



24 June 2014

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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(A) OF THE AGREEMENT ON
SAFEGUARDS ON INITIATION OF AN INVESTIGATION AND
THE REASON FOR IT**

INDONESIA

(Coated Paper and Paperboard, not including Banknotes Paper)

The following communication, dated 24 June 2014, is being circulated at the request of the Delegation of Indonesia.

Pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, the Republic of Indonesia hereby wishes to notify the Committee on Safeguards that the Indonesian Safeguards Committee (*Komite Pengamanan Perdagangan Indonesia/KPPI*), hereinafter referred as "the Investigating Authority", has initiated a safeguard investigation on the imports of the Subject Goods.

On 26 May 2014, an application for a safeguard measures was received by the Investigating Authority from PT. Pabrik Kertas Tjiwi Kimia Tbk. dan PT. Pindo Deli Pulp and Paper Mills, hereinafter referred as "the Applicant", against importation of the Subject Goods.

After examining the properly documented application, the Investigating Authority concluded that there was a sufficient evidence to justify the initiation of a safeguard investigation.

1. The date of initiation

The investigation initiated on 20 June 2014.

2. Subject goods¹

Subject goods under investigation are:

Paper and paperboard, coated on one or both sides with kaolin (China clay) or other inorganic substances, with or without a binder, and with no other coating, whether or not surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any size, of a kind used for writing, printing or other graphic purposes, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres, not including banknotes paper, under HS. codes 4810.13.11.00, 4810.13.19.00, 4810.13.91.90, 4810.13.99.90, 4810.14.11.00, 4810.14.19.00, 4810.14.91.90, 4810.14.99.90, 4810.19.11.00, 4810.19.19.90, 4810.19.91.90 and 4810.19.99.90.

¹ The current scope of Subject Goods is for guidance purposes only and may be subject of change in light of the findings of the investigation.

3. Reasons for initiation of investigation procedure

i. Information provided to the Investigating Authority

The Investigating Authority initiated a safeguard investigation following an evaluation of the application documents filed by the Applicant, which constitutes a major proportion of the total domestic production of the subject goods in Indonesia.

ii. Increase in imports

The data submitted by the Applicant showed that there was an increase in the volume of imports of the subject goods under such conditions as to cause or threaten to cause serious injury to the Applicant. The volume of imports of the subject goods had increased significantly by 51% in 2011 compared to the volume of imports in 2010. The volume of imports increased further by 54% in 2012 compared to the volume of imports in 2011, and continued to increased by 44% in 2013 compared to the volume of imports in 2012.

iii. Serious injury or threat of serious injury

The information currently available to the Investigating Authority includes data in relation to certain economic indicators specified in Article 4 of the WTO Agreement on Safeguards. The application documents showed a negative development on production, the share of the domestic market, capacity utilization, profits and losses, level of employment, and inventory.

4. Further information

Those having substantial interests and wishing to be considered as interested parties in this investigation should submit a written request within a period of 15 working days in Indonesia from the date of initiation, to this address:

THE INDONESIAN SAFEGUARDS COMMITTEE
(*Komite Pengamanan Perdagangan Indonesia/KPPI*)
Jl. M.I. Ridwan Rais No.5, Building I, 5th floor, Jakarta 10110
Telephone / Facsimile: (62-21) 385 7758
E-mail: kppei@kemendag.go.id

All submissions and requests made by interested parties must be sent both in written letter and in electronic format, and must indicate the name, address, e-mail address, telephone and fax numbers of the interested party.
