



Anti-Dumping Review Panel - Conference Summary

2017/55 – A4 Copy Paper Exported from the Federative Republic of Brazil, the People's Republic of China, the Republic of Indonesia and the Kingdom of Thailand

Applicant: Sinar Mas Pulp and Paper Products (Sinar Mas)

Applicant	Sinar Mas Pulp and Paper Products (Sinar Mas)
Panel Member	Jaclyne Fisher
Date	8 August 2017
Participants	Justin Wickes (Anti-Dumping Commission), Tim King (Anti-Dumping Commission)
Time opened	4.00 pm AEST
Time closed	5.00 pm

Purpose

The purpose of this conference is to obtain further information in relation to the review before the ADRP, in relation to A4 Copy Paper exported from the Federative Republic of Brazil, the People's Republic of China, the Republic of Indonesia and the Kingdom of Thailand.

In the course of this conference, I may ask parties to clarify an argument, claim or specific detail contained in the party's application or submission. The conference is not a formal hearing of the review, and is not an opportunity for parties to argue their case before me.

I have only had regard to information provided at this conference that relates to relevant information (within the meaning of section 269ZZK(6) of the *Customs Act 1901*). Any conclusions reached at this conference are based on that relevant information.

Discussion

1. The Panel Member requested that the Commission outline the rationale for making an adjustment for the supermarket shelf rental and not the full margin for CMI as requested by the applicant.

The Commission advised that it considered that in order to make a comparison between the constructed normal value and the export sale to the importer it determined the constructed normal value using the SG and A (and profit) of CMI in developing a "price" to the same level of trade to that of the importer. When making an adjustment it considered the only element directly connected to the "domestic sale" would relate to the supermarket shelf rental, other SG and A expenses were of a more general nature. Given their general nature, that is, not directly related to the sales in question, it did not consider an adjustment was warranted.

The Commission stated that CMI is the domestic selling agent for like goods manufactured by the Sinar Mas exporters. It sells to [confidential sales information]. Paper Force is the Australian selling and sole importer of the goods from Pindo Deli and Indah Kiat. It sells to [confidential sales information].

The Commission also provided the confidential spreadsheets for Indah Kiat and Pindo Deli which included the calculation of the constructed normal value and s.269TAC(9) adjustments.

2. The Panel Member requested the Commission identify and provide details of the confidential material and analyses undertaken of the market situation in Indonesia and the assessment of competitive market costs for the above-mentioned companies in the Sinar Mas group.

The Commission indicated that in addition to information from submissions it had also obtained information (some of which was supplied on a confidential basis) from RISI Inc, Hawkins Wright and



Wood Resources Quarterly, this had formed the basis of the analysis contained in Appendix 2 of REP 341. It outlined through its reference to a Confidential Appendix Spreadsheet titled Market Situation Price Analysis, the prices of pulp and of paper in a range of countries in the region over a number of years (information derived from the above mentioned sources). It stated this analysis revealed that the prices in Indonesia were much lower for both paper and pulp than in other countries in the region.

It also provided the analysis of the price of logs in Indonesia as well as in other countries in the region. It stated that log prices in Indonesia were lower.

It provided its calculations of the proportion of wood that would be incorporated in paper and undertook a series of calculations of the amount that wood represented in finished paper (and also in pulp) for Indonesia.

This information also formed the basis of its analysis in appendix 2 to REP 341.

It also stated that the Government of Indonesia provided land for plantations and there were also low stumpage rates in Indonesia.

The Commission provided a copy of its confidential spreadsheet titled Final Report Pulp Benchmark Prices which it had derived from information supplied by Hawkins Wright and RISI Inc. This demonstrated its calculations on a monthly and quarterly basis of the average price of pulp based on sales from South America to China and Korea. These figures were used as a comparison point with Sinar Mas companies for the competitive market costs assessment.