

NOTICE 552 OF 2004
INTERNATIONAL TRADE ADMINISTRATION COMMISSION

**NOTICE OF INITIATION OF A SUNSET REVIEW OF THE ANTI-DUMPING
DUTIES ON UNCOATED WOODFREE WHITE A4 PAPER ORIGINATING IN OR
IMPORTED FROM BRAZIL AND INDONESIA**

In terms of Article 11.3 of the World Trade Organisation Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, any duty shall be terminated on a date not later than five years from its imposition, unless the authorities determine, in a review initiated before that date on their own initiative or upon a duly substantiated request made by or on behalf of the domestic industry within a reasonable period of time prior to that date, that the expiry of the duty would be likely to lead to continuation or recurrence of dumping and injury.

On 30 May 2003, the International Trade Administration Commission (the Commission) notified all interested parties, through Notice No. 1560 of Government Gazette No. 24893, that unless a request is made by or on behalf of the domestic industry for the duties to be reviewed prior to the expiry thereof, the anti-dumping duties on uncoated woodfree white A4 paper originating in or imported from Brazil and Indonesia, will expire on 25 May 2004.

Duly completed Petition Review Questionnaires were submitted to the Commission on 28 November 2003.

THE APPLICANTS

The petitions were lodged on behalf of the South African Customs Union (SACU) industry by Mondi Paper, a Division of Mondi Limited, and by Sappi Fine Paper (Pty) Ltd, the only manufacturers of the subject product in the SACU. The Applicants alleged that the expiry of the duties would be likely to lead to continuation or recurrence of dumping and injury. The Applicants submitted sufficient evidence and

established a *prima facie* case to enable the Commission to arrive at a reasonable conclusion that a review investigation should be initiated.

THE PRODUCT

The product under investigation is uncoated woodfree white A4 paper classifiable under tariff subheading 4802.56.90 of Schedule I to the Customs and Excise Act, 1964 originating in or imported from Brazil and Indonesia, and which is subject to the anti-dumping duties levied in terms of item 210.02/4802.56 of Part I of Schedule 2 to the Customs and Excise Act, 1964.

THE ALLEGATION OF THE CONTINUATION OR RECURRENCE OF DUMPING

The allegation of continuation or recurrence of dumping is based on a comparison between the normal values and export prices. The normal values were based on information obtained by the Applicants in the subject countries. The export prices from Brazil and Indonesia were based on export statistics of the different countries to certain third countries. On this basis, the Commission found that there was *prima facie* proof of the likely recurrence of dumping if the duties expire, with regard to exports from Brazil and Indonesia.

THE ALLEGATION OF THE CONTINUATION OR RECURRENCE OF MATERIAL INJURY

The Applicants alleged and submitted sufficient evidence to show that there is price undercutting and that the prices of the imports in question are suppressing its selling prices. The Applicants further indicated that their prices will be depressed once the duties expire. The Applicants' information indicated that they will experience a decline in sales, a decline in profit margins, and a decline in return on investment, if the duties expire. It was also indicated that the Applicants' market will decrease at the expense of a corresponding increase in the market share of the dumped goods, if the duties expire. On this basis, the Commission found that there was *prima facie* proof of the continuation and/or recurrence of material injury.

PERIOD OF INVESTIGATION

The period of investigation for purposes of determining the continuation or recurrence of dumping from the exporting countries of origin will be from 1 January 2003 to 31 December 2003. The period of investigation for purposes of determining continuation or recurrence of injury will be from 1 January 2000 to 31 December 2003. An estimate of what the situation will be if the duties expire will also be considered by the Commission.

PROCEDURAL FRAMEWORK

The Commission will conduct its investigation in accordance with the International Trade Administration Act (the ITA Act), the World Trade Organisation Agreement on Implementation of Article VI of the GATT 1994 (the Anti-Dumping Agreement) and the Anti-Dumping Regulations (ADR) of the International Trade Administration Commission of South Africa. Both the ITA Act and the ADR are available on ITAC's website (<http://www.itac.gov.za>) or from the Trade Remedies section, on request.

In order to obtain the information it deems necessary for its investigation, the Commission will send review questionnaires to all known importers and exporters, and known representative associations. The trade representatives of the exporting countries have also been notified. Importers, exporters and other interested parties are invited to contact the Commission as soon as possible in order to determine whether they have been listed and have been sent the relevant documents. If not, they should immediately ensure that they are sent copies. The questionnaire has to be completed and any other representations must be made within the time limit set out below.

CONFIDENTIAL INFORMATION

Please note that if any part of your submission or further correspondence is based on confidential information, a proper non-confidential version indicating all instances where information has been claimed to be confidential, and the reasons for confidentiality, must be provided. The non-confidential version should be in sufficient

detail to allow other interested parties a reasonable understanding of the substance of the information submitted in confidence. All information not clearly indicated to be confidential will be regarded as non-confidential, and the Commission may disregard all information claimed to be confidential, that is not accompanied by a non-confidential version. All interested parties are referred to sections 33 to 37 of the ITA Act and ADR 2 regarding confidential information.

ADDRESS

The response to the questionnaire and any information regarding this matter and any arguments concerning the allegation of the continuation and/or recurrence of dumping and material injury must be submitted in writing to the following address:

Physical address

The Director: Trade Remedies I
Room 405 A
SABS Building
1 Dr Lategan Road
GROENKLOOF
PRETORIA
SOUTH AFRICA

Postal address

The Director: Trade Remedies I
Private Bag X753
PRETORIA
0001
South Africa

RESPONSES BY INTERESTED PARTIES

Interested parties are required to respond to the relevant questionnaires within 40 days after initiation of the investigation, or within 37 days from the date the relevant letters and questionnaires were dispatched. All parties are referred to ADR 29-32 regarding the procedures to be followed in respect of responses.

ORAL HEARING

Any interested party may request an oral hearing at any stage of the investigation, provided it indicates reasons for not relying on written submissions only. Parties requesting an oral hearing are required to provide the Commission with a detailed

agenda and the information, including a non-confidential version thereof, to be addressed during the oral hearing, as provided for in terms of ADR 5.

VERIFICATION

Verification of information supplied by interested parties may take place as provided for under Section 18 of the ADR.

Enquiries may be directed to the investigating officers, Mr David Potter at telephone (012) 428 7719 and Mr. Albert Strydom at (012) 428 7724, or at fax (012) 427-7736.