



## FACT SHEET

### **Department of Commerce Finds Unfair Dumping and Subsidization of Imports of Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from Indonesia**

- On September 21, 2010, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain coated paper suitable for high-quality print graphics using sheet-fed presses (certain coated paper) from Indonesia.
- For the purposes of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value. For the purposes of CVD investigations, subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce determined that Indonesian producers/exporters have sold certain coated paper in the United States at a margin of 20.13 percent. Commerce also determined that Indonesian producers/exporters have received net countervailable subsidies at the rate of 17.94 percent.
- In the AD investigation, mandatory respondent Asia Pulp and Paper/Sinar Mas Group of companies (which includes PT. Pabrik Kertas Tjiwi Kimia Tbk. (Tjiwi Kimia or TK), PT. Pindo Deli Pulp and Paper Mills (Pindo Deli or PD), and PT. Indah Kiat Pulp & Paper, Tbk. (Indah Kiat or IK)) (APP/SMG) received a final dumping rate of 20.13 percent. All other Indonesian exporters received a final dumping rate of 20.13 percent.
- In the CVD investigation, APP/SMG received a net subsidy rate of 17.94 percent. All other Indonesian producers/exporters received a net subsidy rate of 17.94 percent.
- As a result of the final AD determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on the final AD rates. A cash deposit of countervailing duties on imports of certain coated paper will not be required unless the U.S. International Trade Commission (ITC) reaches a final determination that imports of certain coated paper from Indonesia materially injure, or threaten material injury to, the domestic industry. This is because the maximum period for the collection of provisional measures in the CVD investigation has expired.
- The petitioners for these investigations are: Appleton Coated LLC (WI); NewPage Corporation (OH); S.D. Warren Company d/b/a Sappi Fine Paper North America (MA); and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (PA).
- The product covered by these investigations is certain coated paper suitable for high-quality print graphics using sheet-fed presses used in the printing of corporate annual reports, high-end catalogues and magazines, and in other “prestige” applications.
- The merchandise subject to these investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 4810.14.11, 4810.14.1900,

4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.6000, 4810.14.70, 4810.19.1100, 4810.19.1900, 4810.19.2010, 4810.19.2090, 4810.22.1000, 4810.22.50, 4810.22.6000, 4810.22.70, 4810.29.1000, 4810.29.5000, 4810.29.6000, 4810.29.70, 4810.32, 4810.39 and 4810.92. While the HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the subject merchandise governs the scope of these investigations.

- Commerce has continued to include multi-ply coated paper and paperboard in the scope of these investigations, to the extent that imports of such products conform to the stated scope of the proceeding.
- Commerce affirms its August 3, 2010, decision to add three HTSUS numbers to the scope of these investigations (4810.32, 4810.39, and 4810.92) because these HTS numbers may include in-scope merchandise.
- In 2009, imports of certain coated paper from Indonesia were valued at an estimated \$61.5 million.

**NEXT STEPS**

- The ITC is scheduled to issue its final determinations on or about November 4, 2010.
- If the ITC makes affirmative determinations that imports of certain coated paper from Indonesia materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative injury determinations, these investigations will be terminated.

**FINAL DUMPING MARGINS:**

<b>COUNTRY</b>	<b>PRODUCER/EXPORTER</b>	<b>MARGIN</b>
<b>INDONESIA</b>	<b>PT. Pabrik Kertas Tjiwi Kimia Tbk./ PT. Pindo Deli Pulp and Paper Mills/PT. Indah Kiat Pulp and Paper Tbk.</b>	<b>20.13%</b>
	<b>All Others Rate</b>	<b>20.13%</b>

**FINAL SUBSIDY RATES:**

<b>COUNTRY</b>	<b>PRODUCER/EXPORTER</b>	<b>SUBSIDY RATE</b>
<b>INDONESIA</b>	<b>PT. Pabrik Kertas Tjiwi Kimia Tbk./ PT. Pindo Deli Pulp and Paper Mills/PT. Indah Kiat Pulp and Paper Tbk</b>	<b>17.94%</b>
	<b>All Others Rate</b>	<b>17.94%</b>

**CASE CALENDAR:**

<b>EVENT</b>	<b>AD INDONESIA</b>	<b>CVD INDONESIA</b>
<b>Petitions Filed</b>	<b>September 23, 2009</b>	<b>September 23, 2009</b>
<b>DOC Initiation Date</b>	<b>October 13, 2009</b>	<b>October 13, 2009</b>
<b>ITC Preliminary Determination</b>	<b>November 9, 2009</b>	<b>November 9, 2009</b>
<b>DOC Preliminary Determination</b>	<b>April 28, 2010</b>	<b>March 1, 2010</b>
<b>DOC Final Determination</b>	<b>September 20, 2010</b>	<b>September 20, 2010</b>
<b>ITC Final Determination</b>	<b>November 4, 2010</b>	<b>November 4, 2010</b>
<b>Issuance of Order*</b>	<b>November 12, 2010</b>	<b>November 12, 2010</b>

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

**IMPORT STATISTICS:**

<b>INDONESIA</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Quantity (Metric Tons)</b>	<b>55,000</b>	<b>64,000</b>	<b>72,000</b>
<b>Value (USD)</b>	<b>48,836,000</b>	<b>58,770,000</b>	<b>61,453,000</b>

**Source:** U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 4810.14.1120, 4810.14.1140, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.6000, 4810.14.7020, 4810.14.7040, 4810.19.1100, 4810.19.1900, 4810.19.2010, 4810.19.2090, 4810.22.1000, 4810.22.5044, 4810.22.5080, 4810.22.6000, 4810.22.7020, 4810.22.7040, 4810.29.1000, 4810.29.5000, 4810.29.6000, 4810.29.7020, 4810.29.7040, 4810.32.1020, 4810.32.1040, 4810.32.1060, 4810.32.3000, 4810.32.6500, 4810.39.1200, 4810.39.1400, 4810.39.3000, 4810.39.6500, 4810.92.1200, 4810.92.1400, 4810.92.3000, and 4810.92.6500). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.