

**NOT CONFIDENTIAL**

**ANTI-DUMPING COMMISSION INVESTIGATION ADC 242**

**NEWSPRINT EXPORTED FROM**

**FRANCE AND THE REPUBLIC OF KOREA**

**SUBMISSION ON THE STATEMENT OF ESSENTIAL FACTS**

**17 FEBRUARY 2015**

Bowater Korea refers to the Statement of Essential Facts No. 242 (**SEF**) and the Preliminary Affirmative Determination No. 242 of 27 January 2015.

The Anti-Dumping Commission concluded in the SEF that injury, if any, caused by Bowater Korea, and other dumped imports from Korea, to the domestic Australian newsprint industry, was negligible.

However, the Commission found Bowater Korea dumped newsprint into the Australian market at a margin of 14.4 percent, and did not find the volume of dumped imports from Korea to be negligible, notwithstanding the finding that Korea's largest exporter to Australia, Jeonju, has not been dumping.

Bowater Korea respectfully requests reconsideration of two related findings:

1. the negligibility of the volume of imports from Korea; and
2. the dumping margin for Bowater Korea.

The basis for the reconsideration requested is, in each case, further information concerning the off-quality paper supplied into the Australian market [REDACTED].

The Commission noted in the SEF, at page 13, that it was unable to conclude whether any imported newsprint was unsuitable for printing and would thereby warrant further consideration of whether it meets the description of the goods. This conclusion appears to have been reached because the Commission had not found evidence that certain qualities of some imported paper rendered that paper unsuitable for use as newsprint.

The Commission has recognised that a significant portion of [REDACTED] sales of paper has not been sold to consumers of newsprint. Notwithstanding that Customs has not distinguished this product from newsprint, as a practical matter when classifying the goods for customs purposes, it is neither sold nor used as newsprint and, consequently, does not and could not compete in any way with the domestic newsprint industry.

As previously submitted, the paper in question was sold for use other than as newsprint because its quality, [REDACTED] rendered it unsuitable for that use. The paper in question was [REDACTED] paper, which means that it was paper produced by [REDACTED]

[REDACTED]. [Confidential details of difference in quality]

As the Declaration of Mr Cho (which is Confidential Exhibit 1 to this submission) confirms, newspaper publishers each have strict and express specifications as to the [REDACTED] of their newsprint, and so [REDACTED] newsprint is not capable of sale to those customers for use as newsprint. Accordingly, when [REDACTED] paper to customers in Australia, it has been able to sell it only to customers for whom the [REDACTED] of the paper is of no importance, and who do not intend to use the paper for printing. In the market for newsprint, this difference in [REDACTED] [REDACTED] represents a difference in quality, which is in turn reflected in a difference in the price at which the paper can be sold. [Confidential details of difference in quality]

Bowater Korea asks that, after consideration of this additional evidence and explanation as to the quality of the paper in question, the Commission find that the paper in question was not suitable for use as newsprint. Were the Commission to make such a finding, Bowater Korea asks the Commission to exclude this portion of imports [REDACTED] from consideration as competing newsprint and determine whether dumped volumes from Korea, with this portion of imports excluded, were negligible.

This reconsideration should not in any way alter the conclusion that, whatever the volume of dumped imports from Korea, the injury they may cause, if any, was negligible. Nonetheless, imports of newsprint in name only, in Bowater Korea's view, should not be considered newsprint for the purposes of this investigation, and the proper exclusion of such imports may provide a second reason for the termination of the investigation as to Korean imports.

The Commission, when it decided to include [REDACTED] in its calculations, did not make any adjustment when comparing that off-quality paper to printing quality paper sold in [REDACTED]. The Anti-Dumping Manual, however, is unambiguous in calling for an adjustment for differences in quality. Were the Commission to decide again that it cannot exclude the [REDACTED] paper that was not sold for use as newsprint, it could and should, nevertheless, make an appropriate adjustment in its dumping calculation to account for the differences in quality.

As Bowater Korea explained in its submission of 18 December 2014, to account for the difference in quality, the Commission should make a [REDACTED]

[REDACTED] [Confidential details in relation to prices, models and proposed adjustment]

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