



FACT SHEET

Commerce Finds Antidumping and Subsidization on Coated Free Sheet Paper from Indonesia

- On October 18, the Commerce Department (Commerce) announced its affirmative final determinations in the antidumping (AD) and countervailing duty (CVD) investigations on imports of coated free sheet paper from Indonesia.
- Dumping is when a foreign company sells a product in the United States at less than fair market value. Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce determined that Indonesian producers/exporters have sold coated free sheet paper in the United States at 8.63 percent less than fair value, and have received net countervailable subsidies of 22.48 percent.
- As a result of the final AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to collect a cash deposit or bond based on the final rates.
- In accordance with U.S. law, CBP will collect cash deposits for countervailing duties if Commerce issues a CVD order.
- In the CVD investigation, the United Steelworkers' Union (USW) argued that additional subsidies result from the Government of Indonesia allowing illegal logging. While Commerce recognizes the concerns raised by the USW, the CVD law does not provide a mechanism for measuring the economic, social, or environmental consequences of illegal logging. However, the extent to which an Indonesian coated free sheet paper producer may have obtained logs at below market prices due to illegal logging is reflected in that company's CVD rate.
- NewPage Corporation (OH) is the petitioner for these investigations.
- The scope of the investigations includes coated free sheet paper and paperboard of a kind used for writing, printing or other graphic purposes (coated free sheet paper), for example, the high quality paper used in art books, textbooks, annual reports, and prestige magazines and catalogues.
- Excluded from the scope of the investigations are: (1) coated free sheet paper that is imported printed with final content printed text or graphics; (2) base paper to be sensitized for use in photography; and (3) paper containing by weight 25 percent or more cotton fiber.
- Coated free sheet paper is classifiable under subheadings 4810.13.1900, 4810.13.2010, 4810.13.2090, 4810.13.5000, 4810.13.7040, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.7040, 4810.19.1900, 4810.19.2010, and 4810.19.2090 of the Harmonized Tariff Schedule of the United States (HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of this investigation is dispositive.

NEXT STEPS

- The ITC is scheduled to make its final injury determination on or about November 30. If the ITC issues an affirmative final determination, Commerce will issue antidumping and countervailing duty orders. If the ITC makes a negative final injury determination, the investigations will be terminated.

Final Countervailable Net Subsidy Rate:

Producer/Exporter	Net Subsidy Rate
PT. Pabrik Kertas Tjiwi Kimia Tbk/ PT. Pindo Deli Pulp and Paper Mills	22.48%
All Others	22.48%

Final Dumping Rate:

Producer/Exporter	Dumping Rate
PT. Pabrik Kertas Tjiwi Kimia Tbk/ PT. Pindo Deli Pulp and Paper Mills	8.63%
All-Others Rate	8.63%

Case Calendar:

EVENT	CVD Investigation	AD Investigation
Petition Filed	October 31, 2006	October 31, 2006
DOC Initiation Date	November 20, 2006	November 20, 2006
ITC Preliminary Determination	December 15, 2006	December 15, 2006
DOC Preliminary Determination	March 29, 2007	May 29, 2007
DOC Final Determination	October 17, 2007	October 17, 2007
ITC Final Determination	November 30, 2007	November 30, 2007
Issuance of Order*	December 7, 2007	December 7, 2007

* This will take place only in the event of final affirmative determinations by both Commerce and the ITC.

Import Statistics:

Indonesia	2004	2005	2006
Volume (kg)	30,227,005	26,687,598	49,867,539
Value (\$US)	\$22,934,849	\$21,807,519	\$40,644,747

Source: U.S. ITC Dataweb (HTS 4810.13.1900, 4810.13.2010, 4810.13.2090, 4810.13.5000, 4810.13.7040, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.7040, 4810.19.1900, 4810.19.2010, and 4810.19.2090)