

## DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

## NOTICE 3968 OF 2026

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION****NOTICE OF AN INITIATION OF THE INVESTIGATION FOR REMEDIAL ACTION IN THE FORM OF A SAFEGUARD MEASURE AGAINST THE INCREASED IMPORTS OF A3 AND A4 OFFICE PAPER CLASSIFIABLE UNDER TARIFF HEADING 4802.56.20 AND 4802.56.90**

The International Trade Administration Commission of South Africa (“the Commission”) decided to proceed with an investigation for remedial action in the form of a safeguard measure against the increased imports of Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10 per cent by mass of the total fibre content consists of such fibres, of a mass of 40 g/m<sup>2</sup> or more but not more than 150 g/m<sup>2</sup>, in rectangular (including square) sheets with one side measuring 420 mm and the other side measuring 297 mm in the unfolded state, classifiable in tariff subheading 4802.56.20 and Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10 per cent by mass of the total fibre content consists of such fibres, other, of a mass of 40 g/m<sup>2</sup> or more but not more than exceeding 150 g/m<sup>2</sup>, in rectangular (including square) sheets with one side measuring 297 mm and the other side measuring 210 mm in the unfolded state, classifiable in tariff subheading 4802.56.90 (“A3 and A4 office paper” or “the subject product”).

Based on the information submitted, the Commission decided that the Applicant has submitted *prima facie* evidence indicating that the events cited can be regarded as unforeseen developments. These unforeseen developments, together with the effect of the obligations incurred under the GATT 1994, led to an increase in the volume of imports in absolute and relative terms. The surge in the volume of imports is recent, sharp, significant,

and sudden enough. The SACU industry is experiencing serious injury, and this is causally linked to the surge in imports.

## **THE APPLICANT**

The application is brought by Mondi South Africa (Pty) Ltd (“Mondi” or “the Applicant”), the major producer of the subject product in the Southern African Customs Union (SACU). The application is supported by Sappi Southern Africa Limited, the other manufacturer of the subject product.

A non-confidential version of the application is available for inspection at the Commission’s offices.

## **DESCRIPTION OF THE SUBJECT PRODUCT**

The subject product is described as Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10 per cent by mass of the total fibre content consists of such fibres, of a mass of 40 g/m<sup>2</sup> or more but not more than 150 g/m<sup>2</sup>, in rectangular (including square) sheets with one side measuring 420 mm and the other side measuring 297 mm in the unfolded state, classifiable in tariff subheading 4802.56.20 (A3 office paper) and Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10 per cent by mass of the total fibre content consists of such fibres, other, of a mass of 40 g/m<sup>2</sup> or more but not more than exceeding 150 g/m<sup>2</sup>, in rectangular (including square) sheets with one side measuring 297 mm and the other side measuring 210 mm in the unfolded state, classifiable in tariff subheading 4802.56.90 (A4 office paper)

## **UNFORESEEN DEVELOPMENTS**

The Applicant submitted the following information to support its allegation of unforeseen development:

- The global structural decline in uncoated fine paper (UFP) demand beginning in 2007 and driven by digitisation and accelerated by COVID-19, constitutes an unforeseen development within the meaning of Article XIX of the GATT 1994;
- The resulting persistent global overcapacity has redirected surplus production into open markets, including South Africa;
- South Africa's tariff bindings and market-access commitments under the WTO framework have had the effect of enabling increased imports under conditions of heightened competitive pressure; and
- The increased imports of cut sheets are therefore the result of both unforeseen developments and the effect of the obligations incurred.

The Applicant also highlighted the effects of South Africa's commitments under WTO agreements as follows:

- Bound its tariffs on printing and writing paper products at reduced ceiling levels of 20%;
- Rationalised and reduced tariff protection; and
- Eliminated quantitative import restrictions.

These commitments materially limited South Africa's ability to adjust tariffs in response to unforeseen import surges. The binding of tariffs at relatively low levels has had the following effect:

- Increasing market accessibility for foreign producers;
- Limiting the use of ordinary tariffs and tariff increases to counter destabilising import volumes; and
- Exposing the domestic industry to increased global surplus capacity.

Moreover, the Applicant further noted that in 1994, imports constituted a minor share of the South African cut-sheet market and largely comprised speciality grades not produced domestically.

The Commission decided that the Applicant submitted *prima facie* information indicating that the events cited by the Applicant are regarded as unforeseen developments, and that, together with the effects of the obligations incurred under GATT 1994, they led to the alleged surge of imports of the subject product, in accordance with the provisions of Article XIX of GATT 1994.

### **ALLEGATION OF SERIOUS INJURY AND CAUSAL LINK**

The period of investigation for data evaluation for the purposes of determining the allegation of serious injury is from 01 January 2023 to 31 December 2025. Furthermore, this application contains information regarding increased import volumes and the related serious injury for the surge period, from 01 January 2023 to 31 December 2024.

The injury analysis relates to information submitted by Mondi, the major producer of the subject product in the SACU.

The Applicant alleged and submitted *prima facie* evidence indicating that it is experiencing serious injury in the form of a decline in sales, net profit, output, market share, and employment, during the period of surge from 01 January 2023 to 31 December 2024.

Furthermore, an analysis of the period of investigation from 01 January 2023 to 31 December 2025, indicates that the Applicant has experienced serious injury in the form of declines in sales, output, net profit, market share, capacity utilisation and employment.

On this basis, the Commission found that *prima facie* evidence was submitted to indicate that the SACU industry was experiencing serious injury that could be causally linked to the

recent, sudden, serious, and significant surge in imports of the subject products.

## LEGAL FRAMEWORK

This investigation will be conducted in accordance with the International Trade Administration Act, 2002 (“ITA Act”) and the International Trade Administration Commission Safeguard Regulations (“SGR”) read with the World Trade Organization Agreement on Safeguards (“the Safeguard Agreement”).

Please note that if any information is considered to be confidential, a non-confidential version of the information must be submitted for the public file, simultaneously with the confidential version. In submitting a non-confidential version, the following rules are strictly applicable, and parties must indicate:

- where confidential information has been omitted and the nature of such information;
- reasons for such confidentiality;
- a summary of the confidential information which permits a reasonable understanding of the substance of the confidential information; and
- in exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless indicated to be confidential and filed together with a non-confidential version, will be placed on the public file and be made available to other interested parties.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party’s ability to make meaningful representations, the details of the deficiency and the reasons why that party’s rights are so affected must be submitted to the Commission in

writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due). Failure to do so timeously will seriously hamper the proper administration of the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

Subsection 33(1) of the ITA Act provides that any person claiming confidentiality of information should identify whether such information is *confidential by nature* or is *otherwise confidential* and any such claims must be supported by a written statement, in each case, setting out how the information satisfies the requirements of the claim to confidentiality. In the alternative, a sworn statement should be made, setting out reasons why it is impossible to comply with these requirements.

## PROCEDURES AND TIME LIMITS

All information submitted, including non-confidential copies thereof, should be received by the Senior Manager: Trade Remedies I by no later than 20 days from the date hereof. Late submissions will not be accepted.

Interested parties are invited to submit comments on the initiation of the investigation or any information regarding this matter to the following address:

### Physical address

Senior Manager: Trade Remedies I  
International Trade Administration Commission  
**Block E** – The DTI Campus  
77 Meintjies Street  
SUNNYSIDE  
PRETORIA  
SOUTH AFRICA

### Postal address

Senior Manager: Trade Remedies I  
Private Bag X753  
PRETORIA  
0001  
SOUTH AFRICA

Any interested party may request an oral hearing provided that reasons are given for not relying on written submissions only. No request for an oral hearing will be considered more than 60 days from the date of this publication. The Commission may refuse an oral hearing if granting such a hearing will unduly delay the finalisation of the investigation.

Parties requesting an oral hearing shall provide the Commission with a detailed agenda for, and a detailed version, including a non-confidential version, of the information to be discussed at the oral hearing at the time of the request.

Should you have any queries, please do not hesitate to contact the following investigating officers: Mr Busman Makakola at [Bmakakola@itac.org.za](mailto:Bmakakola@itac.org.za), Mr Emmanuel Manamela at [Emanamela@itac.org.za](mailto:Emanamela@itac.org.za) or Mr Vusumzi Sotha at [vsotha@itac.org.za](mailto:vsotha@itac.org.za).