



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

SOUTH AFRICA

A3 and A4 office paper

The following communication, dated and received on 8 June 2026, is being circulated at the request of the delegation of South Africa.

Pursuant to Article 12.1(a) of the Agreement on Safeguards, South Africa hereby gives notification of the initiation of a safeguard investigation on the imports of Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by mass of the total fibre content consists of such fibres, of a mass of 40 g/m² or more but not more than 150 g/m², 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% by mass of the total fibre content consists of such fibres, other, of a mass of 40 g/m² or more but not more than exceeding 150 g/m², 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").

1. The date when the investigation was initiated

The investigation was initiated by notice of initiation by the investigating authority and published through notice No. 3968 of 2026 in *Government Gazette* No 54783 on 5 June 2026.¹

2. The product subject to the investigation

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% by mass of the total fibre content consists of such fibres, of a mass of 40 g/m² or more but not more than 150 g/m², 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% by mass of the total fibre content consists of such fibres, other, of a mass of 40 g/m² or more but not more than exceeding 150 g/m², 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.

¹ A copy of the notice of initiation has also been submitted electronically and is available to government representatives. To consult it, please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org)

3. The reasons for the initiation of investigation

- (i) 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.

The claim is that the subject product is being imported into the SACU market in such increasing quantities in absolute terms and relative to SACU production and under such conditions, to be causing serious injury to the SACU industry.

- (ii) *Prima facie* information on which the investigation was initiated:

The Commission found that the applicant submitted *prima facie* information to indicate a sharp, sudden, recent and significant increase in imports of A3 and A4 Office paper in the 1 January 2023 to 31 December 2024 period.

Unforeseen developments and the effect of obligations incurred under the GATT 1994

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.

Serious injury and causal link

The period of investigation for data evaluation for the purposes of determining the allegation of serious injury is from 1 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 1 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 1 January 2023 to 31 December 2024.

Furthermore, an analysis of the period of investigation from 1 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.

4. Further information

Interested parties must make themselves known within a period of 20 days after the initiation of the investigation.

Any information that the interested parties may wish to submit in writing and any request for a hearing before the Commission that they may wish to put forward should be submitted within 20 days following the initiation of this investigation to the Directorate: Trade Remedies I at the following address: The DTI Campus, 77 Meintjies Street, Sunnyside Pretoria, Block Uuzaji, Ground Floor, or alternatively the following email addresses can be used: Bmakakola@itac.org.za, Emanamela@itac.org.za or Vsotha@itac.org.za

If part of the information provided is of a confidential nature, the party concerned should give the grounds justifying confidentiality and furnish public summaries of such information, which should be as detailed as possible. In instances that a public summary cannot be provided a sworn statement must be provided stating the reasons why the information cannot be summarized. This requirement is designed to secure transparency and due access by all parties to the information relating to this investigation. If the summaries are not duly provided and in the absence of just cause, ITAC may disregard the information deemed to be confidential.
