



Directorate General of Foreign Trade

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Jakarta, 3 April 2020

Dale Seymour

Commissioner
Australia Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601
AUSTRALIA

Dear Mr. Seymour,

I refer to your letter dated 24 March 2020 responding to our concerns on the on-going review process by ADC. We appreciate your commitment to implement the Panel's recommendations and rulings on DS529 in good faith and at the same time would like to strongly remind you that Australia needs to be fully consistent with such commitment.

I strongly believe that the use of new period of 2019 in the Review is inappropriate especially in the absence of export of by the Indonesian A4 copy paper producers that are subject to the Review. The questionnaires ADC issued to the Government of Indonesia (GOI) and the companies subject to the Review regrettably impose an undue burden on the GOI and the companies which I believe is beyond what Australia requires to bring its measures into conformity with Australia's obligation under WTO.

While we understand your position that the Australian government is constrained by the content of the Customs Act and Regulations and other parts of the existing domestic law of Australia, we believe that Australia's WTO obligation to bring its measures into consistency with what the WTO requires prevails over its domestic law.

I remain strongly doubtful that the indexing and market adjustment methodology which Australia will use to construct the export price of the companies subject to Review in the absence of export of subject merchandise to Australia will produce a fair and objective result. Moreover, unlike for the establishment of normal value, the WTO Anti-Dumping Agreement offers no methodology to construct the export price by referring to surrogate export price. As such, in the absence of exports of the subject merchandise by the companies subject to the Review, a correct and reasonable methodology to consistently implement the Panel's recommendations and rulings for DS529 is to use the data submitted to ADC in the original investigation which includes domestic, export sales and cost data.

Both Australia and Indonesia concur that significant effort was made during the process of DS529 at the WTO Panel and the Agreement not to appeal and mutually agreed that the Panel's recommendations and rulings would be adopted. In view of what has been achieved by both countries based on good faith and supported by the facts we described above, both parties should firmly avoid any potential dispute in the implementation of the Panel's recommendations and rulings. I therefore strongly request that Australia not opt to use a new set of data for 2019 for recalculation of the dumping margins of the subject companies in this Review but, instead, to use the data submitted to ADC during the original investigation.

Finally, I take this opportunity to renew the Australian Government the assurance of our highest consideration.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be 'Pradnyawati', with a stylized flourish at the end.

Pradnyawati

Director of Trade Defense
Directorate of Foreign Trade
Ministry of Trade of Republic of Indonesia

Cc:

1. Director General of Foreign Trade, Ministry of Trade of Republic of Indonesia
2. Director Deneral of International Trade Negotiation, Ministry of Trade of Republic of Indonesia
3. Ambassador of the Republic of Indonesia to Australia in Canberra
4. Ambassador of Australia to Indonesia in Jakarta
5. Head of Advocation Bureau, Secretariat General, Ministry of Trade of Republic of Indonesia
6. Head of Indonesia Anti-Dumping Committee
7. Director of East Asian and Pasific Affairs, Directorate General of Asia-Pasific and African Affairs, Ministry of Foreign Affairs of Republic of Indonesia
8. Director of Trade Disputes Task Force, Office of Trade Negotiations, Departemen of Foreign Affairs and Trade of Australia
9. Asistant Director of Investigations 2, Australia Anti-Dumping Commission