacturing companies are importers of the product under investigation or whether there are elements to presume that the product under investigation is importing the product. are linked to importers or exporters of the same.

180. Productos Santa Mónica and Sabormex stated that, together with Agrover, Conservas La Bonita, Juan Cruz Elvira, Grupo Agroindustrial San Miguel, Empacadora San Marcos, Conservas La Torre and La Costeña, they are the national producers of pineapple in syrup similar to the one that is the subject of the research. The Petitioners estimated that during the period under investigation they accounted for 75% of national production.

181. In order to support the formation of the domestic pineapple syrup industry similar to the one under investigation and its participation in the domestic production of this product, the Applicants:

- a. They provided their pineapple production volumes in syrup and those corresponding to other producers and domestic production, for the periods April 2021-March 2022, April 2022-March 2023 and April 2023-March 2024.
- b. They indicated that CANAINCA provided information on the volumes of other producers and domestic production.
- c. They presented a letter from CANAINCA, dated July 29, 2024, but without information on producing companies and production volumes.

182. As indicated in paragraph 26 of this Resolution, CANAINCA submitted a letter on July 29, 2024, indicating both the production volumes and sales to the domestic market of pineapple in syrup of the Applicants, the rest of the producers and the total domestic production, for the periods April 2021-March 2022, April 2022-March 2023 and April 2023-March 2024.

183. In order to confirm the national producers and quantify the national production of pineapple in syrup, as indicated in paragraph 24 of this Resolution, the Secretariat made requests for information to CANAINCA and to the companies Agrover, Conservas La Bonita, Juan Cruz Elvira, Grupo Agroindustrial San Miguel, Empacadora San Marcos, La Torre and La Costeña preserves:

- a. To CANAINCA to provide, with respect to the letter referred to in paragraph 182 of this Resolution, the following information:
  - i. Domestic producers of pineapple in syrup that are included in "Other national producers".
  - ii. The production volumes and sales to the domestic market of pineapple in syrup of each of the national producers indicated, for the periods April 2021-March 2022, April 2022-March 2023 and April 2023-March 2024.
  - iii. The methodology on the information provided in the answers to the previous paragraphs and the evidence that supports it.
- b. The companies Agrover, Conservas La Bonita, Juan Cruz Elvira, Grupo Agroindustrial San Miguel, Empacadora San Marcos, Conservas La Torre and La Costeña were required to:
  - i. Specify whether during the period from April 2021 to March 2024, they produced pineapple in syrup similar to the one under investigation.
  - ii. If applicable, they will provide their production volume, sales to the domestic market and export of pineapple in syrup, as well as their installed capacity to produce this product, for the periods April 2021-March 2022, April 2022-March 2023 and April 2023-March 2024.
  - iii. State their position in the sense of support or opposition to a possible initiation of an investigation against imports of pineapple in syrup originating in the Philippines, Indonesia and Thailand, as referred to in paragraph 24 of this Resolution.

184. In its response to the Secretariat's request for information, CANAINCA stated that:

- a. Based on your knowledge of the market, that is, from the product that is found on a daily basis on the shelves of supermarkets and from information found on the Internet about national producers of pineapple in syrup, you are aware that, in addition to the Applicants, Agrover, Conservas La Bonita, Juan Cruz Elvira, Grupo Agroindustrial San Miguel, Empacadora San Marcos, Conservas La Torre and La Costeña are national producers of pineapple in syrup.



- b. At the company level, it only has statistics on production volume and national sales of pineapple in syrup; that its members, Productos Santa Monica and Sabormex, provided its production and sales volumes to the domestic market.
- c. In view of the foregoing, it calculated the production and sales volume of the rest of the producers based on the difference between the national volumes and the corresponding volumes of the Applicants.

185. On the other hand, Grupo Agroindustrial San Miguel was the only company that responded to the request made by the Secretariat; Agrover, Conservas La Bonita, Juan Cruz Elvira, Empacadora San Marcos, Conservas La Torre and La Costeña, did not respond, as indicated in point 26 of this Resolution.

186. Grupo Agroindustrial San Miguel indicated that it did not produce the product similar to the one under investigation. It indicated that during the period from April 2021 to March 2024, it imported pineapple in syrup from Indonesia packaged in *pouches* for marketing in the Mexican market.

187. It stated "...not to adhere to the request for an investigation into unfair international trade practices in the form of price discrimination on imports of pineapple in syrup originating in Indonesia, the Philippines and Thailand, and in congruence not to support it, for the reason that we are not located in the case of affectation and do not know about the issue..." (sic).

188. Based on the arguments put forward by Grupo Agroindustrial San Miguel, the Ministry had information to determine that, during the period under review, this company was not a national producer of pineapple in syrup similar to the one under investigation.

189. As a result of the requests made, the information provided by CANAINCA, the Applicants and Grupo Agroindustrial San Miguel represents the best information available. Based on this information, the Secretariat:

- a. It had sufficient elements to determine that, in addition to Productos Santa Mónica and Sabormex, the companies Agrover, Conservas La Bonita, Juan Cruz Elvira, Empacadora San Marcos, Conservas La Torre and La Costeña are national producers of pineapple in syrup similar to the one under investigation.
- b. It considered as total domestic production of pineapple in syrup similar to that under investigation, the volumes that CANAINCA contributed on the domestic production of that product.

190. On the basis of this information, the Ministry determined that Productos Santa Monica and Sabormex are representative of the domestic pineapple syrup producing industry, since they collectively produced 74% of the domestic pineapple in syrup during the period under review, while in the period under investigation they accounted for 73% of the domestic production of this product.

191. The Petitioners stated that during the period under review, they did not import the product under investigation.

192. In this regard, the Ministry reviewed the list of import operations of the SIC-M, corresponding to tariff item 2008.20.01 of the TIGIE and corroborated that, during the period analyzed, Productos Santa Monica and Sabormex did not import the product under investigation. Nor did the Ministry have any evidence to indicate that these companies are related to exporters or importers of the product under investigation.

193. Based on the results described in the preceding points, the Ministry initially determined that the Petitioners are representative of the domestic production and constitute the domestic pineapple syrup industry similar to the one under investigation, since, both in the period analyzed as in the investigated accounted for 74% and 73%, respectively, of the domestic production of this product, in accordance with Articles 4.1 and 5.4 of the *Anti-Dumping Agreement*; 40 and 50 of the LCE, and 60, 61 and 62 of the RLCE.

### 3. Domestic market

194. The information in the administrative file indicates that Productos Santa Mónica, Sabormex, Agrover, Conservas La Bonita, Juan Cruz Elvira, Empacadora San Marcos, Conservas La Torre and La Costeña are the national producers of pineapple in syrup, the rest of the supply in Mexico is the they complement imports from various origins, including those originating in the Philippines, Indonesia, Thailand, the Republic of Guatemala, the United States, the Republic of India, hereinafter India, the Republic of Colombia, the Socialist Republic of Vietnam and China.

195. The Petitioners asserted that both the imported pineapple syrup and the like domestic product are destined for the entire domestic geographic market and that, according to their knowledge of the market, they did not observe a pattern of concentration of sales of that product during the period analyzed.

196. Productos Santa Monica and Sabormex stated that the domestic market for pineapple in syrup registered a decrease in the period analyzed. In this context, they indicated that imports of that product originating in the Philippines, Indonesia and Thailand, under conditions of price discrimination, although they have been present in the domestic market, observed a significant increase, during the period analyzed, both in absolute terms and in relation to apparent domestic consumption, hereinafter referred to as CNA, and they were carried out with margins of undercutting with respect to the national price, which caused a displacement of the share of the national like product in the CNA.

197. The Ministry evaluated the behavior of the domestic pineapple market in syrup, based on the information contained in the administrative file. To do this, it calculated the CNA and the domestic consumption of this product. For its calculation, the following was considered:

- a. The domestic production and sales data for pineapple in syrup that the Applicants and CANAINCA provided for periods 1, 2 and the period under investigation.
- b. The Applicants' export figures for the period analyzed.
- c. The figures for imports of pineapple in syrup made by tariff heading 2008.20.01 of the TIGIE, obtained from the list of import operations of the SIC-M for the period analyzed, calculated in accordance with the methodology described in points 203 and 204 of this Resolution.

198. On the basis of the information described in the previous point, the Ministry observed that the domestic market for pineapple in syrup showed a downward trend during the period analyzed. In effect, the CNA – calculated as total national production, plus imports, minus exports – decreased by 8% in period 2 and by 1% in the period under investigation, so that it registered a fall of 8% from end to end in the period analyzed.

199. The domestic market as measured by domestic consumption – calculated as the sum of domestic imports and sales to the domestic market – remained at practically the same level in periods 1 and 2, but grew by 8% in the period under investigation, so that it registered an increase of 8% from end to end in the period analyzed.

### 4. Real analysis of imports

200. Pursuant to Articles 3.1, 3.2 and 5.8 of the *Anti-Dumping Agreement*; 41, section I of the LCE, and 64, section I of the RLCE, the Ministry evaluated the behavior and trend of imports of the product under investigation during the period analyzed, both in absolute terms and in relation to domestic production or consumption.

#### to. Imports under analysis

201. Productos Santa Monica and Sabormex stated that during the period analyzed, the pineapple in syrup under investigation entered the national territory under tariff heading 2008.20.01, NICO 00 of the TIGIE. They presented a base of import operations carried out by said tariff item during the period analyzed, which CANAINCA obtained from ANAM. They indicated that this information includes the description of the product in each operation.

202. On the basis of the information described in the previous point, they identified a number of products that are not under investigation, for example: almonds, bag of dried pineapple, water chestnuts, *cognac*, pineapple concentrate, artificial pineapple concentrate, pineapple fruit concentrate, pineapple flavoured syrup, pineapple juice, pineapple in syrup (input not intended for final consumption), dehydrated pineapple, dried pineapple, candied pineapple, pineapple in a bag, roasted pineapple, pineapple and

mango in prickly pear flavoring, freeze-dried acai pineapple, pineapple with gel, fruit-based preparation, food preparation for drinks based on piña colada, frozen fruit pulp (pineapple), strawberry pulp, pineapple puree, fruit puree, sunflower seeds, *tasu chips* crispy slices of dehydrated pineapple pulp.

203. The Petitioners explained that, based on the basis of the basis of import operations carried out under tariff item 2008.20.01 of the TIGIE obtained from ANAM, they quantified the value and volume of pineapple in syrup from both the countries under investigation and from the other origins. To do this, they identified the operations with a product description that corresponds to the one under investigation. They also indicated that they did not consider those transactions whose description does not correspond to that of the product under investigation, such as those indicated in the previous point.

204. In addition, they indicated that they excluded those imports that entered with declaration codes A4, F4, IN and P1, because accounting for them could double import volumes when they change regimes or include products that do not enter the Mexican market, as indicated in point 35, paragraph b, of this Resolution.

205. To verify the reasonableness of the calculations made by the Applicants, the Ministry relied on the list of import operations of the SIC-M, carried out in the period April 2021-March 2024, under tariff item 2008.20.01 of the TIGIE. The foregoing, for the reasons indicated in point 38 of this Resolution.

206. On the basis of the information described in the previous point, the Ministry found that, according to the description of the product imported in each operation, in addition to pineapple in syrup, other products that are not subject to investigation, such as pineapples in the form of pineapple in syrup, entered through tariff code 2008.20.01 of the TIGIE, such as pineapple products indicated in point 202 of this Resolution, but in non-significant volumes (1.7% of the total imported in the period analyzed).

207. Accordingly, in calculating the value and total volume of pineapple imports in syrup, the Ministry considered the SIC-M import base referred to above, and relied on the methodology proposed by the Applicants. To this end, from the import operations under tariff heading 2008.20.01 of the TIGIE, it excluded those for which goods other than the product under investigation were imported, such as those indicated in points 202 and 204 of this Resolution.

#### **b. Accumulation of imports**

208. Productos Santa Monica and Sabormex stated that it is appropriate to cumulatively assess the effects of imports of pineapple in syrup originating in the Philippines, Indonesia and Thailand on the indicators of domestic production, because they were made with dumping margins higher than that considered *de minimis*, the volume of imports from each of these countries is not insignificant, since, in both the period under investigation and in the period under review, they accounted for more than 3% of total imports, and imports originating in these countries compete with each other and with the like product of domestic production, by virtue of the fact that they are destined for the same consumers and uses, for which they use the same marketing channels.

209. Pursuant to Article 3.3 of the *Anti-Dumping Agreement*; 43 of the LCE, and 67 of the RLCE, the Secretariat examined the appropriateness of cumulatively assessing the effects of imports of pineapple in syrup. To this end, it analyzed the margin of price discrimination with which imports originating in each supplier country were made, their volumes and the conditions of competition between them, and the domestic like product.

210. On the basis of the price discrimination analysis described in this Resolution, the Ministry determined that there is sufficient evidence to support the presumption that imports of pineapple syrup originating in the Philippines, Indonesia, and Thailand during the period of investigation were made with a margin of price discrimination greater than *de minimis* provided for in Articles 5.8 of the *Anti-Dumping Agreement*, and 67 of the RLCE.

211. The Ministry also noted that, during the period under investigation, the volume of imports from each supplying country was higher than the threshold of negligibility established in the articles referred to in the previous point. Indeed, in the period under investigation, imports originating in the Philippines, Indonesia and Thailand accounted for 20%, 28% and 49% of the total imported, respectively.

212. On the basis of the list of import operations of the SIC-M, carried out under tariff heading 2008.20.01 of the TIGIE and the list of sales of pineapple in syrup by the Applicants to their main customers, for the period analyzed, the Secretariat observed the following:

- a. As indicated in paragraph 177 of this Resolution, 22 customers of the Applicants imported pineapple in syrup from the Philippines, Indonesia and Thailand.
- b. One of these customers imported pineapple syrup from all three countries and seven imported pineapple syrup from two countries - Indonesia and Thailand or the Philippines and Thailand - while the remaining 14 imported from one of the countries under investigation.

213. The foregoing leads to the presumption that pineapple in syrup imported from the Philippines, Indonesia and Thailand competes with each other and with similar pineapple from domestic production, since it is marketed through the same distribution channels, mainly self-service stores and distributors, as well as companies in the food preparation industry, to serve the same end consumers and geographic markets.

214. Based on the results described and in accordance with Article 3.3 of the *Anti-Dumping Agreement*; 43 of the LCE, and 67 of the RLCE, the Ministry considered it appropriate to cumulate the effects of imports of pineapple in syrup originating in the Philippines, Indonesia and Thailand for the analysis of injury to the domestic industry, since according to the evidence contained in the administrative record: (i) these imports were made with margins of price discrimination higher than the *de minimis margin*; (ii) the volumes of imports from each country are not insignificant, and (iii) the imported products compete in the same markets, reach common customers and have very similar characteristics and composition, so it can be inferred that they compete with each other, and with domestically produced pineapple in syrup.

#### **c. Analysis of imports**

215. Productos Santa Monica and Sabormex argued that imports of pineapple syrup from Indonesia, Thailand, and the Philippines, under conditions of price discrimination, increased significantly during the period under review, in particular in the period under investigation, both in absolute terms and in relation to the CNA and domestic consumption, which was reflected in an increase in its share of the domestic pineapple market in syrup and, consequently, in a displacement of the domestic industry and imports from other origins.

216. According to the information in the administrative file, the Ministry observed that total imports registered an end-to-end growth of 41% in the period under review; they increased 8% in period 2 and 31% in the period under investigation. It is noteworthy that during the period analyzed, total imports were made from 14 countries. The behavior of total imports is explained by the performance of the cumulative imports of the Philippines, Indonesia and Thailand, hereinafter referred to as the imports under investigation.

217. In effect, imports under investigation increased by 50% from end to end in the period under review: growing by 15% in period 2 and 30% in the period under investigation, when they contributed 96.4% of total imports, after accounting for 90.8% in period 1, which meant a growth of 5.6 percentage points from period 1 to the period investigated.

218. In contrast, imports from other origins decreased by 44 per cent during the period under review; they fell 66% in period 2, but grew 63% in the period under investigation compared to the previous comparable period. Their contribution to the totals was 9% in period 1, 3% in period 2 and 4% in the period under investigation, so that they decreased their participation by 6 percentage points from end to end in the period analyzed.

219. In terms of domestic market share, the Ministry observed that total imports increased by 18.7 percentage points in the end-to-end CNA during the period under review, from 34.6% in period 1 to 53.3% in the period under investigation and 40.5% in period 2. This behavior is associated with the increase in market share observed by the imports under investigation:

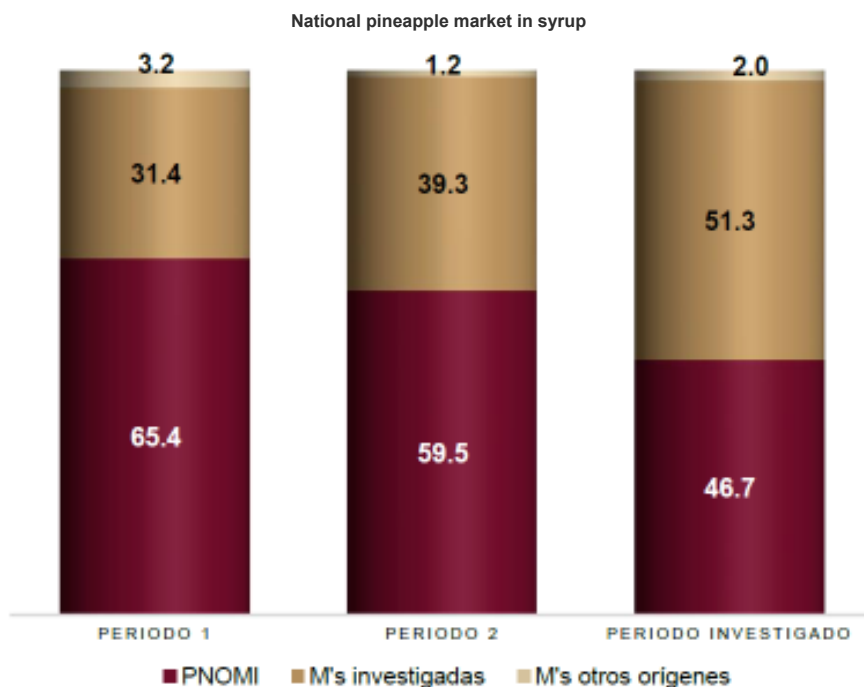
- a. Imports under investigation accounted for 31.4% in the CNA in period 1, 39.3% in period 2 and 51.3% in the period under investigation, which meant an increase of 19.9 percentage points in the CNA from end to end, 7.9 percentage points in period 2 and 12.0 points in the period under investigation. In the same periods, these imports represented

48%, 66% and 110% of the volume of total domestic production, respectively, which implied a growth of 62 percentage points in the period analyzed and 44 percentage points in the period under investigation with respect to the previous comparable period.

- b. Imports from the other origins decreased their participation in the CNA by 1.2 percentage points in the period analyzed, going from 3.2% in period 1 to 1.9% in the period under investigation (1.2% in period 2).

220. As a result, domestic production for the domestic market, hereinafter referred to as PNOMI, which fell by 35 per cent from end to end in the period under review (a decrease of 16 per cent in period 2 and 22 per cent in the period under investigation), decreased its share in the CNA by 18.7 percentage points during the period under review<sup>1</sup> to the period under investigation, going from 65.4% to 46.7% (59.5% in period 2), which meant a loss of market share of 5.9 points in period 2 and 12.8 points in the period under investigation. In this regard, the Secretariat noted that:

- a. The 18.7 percentage points of market loss that domestic production recorded throughout the period analyzed are attributable to the imports under investigation under alleged conditions of price discrimination, since, in the same period, imports from the other origins also observed a decrease in market share (-1.2 percentage points).
- b. The 12.8 points of market loss observed by domestic production in the period under investigation are also attributable to the imports under investigation, since in the same period imports from the other origins increased their share by only 0.8 percentage points.



Source: Prepared by the authors with information from the SIC-M, Productos Santa Monica and Sabormex and calculations by the Secretariat.

221. With regard to domestic consumption, the imports under investigation also increased their share by 13 percentage points from end to end in the period under review, from 34% in period 1 to 47.1% in the period under investigation (39.2% in period 2), which meant an increase of 5.2%percentage points in period 2 and 7.8 points in the period investigated. With respect to the total volume of sales to the domestic market of the domestic industry, these imports accounted for 76% in period 1, 91% in period 2, and 120% in the period under investigation.

222. On the other hand, imports from other origins decreased their share of domestic consumption by 1.7 percentage points in the period analyzed, from 3.4% in period 1 to 1.8% in the period under investigation, and 1.2% in period 2.

223. Consequently, sales of domestic production to the domestic market, which fell by 11% from end to end in the period under review (a decrease of 5% from period 1 to period 2 and 7% in the period under investigation), decreased their share of domestic consumption by 11.4 points percentage points in the period analyzed, going from 62.5% in period 1 to 51.2% in the period under investigation, 59.6% in period 2: in terms of percentage points they fell 2.9 points in period 2 and 8.4 points in the period under investigation with respect to the previous comparable period, which are attributable to the imports under investigation under alleged conditions of price discrimination.

224. Based on the analysis described in the preceding paragraphs of this Resolution, the Ministry initially determined that cumulative imports from the Philippines, Indonesia, and Thailand showed an increasing trend in absolute and relative terms, both in the period under review and in the period under investigation. For its part, the domestic industry observed a loss of market share both in the CNA and in domestic consumption.

#### 5. Effects on prices

225. Pursuant to Articles 3.1 and 3.2 of the *Anti-Dumping Agreement*; 41, section II of the LCE, and 64, section II of the RLCE, the Ministry analyzed whether the imports under investigation entered the Mexican market at prices considerably lower than those of the like domestic product, or whether their effect was to depress domestic prices or prevent the increase that would otherwise have occurred, and whether the price level of the imports under investigation was to depress domestic prices or prevent the increase that would otherwise have occurred, and whether the price level of the imports under investigation had been significantly lower than those of the like domestic product. imports was decisive in explaining its behavior in the domestic market.

226. Productos Santa Monica and Sabormex stated that, during the period under review, the price of pineapple imports in syrup originating in the Philippines, Indonesia and Thailand showed a downward trend during the period under review, contrary to the performance of inflation and the increase in the production costs observed in that period; likewise, they went to the Mexican market with prices that were consistently below the national price, even lower than the cost of production of both the domestic industry and the exporters, which caused their production volumes to also begin to decrease, in order to try to avoid over-inventorying, which earlier, in turn, affected other of its economic and financial indicators.

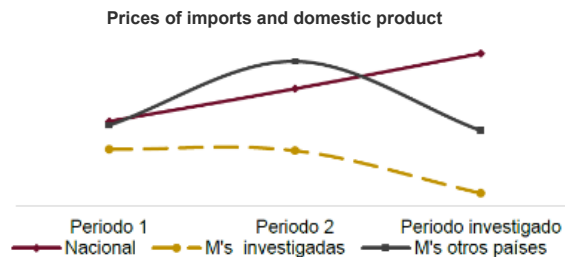
227. In order to evaluate the Applicants' arguments, the Ministry calculated the average implicit prices of the imports under investigation and of the other countries, in accordance with the volumes and values obtained as described in paragraphs 205 to 207 of this Resolution.

228. The Ministry observed that the average price of the imports under investigation, in dollars, fell by 18% from end to end in the period analyzed; it decreased by 1% in period 2 and by 17% in the period under investigation. In the same periods, the average price of imports from other origins decreased by 3%, increased by 25% and decreased by 22%, respectively.

229. As for the average price of sales to the domestic market of the domestic industry, measured in dollars, it increased by 24% from end to end in the period analyzed: it increased by 12% in period 2 and by 11% in the period under investigation.

230. In order to assess the existence of undercutting, the Ministry compared the plant price of the domestic industry's sales to the domestic market with the price of the imports under investigation; to that end, the latter was adjusted with the corresponding tariff, customs broker costs, and customs processing fees.

231. The Ministry observed that the price of the imports under investigation, under conditions of alleged price discrimination, was lower than that of the domestic industry during the period analyzed, in percentages that increased as a result of the fall in the price of such imports and the an increase observed by the national price: 10% in period 1, 20% in period 2 and 40% in the period under investigation. With respect to the average price of imports from the other origins, the price of the product under investigation was lower in periods 1, 2 and in the investigated period, by percentages of 9%, 26% and 23%, respectively.



Subvaloración (%)	Periodo 1	Periodo 2	Periodo investigado
Respecto del precio de la rama de producción nacional	-10	-20	-40
Respecto del precio de otros orígenes	-9	-26	-23

Source: SIC-M and information from the Applicants.

232. The Petitioners also argued that the volumes of the imports under investigation and the conditions under which they entered the Mexican market affected their sales price to the domestic market, since, although they did not cause them to fall, the increase observed by these prices was less than the inflation recorded in Mexico by the food sector. drinks and tobacco.

233. The United States stated that in order for the domestic like product to be able to compete with the price level of the imports under investigation, they would have had to sell below their costs of production.

234. In this regard, the Ministry observed that the information in the administrative record shows sufficient elements to support the argument of Productos Santa Monica and Sabormex, in the sense that they were unable to increase their sales prices at least to the level of inflation, since, according to the results indicated in points 262 and 263 of the following section of this Resolution, while implicit national prices, in pesos in real terms, decreased by 5%, operating costs increased by 10%, during the period analyzed.

235. Based on the results described in paragraphs 227 to 234 of this Resolution, the Ministry initially determined that the imports under investigation registered significant levels of undercutting with respect to the price of the domestic industry and other sources of supply, during the period analyzed. This low price level is observed in association with the alleged practice of price discrimination, the indications of which were established in paragraph 158 of this Resolution. In turn, the low price level of the imports under investigation with respect to the domestic price, and also with respect to other sources of supply, correlates with the growing volumes of such merchandise and its greater share in the domestic market, (which was analyzed in paragraphs 215 to 224 of this resolution) and explains its behavior, a situation that has not allowed sales prices to the domestic market to increase at least to the level of inflation, which has been reflected in the negative performance of the profits and operating margin of the Applicants, as explained below.

## 6. Effects on the domestic industry

236. On the basis of Articles 3.1 and 3.4 of the *Anti-Dumping Agreement*; 41(III) of the FTL; and 64(III) of the RLCE, the Ministry evaluated the effects of imports of pineapple syrup originating in the Philippines, Indonesia, and Thailand on the economic and financial indicators of the domestic industry of the like product.

237. Productos Santa Monica and Sabormex stated that imports of the product under investigation have always been present in the domestic market. However, during the period under analysis, they increased significantly, in particular in the period of investigation, both in absolute terms and in relation to the domestic market, and were carried out under conditions of *dumping* and prices lower than domestic prices.

238. The Petitioners argued that the volumes of these imports and the conditions under which they were made caused their customers to stop buying pineapple in syrup from them or to decrease the volume of their domestic purchases of this product, which caused injury to the domestic industry, which materialized, in addition to the loss of sales to the domestic market, in the adverse behavior of its relevant economic and financial indicators, including production, inventories, market share, utilization of installed capacity and profits.

239. In order to evaluate the arguments put forward by Productos Santa Monica and Sabormex, the Ministry considered the data on the economic and financial indicators, statements of costs, sales and profits, resulting from sales in the domestic market, provided by those domestic producers, corresponding to the like product of domestic manufacture, as they are the companies that make up the domestic industry.

240. For the variables cash flow, ability to raise capital and return on investment, the Secretariat carried out its analysis on the basis of the audited and internal financial statements of the Applicants, considering the periods that make up the period analyzed and the calendar years included in the period analyzed.

241. In order to make the figures comparable to each other, both the information corresponding to the statements of costs, sales and profits, and that obtained from the audited financial statements, was updated through the method of changes in the general price level based on the general price index. consumer prices calculated by the National Institute of Statistics and Geography.

242. As indicated above, the domestic market for pineapple in syrup, as measured by the CNA, showed a downward trend during the period under review, but domestic consumption grew. On the other hand, the PNOI and sales to the domestic market showed a fall in the same period; points 198, 199, 220 and 223 of this Resolution show the performance of these indicators.

243. In this context of market performance, the domestic industry's total sales (to the domestic and foreign markets) fell by 6% from end to end in the period under review: they decreased by 4% in period 2 and by 2% in the period under investigation. The Ministry noted that the performance of total sales is explained by the performance of sales destined for the domestic market. The following results support this:

- a. The domestic industry's domestic sales performed the same as total sales. In fact, they decreased 6% in the period analyzed; observed a decrease of 4% in period 2, and 2% in the period investigated.
- b. Exports increased by 39% in period 2 and by 76% in the period under investigation, so that they observed an increase of 145% from end to end in the period analyzed, in which they represented on average 0.2% and 0.16% of total

production and sales, respectively, indicating that the domestic industry depends on the market domestic, where it competes with the imports under investigation.

244. The performance of the total sales of the domestic industry was reflected in the performance of its production, since the latter indicator decreased by 35% from end to end in the period analyzed; in period 2 it decreased by 18% and decreased by 21% in the period under investigation; for its part, the PNOMI, in the same periods it showed the same trend, since it decreased 35%, 18% and 22%, respectively.

245. The Ministry observed that it was the imports under investigation that benefited from the growing trend in the market, since they increased their share in the CNA and in domestic consumption; the results described in paragraphs 218, 220, 221 and 223 of this Resolution indicate and support that the loss of market that the domestic industry recorded during the period analyzed is linked to the increase in imports under investigation.

246. As noted in paragraph 238 of this Resolution, Productos Santa Monica and Sabormex asserted that their customers substituted their domestic purchases of pineapple in syrup for price-discriminatory imports originating in the countries under investigation. To support this statement, they provided lists of the sales they made to their main customers during the period analyzed.

247. In analyzing the Petitioners' lists of sales to their main customers and the list of imports of the SIC-M under tariff item 2008.20.01 of the TIGIE, the Ministry observed that, in fact, 22 customers of the domestic industry imported the product under investigation during the period analyzed and its purchases of pineapple in syrup originating in the Philippines, Indonesia and Thailand contributed to 38% of the total imports investigated, during the period analyzed.

248. During the period under review, 13 customers of the Applicants reduced their domestic purchases of pineapple in syrup by 37%, while their imports of this product, originating in the countries under investigation, increased by 130% in the same period, which suggests that considerable volumes of imports under investigation substituted pineapple in syrup of domestic production.

249. The entry of the imports under investigation is explained by the fact that they had lower prices than those of the like product, since, according to the results described in paragraph 231 of this Resolution, the following margins of undercutting were recorded: 10% in period 1, 20% in period 2 and 40% in the period under investigation.

250. Despite the decline in total sales, the domestic industry's inventories declined 35% end-to-end in the period under review; they decreased by 1% in period 2 and by 34% in the period under investigation compared to the previous comparable period.

251. With respect to the installed capacity, the Applicants estimated that it would correspond exclusively to their production of pineapple in syrup similar to that under investigation and according to their calculation this indicator remained constant during the period analyzed.

252. As a result of the performance of the installed capacity and production of the domestic industry, the use of the first indicator decreased by 13.6 percentage points from end to end in the period analyzed, from 38.5% in period 1 to 31.7% in period 2 and 24.9% in the period investigated: decreased 6.8 percentage points in both period 2 and in the period investigated.

253. The performance of the production and sales of the domestic industry was reflected in the performance of employment, which fell by 7 per cent in the period under review: it fell by 1 per cent in period 2 and by 5 per cent from period 2 to the period under investigation.

254. As a result of the production and employment performance of the domestic industry, productivity, measured as the quotient of these indicators, fell by 31 per cent in the period under review; it fell by 16 per cent in period 2 and by 17 per cent in the period under investigation. In the same periods, the wage bill expressed in national currency fell by 15%, 5% and 10%, respectively.

255. The Petitioners stated that the increase in the imports under investigation during the period under review, as well as the conditions and prices at which they competed in the domestic market, led both to a fall in the volumes of sales to the domestic market of the domestic industry and in the profits related to these sales.

256. In this regard, Productos Santa Monica and Sabormex presented the statement of costs, sales and profits of similar merchandise and the statement of costs and expenses at the unit level corresponding to the domestic market, for the period analyzed. On the basis of this information, the Ministry analyzed the effects of imports under alleged *dumping* conditions on sales of like merchandise destined for the domestic market.

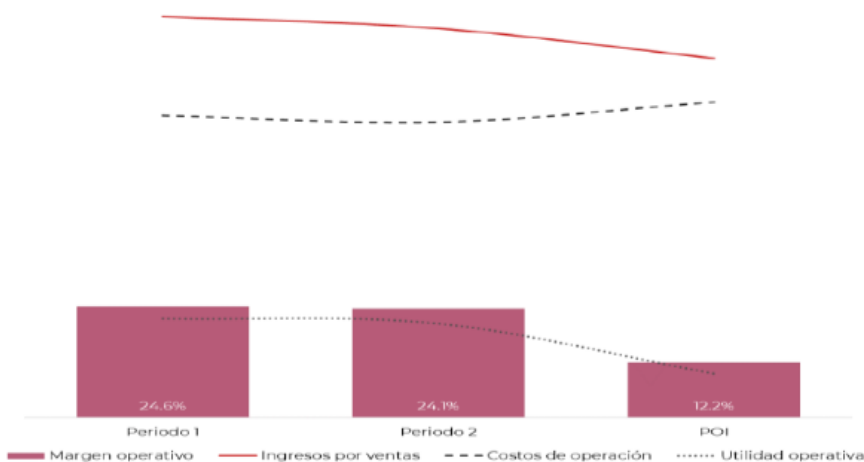
257. With regard to revenue from sales of the like product in the domestic market, the Ministry observed that it decreased by 3% in period 2 and by 8% in the period under investigation; so that it showed a decrease of 10% from end to end in the period analyzed.

258. Operating costs, calculated as the sum of costs of sale plus operating expenses, decreased by 2 per cent in period 2, but increased by 7 per cent in the period under investigation; in such a way that they increased 4% in the period analyzed.

259. As a result of the behavior of sales revenues and operating costs of similar merchandise, the Ministry observed a decrease in operating profit of 5% in period 2 and 53% in the period under investigation; therefore, there is a decrease in operating results of 56% in the period analyzed.

260. The operating margin of the domestic pineapple syrup industry reflected the following: it represented 24.6% in period 1, 24.1% in period 2 and 12.2% in the period under investigation; in such a way, it decreased by 11.9 percentage points in the period investigated and 12.4 percentage points from end to end in the period under investigation. Analyzed. Below is a graph showing the evolution of the operating results of the domestic industry.

**Statement of costs, sales and profits for sales of pineapple in syrup in the domestic market**  
(April 2021 - March 2024)



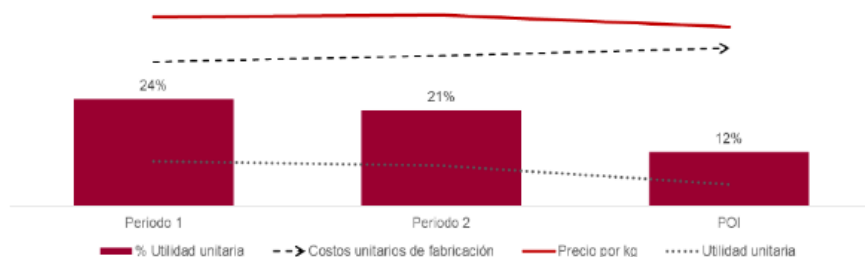
Source: Prepared by the authors with information from the Applicants.

261. The Ministry noted that the deterioration in the results and operating margin of the domestic pineapple syrup industry, both in the period under investigation and in the period under review, is mainly explained by the decrease in revenues resulting from the sale of the like merchandise in the domestic market and, simultaneously, by the decrease in revenues resulting from the sale of the similar merchandise in the domestic market and, simultaneously, an increase in their operating costs.

262. Based on the statements of unit costs and expenses submitted by the Applicants, the Ministry weighted the unit values of domestic production using the production volumes of each Applicant to obtain the comprehensive operating costs at the unit level, calculated as the sum of the costs of sale per kilogram plus operating expenses per kilogram and observed that they increased 4% in period 2 and 5% in the period investigated, which implies a growth of 10% in the period analyzed.

263. As for implicit national prices in national currency - real pesos per kilogram, which include inflation - they grew by 1% in period 2, but decreased by 6% in the period under investigation, so that they decreased by 5% from end to end in the period analyzed. In this regard, the Ministry observes that national average prices decreased, while the unit operating costs of the domestic industry grew both in the period under investigation and in the period analyzed, which led to a decrease in profit margins at the unit level.

**Statement of costs and unit expenses of the like merchandise  
(April 2021 - March 2024)**



Source: Prepared by the authors with financial information from the Applicants.

264. On the other hand, in accordance with Articles 3.6 of the *Anti-Dumping Agreement*, and 66 of the RLCE, the Secretariat evaluated the financial indicators of ROA, cash flow, and ability to raise capital were evaluated based on the audited or internal financial statements of the Applicants for the years 2021 to 2023, since they consider the production of the most restricted group or range of products that include the national similar merchandise. In this initial stage of the administrative procedure, the financial ratios corresponding to the periods January to March 2023 and from January to March 2024 were not calculated due to the fact that the company Sabormex did not provide its complete financial statements for those periods.

265. With respect to the Return on Assets (ROA) of the domestic pineapple in syrup industry, calculated at the operational level, from 2021 to 2023 remained without significant changes, as shown in the following table:

Indicador	2021	2022	2023
ROA	13.1%	12.6%	13.2%

Source: Financial statements of the Applicants.

266. Based on the cash flow statements of the companies that are part of the domestic pineapple production industry in syrup, corresponding to 2021, 2022 and 2023, the Ministry observed that cash flow at the operating level decreased by 10% in 2023 compared to 2022, but from 2021 to 2023 it increased by 1,451%. mainly due to the growth of profit before taxes and the resources obtained through working capital. In this initial stage of the *anti-dumping* investigation, the Sabormex company did not present the cash flow statement for the first quarter of 2024, so it was not possible to analyze this indicator as of March 2024.

267. The capacity of the national industry to raise capital is analyzed through the behavior of the solvency, liquidity, leverage and debt ratios calculated with information from the financial statements of the Applicants. Below is a summary of the behavior of these indicators from 2021 to 2023:

Indicador	2021	2022	2023
Circulating Ratio (times)	1.57	2.63	3.10
Acid test (times)	0.76	1.27	1.64
Leverage	35%	27%	25%
Debt	26%	21%	20%

Source: Financial statements of the Applicants.

268. Based on the results described in the table above, the Secretariat notes that the current ratio is acceptable, and upward, since a ratio of 1 to 1 or higher between current assets and short-term liabilities is generally considered adequate; the acid test, that is, current assets minus the value of inventories, which are easily realized or liquid values or assets, in relation to short-term liabilities, is also acceptable, although in 2021 it was insufficient as it reflected a ratio of less than unity.

269. A proportion of total liabilities to stockholders' equity or total liabilities to total assets is normally considered to be manageable if it represents or is less than the unit. As far as the leverage ratio is concerned, it reflects levels below 100% from 2021 to 2023; Likewise, debt levels register manageable levels from 2021 to 2023 as they are below 100%. In sum, the domestic industry's ability to raise capital is not compromised by imports under alleged *dumping*.

270. Based on the performance of the economic and financial indicators of the domestic industry, described in paragraphs 239 to 269 of this Resolution, the Ministry initially determined that the concurrence of imports of pineapple in syrup, originating in the Philippines, Indonesia, and the Philippines, Thailand, under conditions of price discrimination, had a negative impact on the performance of the relevant economic and financial indicators of the domestic industry.

271. The main effects were observed both in the period under investigation and in the period under review. In particular, in the investigated case, the following indicators were affected: production, production oriented to the domestic market, sales, sales to the domestic market, market share, both in the CNA and in domestic consumption, employment, wages, utilization of installed capacity, productivity, income, operating profits and operating margins derived from the behavior of the direct sales to the domestic market. In addition, the information in the administrative record makes it possible to determine initially that the domestic industry's domestic sales prices did not increase at least to the level of inflation, as a result of the volume and conditions under which the imports under investigation occurred.

272. The impact on the variables described in the preceding point constitutes positive evidence, which supports that due to the presence of the imports under investigation under alleged conditions of price discrimination in the Mexican market, injury was caused to the domestic industry, in particular, in the period under investigation, which helped to prevent the industry from experiencing growth, while imports from the countries under investigation increased in absolute and relative terms over the period under review, with significant levels of undercutting with respect to the price of the domestic industry and other sources of supply.

273. Productos Santa Monica and Sabormex added that in the immediate future the volume of imports of pineapple in syrup under conditions of price discrimination would increase due to the low price at which they would compete in the domestic market,

which supports the probability that, in the absence of corrective measures, these imports would increase by a magnitude that would aggravate the injury.

## **7. Other Damage Factors**

**274.** Pursuant to Article 3.5 of the *Anti-Dumping Agreement*; 39, last paragraph of the FTA, and 69 of the RLCE, the Ministry examined the concurrence of factors other than imports originating in the Philippines, Indonesia and Thailand in alleged conditions of price discrimination, which at the same time could be the cause of injury to the domestic pineapple in syrup industry.

**275.** Productos Santa Monica and Sabormex presented the following arguments to support that there were no factors other than imports under alleged price discrimination that affected the performance of the domestic industry's indicators:

- a. Imports from other origins decreased in the period analyzed, which was reflected in the loss of share of total imports, a loss that was absorbed by the imports under investigation.
- b. The prices of non-subject imports, although in the period under review they showed margins of undercutting with respect to the prices of the domestic industry, these were lower than the margins of undercutting of imported products originating in the Philippines, Indonesia and Thailand.
- c. Domestic demand for the product under investigation, calculated as sales to the domestic market plus imports, increased, so that it could not cause injury to the domestic industry.
- d. There were no variations in the structure of consumption, no restrictive commercial practices that affected competition in the domestic market, or any evolution in technology that could affect the production of the product under investigation.

**276.** The Ministry analyzed the behavior of the domestic market, the possible effects of imports from other countries, and the export performance of the domestic industry during the period analyzed, as well as other factors that may be relevant to explain the performance of the domestic industry.

**277.** According to the information in the administrative file, the Ministry observed that the demand for the product under investigation, as measured by the CNA, decreased by 8% from end to end in the period analyzed; it decreased 8% in period 2 and 1% in the period under investigation. In contrast, domestic consumption increased 8% in the period analyzed; in periods 1 and 2 it practically maintained the same level, but grew 8% in the period investigated.

**278.** In view of the performance of the market, described in the previous point, it was imports of the product under investigation that benefited to the detriment of the domestic industry and imports from other origins, when they increased their share in the CNA by 19.9 percentage points from end to end in the period analyzed and 13 percentage points in domestic consumption (12 and 7.8 points, respectively, in the period investigated with respect to the previous comparable period). In contrast:

- a. The PNOMI decreased its participation in the CNA by 18.7 percentage points from end to end in the period analyzed; -5.9 percentage points in period 2 and -12.8 points in the period investigated.
- b. Domestic sales reduced their share of domestic consumption by 11.4 percentage points from end to end in the period analyzed; -2.9 percentage points in period 2 and -8.4 points in the period under investigation with respect to the previous comparable period.

**279.** Nor did the Ministry have any evidence to indicate that imports from the other origins could be the cause of injury to the domestic industry, since, on the one hand, they accounted for an average of 5% of total imports in the period under review and, on the other hand, they registered a decrease of 44% end-to-end in the period analyzed, since they decreased 66% in period 2 and increased 63% in the period investigated; this performance was reflected in a loss of share of imports from the other origins in the domestic market. Indeed:

- a. In terms of the CNA, they decreased their participation in the CNA by 1.2 percentage points from end to end in the period analyzed; -2 percentage points in period 2 and 0.8 in the period investigated with respect to the previous comparable period.
- b. With respect to domestic consumption, they reduced their participation by 1.7 percentage points from end to end in the period analyzed; -2.3 points in period 2 and 0.6 points in the period investigated.
- c. In period 2, the price of imports from the other origins was 9% higher than the price of the domestic industry sold to the domestic market, but in periods 1 and under investigation it was below, in percentages of 1% and 22%; however, these imports could not affect the domestic industry, due to its downward trend in the period analyzed and its participation in the totals that was not significant.

**280.** As for the exports of the domestic industry, they could not be the cause of injury, taking into account that, on the one hand, they increased 145% from end to end in the period analyzed, because they grew 39% in period 2 and 76% in the period under investigation with respect to the comparable previous period, and, on the other hand, they represented only 0.2% of the production of the domestic industry throughout the period analyzed.

**281.** On the other hand, it is not apparent from the information in the administrative record that there were any technological innovations, changes in the structure of consumption, or restrictive trade practices that could affect the performance of the domestic industry.

**282.** According to the information in the administrative record and the results described above, the Ministry did not initially identify factors other than imports from the Philippines, Indonesia, and Thailand, in alleged conditions of price discrimination, which at the same time could have been the cause of injury to the domestic industry.

## **8. Additional Elements**

### **to. International market**

**283.** With regard to the international market, Productos Santa Monica and Sabormex indicated that the countries under investigation are the main producers of the most restricted product, which includes pineapple in syrup; as for the main consumers, they highlighted the United States, Indonesia and the Republic Federative of Brazil, hereinafter Brazil. They also pointed out that Indonesia, the Philippines and Thailand are the main exporting countries and with the lowest prices, while the United States, the Federal Republic of Germany, hereinafter Germany, China and the Kingdom of Spain, hereinafter Spain, were the largest consuming countries.

**284.** In support of this, the Requestors provided the following information: (i) data on canned pineapple production by country for 2007 to 2022, as well as consumption of canned pineapple for 2020, 2021 and 2022, from the publication "IndexBox World - Canned Pineapples - Market Analysis, Forecast, Size, Trend and Insights". 2023 Edition, published by IndexBox and ii) Trade Map import and export statistics obtained from the <https://www.trademap.org/Index.aspx> website - an online database on international trade statistics that offers a number of useful indicators on the performance of trade statistics, exports, international demand, alternative markets and the role of competitors, both from the point of view of products and countries-, by subheading 2008.20, in which the product under investigation in this proceeding is included.

**285.** According to the information indicated in the previous point, the Secretariat observed that in the period from 2020 to 2022, world production of canned pineapple fell by 2%, from 2,299 to 2,263 thousand tons. In this last year, the countries with the highest production were Thailand, Indonesia and the Philippines with 24%, 20% and 13%, respectively, of world production, followed by Brazil with 8%, the People's Republic of Angola, hereinafter Angola, with 7% and China with 5%.

**286.** As for world consumption, it decreased by 5% from 2021 to 2022, from 2,276 to 2,156 thousand tons. In 2022, the United States was the largest consumer with 15%, followed by Indonesia, Brazil, and Thailand with 8.7%, 8.6%, and 7.4%, respectively, as well as Angola with 7%, China with 6%, and India with 5% of global consumption.

287. Productos Santa Monica and Sabormex estimated that, in 2023 compared to 2022, global production and consumption of canned pineapple observed a decrease of 1% and 3%, respectively. Likewise, in 2023, Thailand, Indonesia and the Philippines will continue to be the main producers, while the countries mentioned in the previous point will continue to be the largest consumers.

288. The Ministry also obtained Trade Map's import and export statistics for subheading 2008.20 for the period under review. This information indicates Thailand, Indonesia, and the Philippines as the top exporting countries during the period analyzed, April 2021 to March 2024. This same source points to the United States, Germany, Spain, China, Japan, the Kingdom of the Netherlands, hereinafter the Netherlands, and the United Kingdom of Great Britain and Northern Ireland, hereinafter the United Kingdom, as the main importing countries:

- a. In the period April 2023-March 2024, the Philippines, Indonesia and Thailand together accounted for 87% of total exports, followed by the Republic of Kenya and the Netherlands, contributing 3% and 2%, respectively, of total exports.
- b. In the period April 2023-March 2024, the United States, Germany, China, Spain, Japan, the United Kingdom, and the Netherlands were the largest importing countries with 39%, 6.4%, 6.3%, 5.1%, 4.3%, 3.6%, and 3.5%, respectively, of total imports.
- c. In the period analyzed, the prices of exports of the countries under investigation, calculated on the basis of values and volumes, were low, so that in the period under investigation and in the period under analysis, their average price was 42% and 40%, respectively, lower than the price of exports from the other countries.

#### b. Export potential of exporting countries

289. The Applicants noted that Indonesia, Thailand, and the Philippines have export potential. To support this, they considered the information indicated in paragraph 284 of this Resolution, from which they estimated the production, installed capacity and sales to the domestic market of pineapple in syrup in the countries under investigation. To this end, they proceeded as follows:

- a. Based on the canned pineapple production volume data for 2021, 2022 and 2023, the latter year estimated as the average of the difference between 2022 and 2021 plus 2022, they estimated the pineapple production data in syrup for each country, for periods 1, 2 and in the investigated as follows:
  - i. For each country under investigation, they calculated the monthly volume for both 2021 and 2022, then estimated the volume of period 1 considering the months of that period; for period 2 they proceeded in the same way from the production volume of 2022 and 2023.
  - ii. The volume of production for the period under investigation is the result of the average of the difference between periods 1 and 2 plus period 2.
  - iii. To arrive at the production of the product under investigation, the volumes estimated above for each country were multiplied by the factor resulting from the eight-digit export ratio (20082010 for exports from the Philippines and Thailand, as well as 20082090 for exports from Indonesia) and exports for each country at the 6-digit level (200820).
- b. They estimated the installed capacity to produce pineapple in syrup of each country under investigation as the product of the highest level of canned pineapple production observed by each country in the period from 2010 to 2023 and the average of the export factor indicated in the previous point, which results from the three periods.
- c. Domestic sales of pineapple in syrup from each of the countries under investigation as the product of each country's domestic sales data for canned pineapple for 2021 and 2022 by the export factor above; 2023 sales are estimated from the 2022 result plus the difference between 2022 and 2021. Subsequently, they estimated the sales to the domestic market of pineapple in syrup for periods 1, 2 and the investigated period, based on the results of 2021, 2022 and 2023 and their quarters.
- d. The sum of the results of production, installed capacity and sales to the domestic market for each country results in the volume of these indicators that the countries under investigation observed together.

290. The Ministry initially considered that the Applicants' estimates are reasonable, since, on the one hand, the production, installed capacity and domestic sales of pineapple in syrup in the investigated countries are based on their production figures and sales to the domestic market of canned pineapple, more restricted product that includes pineapple in syrup, as well as in Trade Map export statistics by subheading that include the product under investigation in this proceeding.

291. Based on the production, installed capacity, and domestic market sales figures estimated by the Applicants, the Ministry noted that the production of pineapple in syrup that the Philippines, Indonesia, and Thailand recorded together increased by 15% from period 1 to the period under investigation, from 1,068 to 1,231 thousands of tons. In the same period, sales of this merchandise to the domestic market fell 6%, when they went from 356 to 336 thousand tons. For its part, the installed capacity that these countries registered together remained at 1,426 thousand tons during the period analyzed. On the basis of these data, the Secretariat noted the following:

- a. The freely available capacity – calculated as the installed capacity minus production – of the countries under investigation decreased by 46% from period 1 to the period under investigation, from 358 to 195 thousand tons. Despite this, the latter volume represents more than eight times the national production of the period under investigation and more than four times the size of the CNA of the same period.
- b. The export potential of the countries under investigation – calculated as installed capacity minus sales to the domestic market – increased by 2% from period 1 to the period under investigation, from 1,070 to 1,090 thousand tonnes, the latter volume in terms of the size of production national and CNA of the period under investigation is more than 50 and 23 times, respectively.

292. With respect to the export profile of the Philippines, Indonesia and Thailand, the Ministry obtained the statistical information from Trade Map under subheading 2008.20, for the period from April 2021 to March 2024, which includes the product under investigation. The Ministry noted that total exports from the countries under investigation decreased 26% from end to end in the period analyzed, from 925 to 689 thousand tons.

293. In the period under review, the main destinations for these exports were the United States, Germany, China, Spain and Japan with 37%, 6%, 5%, 4.4% and 4%, respectively. It is noteworthy that exports to Mexico increased 13% from end to end in the period analyzed, going from 21 to 24 thousand tons, so that the share of exports to Mexico increased from 2% in period 2 to 3% in the period under investigation, which indicates the importance of the Mexican market as a destination for export sales from the countries investigated.

294. The results described in the preceding points support that the countries under investigation have freely available capacity or export potential together in a considerable magnitude in relation to domestic production and the size of the domestic market, which makes it possible to determine that the use of a part of these indicators available to the countries under investigation jointly could be significant for Mexican production and the Mexican market.

#### H. Conclusions

295. Based on the results of the analysis of the arguments and evidence described in this Resolution, the Ministry initially concluded that there are sufficient elements to presume that during the period of investigation, imports of pineapple syrup originating in the Philippines, Indonesia, and Thailand carried out under alleged conditions of price discrimination and caused material injury to the domestic industry of the like product. Among the main elements evaluated in a comprehensive manner -which support this conclusion-, without being limited to aspects that were pointed out throughout this Resolution, the following stand out:

- a. The imports under investigation were made with a margin of price discrimination greater than the *de minimis* margin of discrimination provided for in Article 5.8 of the *Anti-Dumping Agreement*. In the period under investigation, imports originating in the Philippines, Indonesia and Thailand accounted for 96.4% of total imports.



- b. Imports under investigation increased in absolute and relative terms. During the period analyzed, they registered a growth of 50% and increased their participation in the CNA by 19.9 percentage points (12 points in the period investigated), or 13 points in domestic consumption (7.8 points in the period investigated).
- c. The volumes of the imports under investigation and the conditions in which they have competed in the domestic market with significant increasing margins of undercutting throughout the period analyzed support the well-founded probability that in the immediate future such imports will increase; in such a magnitude that they will increase their share in the market and further displace the domestic industry.
- d. In periods 1, 2 and the one under investigation, the average price of the imports under investigation was below the domestic sales price of the domestic industry, in percentages of 10%, 20% and 40%, respectively, and the average price of imports from other origins, in percentages of 9%, 26% and 23%, respectively.
- e. The concurrence of imports of pineapple in syrup, originating in the Philippines, Indonesia and Thailand, under alleged conditions of price discrimination, had a negative impact on the relevant economic and financial indicators of the domestic industry, both in the period under investigation and in the period analyzed, including production, PNOMI, sales to the domestic market, employment, wages, utilization of installed capacity, productivity, market share, prices to the domestic market, income from sales to the domestic market, profits and operating margin.
- f. Available information indicates that Indonesia, Thailand and the Philippines together have a significant freely available capacity and export potential for pineapple syrup relative to the size of the domestic market, suggesting that they could continue to redirect part of their pineapple syrup exports to the domestic market.
- g. No injury factors other than imports originating in the Philippines, Indonesia and Thailand were identified under conditions of alleged price discrimination.

296. In view of the foregoing, and based on Articles 5 of the *Anti-Dumping Agreement*, and 52, sections I and II of the FTA, it is appropriate to issue the following

#### RESOLUTION

297. The request of the interested party is accepted and the initiation of the *anti-dumping* investigation on imports of pineapple in syrup originating in Thailand, the Philippines and Indonesia, regardless of the country of origin, which enter through tariff code 2008.20.01 of the TIGIE, or by any other, is declared.

298. The period under investigation is set as the period from April 1, 2023 to March 31, 2024, and the period of injury analysis as the period from April 1, 2021 to March 31, 2024.

299. The Secretariat may apply the definitive countervailing duties that, as the case may be, are imposed on products that have been declared for consumption up to 90 days before the date of application of the provisional measures, as the case may be, in accordance with Articles 10.6 of the *Anti-Dumping Agreement*, and 65 A of the FTA.

300. In accordance with Articles 6.1, 6.11, 12.1 and footnote 15 of the *Anti-Dumping Agreement*, and the last paragraph 3 and 53 of the FTA, domestic producers, importers, exporters, foreign legal entities or any person who proves to have a legal interest in the outcome of the Agreement investigation procedure, they will have a period of 23 working days to prove their legal interest and submit the response to the forms established for such purposes, the arguments and evidence they consider appropriate.

301. For the persons and governments indicated in point 22 of this Resolution, the period of 23 working days shall begin to run five days after the date of dispatch of the official notification of the initiation of this investigation. For the other interested parties, the term will begin to count five days after the publication of this Resolution in the Official Gazette of the Federation, hereinafter DOF. In accordance with the "Agreement by which the official address of the Ministry of Economy and the administrative units attached to it is disclosed" published in the DOF on December 7, 2023 and the "Agreement by which administrative measures are established in the Ministry of Economy in order to provide facilities to the users of the procedures and procedures indicated", published in the DOF on August 4, 2021, the presentation of the information may be made electronically through the email address [upci@economia.gob.mx](mailto:upci@economia.gob.mx) until 6:00 p.m., or in physical form from 9:00 a.m. to 2:00 p.m. in the address located at Calle Pachuca number 189, Colonia Condesa, Cuauhtémoc Territorial Demarcation, Postal Code 06140, in Mexico City.

302. The forms referred to in paragraph 300 of this Resolution may be obtained through the Internet page <https://www.gob.mx/se/acciones-y-programas/industria-y-comercio-unidad-de-practicas-comercial-internacionales-upci>. They may also be requested through the [upci@economia.gob.mx](mailto:upci@economia.gob.mx) email account or at the address of the Secretariat.

303. On the basis of Article 53, third paragraph of the LCE, this Resolution is notified to the companies and governments of which it is known through the e-mails that have been identified and through the embassies of Thailand, the Philippines and Indonesia to the producing companies of each country and to any person who has a legal interest in the outcome of these proceedings. The copies of service are made available to any party who requests them and proves their legal interest in this procedure, through the email account indicated in the previous point of this Resolution.

304. Communicate this Resolution to ANAM and the Tax Administration Service for the corresponding legal effects .

305. This Resolution shall enter into force on the day following its publication in the Official Gazette.

Mexico City, December 13, 2024. - The Secretary of Economy, **Marcelo Luis Ebrard Casaubon**. - Rubric.

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