

Anti-Dumping Commission

ANTI-DUMPING NOTICE NO. 2021/072

Public notice under section 269TC(4) of the *Customs Act 1901* (Cth) A4 copy paper

PT. Pabrik Kertas Tjiwi Kimia Tbk Initiation of Investigation No. 583 into alleged dumping

Customs Act 1901 (Cth) - Part XVB1

I, Dr Bradley Armstrong PSM, the Commissioner of the Anti-Dumping Commission (the Commissioner), have initiated an investigation following an application lodged by Paper Australia Pty Ltd (the applicant), a manufacturer of A4 copy paper (the goods) in Australia. The application seeks the publication of a dumping duty notice in respect of A4 copy paper exported to Australia from the Republic of Indonesia (Indonesia) by PT Pabrik Kertas Tjiwi Kimia Tbk.

The application alleges that the goods have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry producing like goods through:

- loss of sales volume:
- reduced production;
- reduced market share;
- price depression;
- price suppression;
- loss of profits;
- reduced profitability;
- reduced utilisation of production capacity;
- reduced return of investment;
- · reduced employment; and
- reduced attractiveness to reinvest.

The non-confidential version of the application, which contains the basis of the alleged dumping and injury, is available on the public record at the Commission's website.²

¹ All legislative references in this notice are to the *Customs Act 1901* (Cth) unless otherwise specified.

² Accessible via <u>www.adcommission.gov.au</u>

Particulars of the reasons for the decision to initiate this investigation are in *Anti-Dumping Commission Consideration Report No. 583*, which is available on the public record.

The date of initiation of this investigation is the date of publication of this notice.

Particulars of the Goods

The goods the subject of the application (the goods) are:

Uncoated white paper of a type used for writing, printing or other graphic purposes, in the nominal basis weight range of 67 to 100 gsm (grams per square metre) and cut to sheets of metric size A4 (210mm x 297mm) (also commonly referred to as cut sheet paper, copy paper, office paper or laser paper).

Further information:

The paper is not coated, watermarked or embossed and is subjectively white. It is made mainly from bleached chemical pulp and/or from pulp obtained by a mechanical or chemi-mechanical process and/or from recycled pulp.

Tariff Classification

The goods are generally, but not exclusively, classified to the tariff classifications in Schedule 3 of the *Customs Tariff Act 1995* (Cth), as set out in Table 1 below.

Tariff Subheading	Statistical Code	Description			
4802	UNCOATED PAPER AND PAPERBOARD, OF A KIND USED FOR WRITING, PRINTING OR OTHER GRAPHIC PURPOSES, AND NON PERFORATED PUNCH-CARDS AND PUNCH TAPE PAPER, IN ROLLS OR RECTANGULAR (INCLUDING SQUARE) SHEETS, OF ANY SIZE, OTHER THAN PAPER OF 4801 OR 4803; HAND-MADE PAPER AND PAPERBOARD:				
4802.56	Weighing 40 g/m ² or more but not more than 150 g/m ² , in sheets with one side not exceeding 435 mm and the other side not exceeding 297 mm, in the unfolded state:				
4802.56.10	Printing and writing paper, 297 mm x 210 mm (A4 paper): Weighing 40 g/m2 or more but less than 90 g/m²:				
	03	White			
	09	Weighing 90 g/m ² or more but not more than 150 g/m ²			

Table 1 General tariff classification for the goods the subject of the application

These tariff classifications and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description set out above. Please refer to the goods description for authoritative detail regarding the particulars of the goods, the subject of this investigation.

Investigation Process

The investigation period is 1 April 2020 to 31 March 2021. I will examine exports to Australia of the goods during this period to determine whether dumping has occurred. I will examine details of the Australian market from 1 April 2017 for the purposes of injury analysis.

Where the Minister for Industry, Science and Technology (the Minister) is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Minister may, by public notice, impose interim dumping duties.³

Where there are grounds for the Minister to publish a dumping duty notice in respect of the goods, I will examine whether the trade in the dumped goods give rise to retrospective notices being published pursuant to section 269TN of the Act, and make recommendations to the Minister accordingly.⁴

As the application alleges matters regarding if there is a "particular market situation" in Indonesia, the Commission will examine these matters and make recommendations to the Minister pursuant to section 269TAC(2)(a)(ii) of the Act.

Proposed model control code structure

On 9 August 2018, the Commission advised in ADN No. 2018/128 that a model control code (MCC) structure would be implemented in new investigations, reviews of measures generally or continuations for cases initiated after this date.⁵

As noted in that ADN, in developing the MCC structure, the Commission will have regard to differences in physical characteristics that give rise to distinguishable and material differences in price. The Commission's **proposed** MCC structure is outlined below in Table 2.

³ In accordance with section 269TG of the Act.

⁴ In accordance with section 269TG(1) of the Act.

⁵ Full guidance regarding the Commission's MCC structure is provided in ADN No. 2018/128.

Category	Sub-category	Identifier	Sales Data	Cost data
Weight in grams	67 gsm to 70 gsm	W1	Mandatani	Mandatory
per square metre (gsm)	71 gsm to 80 gsm	W2	Mandatory	
	81 gsm to 100 gsm	W3		
	51% to 100%	R1		
Recycled content	21% to 50%	R2	Mandatory	Mandatory
	0% to 20%	R3		

Table 2 Proposed Model Control Code Structure

The Commission welcomes submissions with respect to the proposed MCC structure. Submissions should be raised as soon as is practicable, but no later than **Friday 9 July 2021**, being the day submissions concerning this investigation are due.

Interested parties are encouraged to make a submission on whether any proposed modifications to the MCC structure should be accepted by the Commission. Any changes to the MCC structure will be considered by the Commission and reported in verification reports or in the statement of essential facts (SEF).

Public Record

I must maintain a public record of each investigation. Documents included in the public record are available via www.adcommission.gov.au.

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report No. 583* and copies of all non-confidential submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the investigation.

Lodgement of Submissions

Interested parties, as defined by section 269T(1) of the Act, are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application, no later than the close of business on **Friday 9 July 2021**, addressed to:

The Director Investigations GPO Box 2013 Canberra ACT 2601 Australia

or by email to investigations@adcommission.gov.au, or by fax to +61 3 8539 2499.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that I am not obliged to have regard to a submission received after the date above if to do so would, in my opinion, prevent the timely placement of the SEF on the public record.

Interested parties should also note that I am directed to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in certain circumstances. ⁶ This is available at: www.legislation.gov.au.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the SEF.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "OFFICIAL: Sensitive".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Lodgement of Exporter Questionnaires

Exporters of the goods to Australia are invited to participate in this investigation by completing an exporter questionnaire and the associated spreadsheets by **Friday 9 July 2021.**

The exporter questionnaire and the associated spreadsheets are available under the case information for Investigation 583 (which can be found under 'current cases and their electronic public record' on the Commission website, via www.adcommission.gov.au).

Alternatively, exporters can email to investigations@adcommission.gov.au upon receipt of this letter and the Commission will forward the exporter questionnaire and spreadsheets for completion.

⁶ Certain powers and functions under the *Customs (Extensions of Time and Non-cooperation) Direction 2015* have been delegated to the Anti-Dumping Commission's General Managers (Anti-Dumping Notice No. 2017/10, available at: www.adcommission.gov.au refers).

Provisional Measures

Pursuant to section 269TD of the Act, I will make a preliminary affirmative determination (PAD) provided I am satisfied that there appears to be sufficient grounds for the publication of a dumping duty notice or there appears that there will be sufficient grounds for the publication of a dumping duty notice subsequent to the importation of the goods into Australia. This can occur no earlier than day 60 of an investigation.

In accordance with section 269TD of the Act, the Commonwealth may apply provisional measures, including the taking of securities under section 42 of the Act, in respect of interim dumping duty that may become payable on the goods, where: a PAD has been made; and the Commissioner is satisfied that it is necessary to do so to prevent material injury to an Australian industry occurring while the investigation continues.

Where a PAD is not made 60 days after initiation of the investigation, the *Customs* (*Preliminary Affirmative Determinations*) *Direction 2015* (the PAD Direction) directs me to publish a status report providing reasons why a PAD was not made. The PAD Direction is available on the Federal Register of Legislation website, www.legislation.gov.au.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Minister within the legislative timeframe. In accordance with section 269TDAA of the Act, a SEF will be placed on the public record by **Monday 20 September 2021**, or by such later date as allowed in accordance with section 269ZHI of the Act.⁷ The SEF will set out the essential facts on which I propose to base my recommendations to the Minister. Interested parties are invited to lodge submissions in response to the SEF within 20 days of it being placed on the public record.

Submissions received in response to the SEF within 20 days of that statement being placed on the public record will be taken into account in completing the report and recommendation to the Minister.

Report to the Minister

A recommendation to the Minister will be made in a report on or before <u>Thursday 4</u> <u>November 2021</u> (or such later date as allowed under section 269ZHI of the Act), on the basis of the examination of exportations of the goods to Australia during the investigation period, unless I terminate the investigation.

⁷ On 14 January 2017, certain powers and functions of the Minister under section 269ZHI of the Act were delegated to the Commissioner of the Anti-Dumping Commission. Refer to ADN No. 2017/10 for further information.

The Minister must make a declaration within 30 days after receiving the report, or such longer period as the Minister considers appropriate.

Anti-Dumping Review Panel

Certain persons will have the right to seek review with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act in relation to a decision by me to terminate the investigation or a decision of the Minister to publish or not to publish a dumping duty notice after considering my report.

Interested Party List

Throughout the investigation, the Commission will maintain an internal list of interested parties. Updates on the investigation will be sent to parties on this list. If you would like to be added to the interested party list, please email investigations@adcommission.gov.au.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the case manager on telephone number +61 3 8539 2418, fax number +61 3 8539 2499 (outside Australia) or email investigations@adcommission.gov.au.

Dr Bradley Armstrong PSM Commissioner Anti-Dumping Commission

2 June 2021