



This document is scheduled to be published in the Federal Register on 01/20/2016 and available online at <http://federalregister.gov/a/2016-01023>, and on FDsys.gov

DEPARTMENT OF COMMERCE

International Trade Administration

[A-560-828]

Certain Uncoated Paper from Indonesia: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Commerce.

SUMMARY: The Department of Commerce (the Department) determines that certain uncoated paper (uncoated paper) from Indonesia is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735(a) of the Tariff Act of 1930, as amended (the Act). The period of investigation (POI) is January 1, 2014, through December 31, 2014. The final dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

DATES: *Effective:* [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Blaine Wiltse, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6345.

SUPPLEMENTARY INFORMATION:

Background

On August 26, 2015, the Department published the Preliminary Determination of this antidumping duty (AD) investigation.¹ The following events occurred since the Preliminary Determination was issued.

¹ See Certain Uncoated Paper From Indonesia: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 80 FR 51771 (August 26, 2015) (Preliminary Determination).

On October 30, 2015, we received case briefs from Petitioners² and PT Anugerah Kertas Utama/PT Riau Andalan Kertas/APRIL Fine Paper Macao Commercial Offshore Limited (collectively, APRIL). On November 4, 2015, we received rebuttal briefs from the same interested parties. On November 12, 2015, we held a public hearing at the request of Petitioners.

The Department is issuing a scope comments decision memorandum for the final determinations of the AD and countervailing duty (CVD) investigations of uncoated paper, which is incorporated by reference in, and hereby adopted by, this final determination.³

Scope of the Investigation and Scope Comments

The product covered by this investigation is uncoated paper from Indonesia. For a complete description of the scope of this investigation, see the “Scope of the Investigation,” in Appendix I of this notice, which incorporates changes made subsequent to the Preliminary Determination.

On October 2, 2015, Gartner Studios, Inc. submitted its case brief on the scope of the investigations.⁴ On October 19, 2015, American Greetings Corporation (American Greetings) submitted its case brief regarding the scope of the investigations.⁵ On October 29, 2015, Petitioners submitted their rebuttal brief regarding the scope of the investigations.⁶ The

² Petitioners in this investigation are United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; Domtar Corporation; Finch Paper LLC; P.H. Glatfelter Company; and Packaging Corporation of America.

³ See the Department’s memorandum to the file titled, “Less-Than-Fair-Value Investigations of Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal; and Countervailing Duty Investigations of Certain Uncoated Paper from the People’s Republic of China and Indonesia: Scope Comments Decision Memorandum for the Final Determinations,” dated January 8, 2016 (Final Scope Decision Memorandum).

⁴ See Letter to Secretary Pritzker, from Gartner Studios, Inc., “Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Case Brief” (October 2, 2015).

⁵ See Letter to Secretary Pritzker, from American Greetings, “Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Case Brief of American Greetings Corporation” (October 19, 2015).

⁶ See Letter to Secretary Pritzker, from Petitioners, “Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Scope Rebuttal Brief” (October 29, 2015).

Department is issuing a scope comments decision memorandum for the final determinations of the AD and CVD investigations of uncoated paper, which is incorporated by reference in, and hereby adopted by, this final determination.⁷ As explained in the Final Scope Decision Memorandum, to facilitate the scope's administrability and enforcement, we have clarified the scope language such that uncoated paper with "final printed content" is excluded from the scope of the investigations.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation that are not related to the scope of this investigation are addressed in the Issues and Decision Memorandum, which is incorporated by reference by, and hereby adopted by, this notice.⁸ A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Verification

As provided in section 782(i) of the Act, in September 2015, the Department verified the sales and cost information submitted by APRIL for use in our final determination. We used

⁷ See Final Scope Decision Memorandum.

⁸ See Memorandum to Paul Piquado, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Certain Uncoated Paper from Indonesia" (January 8, 2016) (Issues and Decision Memorandum).

standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by APRIL.⁹

Changes Since the Preliminary Determination

Based on our analysis of the comments received and findings at verification, we made certain changes to the margin calculations for APRIL. For a discussion of these changes, see the “Margin Calculations” section of the Issues and Decision Memorandum. In addition, we changed the dumping margin assigned to two additional mandatory respondents in this investigation, Great Champ Trading Limited (Great Champ) and Indah Kiat Pulp & Paper TBK/Pabrik Kertas Tjiwi Kimia/PT. Pindo Deli Pulp and Paper Mills (APP/SMG). Because these companies failed to respond to the Department's questionnaire, in the Preliminary Determination, we based the preliminary dumping margin for these companies on adverse facts available (AFA), in accordance with sections 776(a) and (b) of the Act and 19 CFR 351.308. As AFA, we preliminarily assigned a rate of 51.75 percent (i.e., the highest transaction-specific dumping margin for APRIL). For the final determination, we assigned these companies an AFA margin of 17.39 percent, which is the highest transaction-specific dumping margin for APRIL. For further discussion, see the Issues and Decision Memorandum at Comment 1. We also revised the all-others rate.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted-average of the estimated weighted-average dumping margins

⁹ See Memorandum to the File from Heidi K. Schriefer and Ji Young Oh, Senior Accountants, entitled “Verification of the Cost Response of APRIL Fine Paper Macao Offshore Limited in the Antidumping Duty Investigation of Certain Uncoated Paper from Indonesia,” dated October 20, 2015; and Memorandum to the File from Blaine Wiltse, Senior Analyst, entitled “Verification of the Sales Response of PT Anugerah Kertas Utama (AKU), PT Riau Andalan Kertas (RAK), and APRIL Fine Paper Macao Commercial Offshore Limited (AFPM) (collectively, APRIL) in the Antidumping Duty Investigation of Certain Uncoated Paper from Indonesia,” dated October 22, 2015.

established for exporters and producers individually investigated excluding any zero or de minimis margins, and margins determined entirely under section 776 of the Act. For the Final Determination, the Department calculated the “all-others” rate based on APRIL’s final dumping margin of 2.05 percent.

Final Determination

The Department determines that the final weighted-average dumping margins are as follows:

Exporter/Manufacturer	Weighted-Average Dumping Margin (percent)
Great Champ Trading Limited	17.39
Indah Kiat Pulp & Paper TBK/Pabrik Kertas Tjiwi Kimia/PT. Pindo Deli Pulp and Paper Mills (APP/SMG)	17.39
April Fine Paper Macao Limited/PT Anugerah Kertas Utama/ PT Riau Andalan Kertas (APRIL)	2.05
All-Others	2.05

Disclosure

We will disclose the calculations performed to interested parties within five days of the public announcement of this final determination in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of uncoated paper from Indonesia, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after August 26, 2015, the date of publication of the preliminary determination of this investigation in the Federal Register.

Further, CBP shall require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price, as follows: (1) The rate for the mandatory respondents listed above will be the respondent-specific rates we determined in this final determination; (2) if the exporter is not a firm identified in this investigation, but the producer is, the rate will be the rate established for the producer of the subject merchandise; and (3) the rate for all other producers or exporters will be 2.05 percent.

Consistent with our practice,¹⁰ where the product under investigation is also subject to a concurrent CVD investigation, we instruct CBP to require a cash deposit less the amount of the countervailing duty determined to constitute an export subsidy.¹¹ Therefore, in the event that a CVD order is issued and suspension of liquidation is resumed in the companion CVD investigation on uncoated paper from Indonesia, the Department will instruct CBP to require cash deposits adjusted for export subsidies, as appropriate, found in the final determination of the companion CVD investigation. Specifically, for cash deposit purposes, we will subtract from the applicable cash deposit rate that portion of the CVD rate attributable to the export subsidies found in the final affirmative countervailing duty determination for each respondent (i.e., 57.78 percent for Great Champ and APP/SMG).¹² After this adjustment, the resulting cash deposit rates will be 0.00 percent for Great Champ and APP/SMG. Because the Department found no

¹⁰ The Department terminated the suspension of liquidation associated with the CVD investigation effective October 27, 2015. See CBP message no. 5300305 dated October 27, 2015. Therefore, until and unless suspension of liquidation is resumed, we will not adjust the AD cash deposit rate for collection of duties associated with export subsidies.

¹¹ See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Carbazole Violet Pigment 23 From India, 69 FR 67306, 67307 (November 17, 2004); and Notice of Final Determination of Sales at Less Than Fair Value and Negative Critical Circumstances Determination: Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea, 77 FR 17413 (March 26, 2012).

¹² See the Memorandum to the File, through Shawn Thompson, Program Manager, Office II, AD/CVD Operations, from Blaine Wiltse, Senior Analyst, Office II, AD/CVD Operations, entitled, "Placing Information on the Record: Export Subsidies Calculated in the Countervailing Duty Final Determination of Certain Uncoated Paper from Indonesia," dated January 8, 2016.

export subsidies for APRIL, the cash deposit rate for APRIL and firms covered by the all-others rate will remain 2.05 percent.

The instructions suspending liquidation will remain in effect until further notice.

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of uncoated paper from Indonesia no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders (APO)

This notice serves as a reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: January 8, 2016.

Paul Piquado,

Assistant Secretary

for Enforcement and Compliance.

Appendix I Scope of the Investigation

The merchandise covered by the investigation includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level¹ of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).

Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes. For purposes of this scope definition, paper shall be considered “printed with final content” where at least one side of the sheet has printed text and/or graphics that cover at least five percent of the surface area of the entire sheet.

Imports of the subject merchandise are provided for under Harmonized Tariff Schedule of the United States (HTSUS) categories 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000, 4802.57.3000, and 4802.57.4000. Some imports of subject merchandise may also be classified under 4802.62.1000, 4802.62.2000, 4802.62.3000, 4802.62.5000, 4802.62.6020, 4802.62.6040, 4802.69.1000, 4802.69.2000, 4802.69.3000, 4811.90.8050 and 4811.90.9080. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

¹ One of the key measurements of any grade of paper is brightness. Generally speaking, the brighter the paper the better the contrast between the paper and the ink. Brightness is measured using a GE Reflectance Scale, which measures the reflection of light off a grade of paper. One is the lowest reflection, or what would be given to a totally black grade, and 100 is the brightest measured grade. “Colored paper” as used in this scope definition means a paper with a hue other than white that reflects one of the primary colors of magenta, yellow, and cyan (red, yellow, and blue) or a combination of such primary colors.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum:

- I. Summary**
- II. Background**
- III. Period of Investigation**
- IV. Margin Calculations**
- V. List of Comments**
- VI. Discussion of Comments**

Comment 1: Selection and Corroboration of the AFA Rate for Great Champ and APP/SMG

Comment 2: Stock Lot Sales

Comment 3: Unreported Home Market Rebates

Comment 4: Additional Changes to APRIL's Margin Program

Comment 5: APRIL's Variable and Fixed Overhead Costs

Comment 6: APRIL's Costs Associated with Broke Paper

Comment 7: Adjustments to APRIL's Cost Reconciliation

Comment 8: Calculating APRIL's Financial Expenses

- VII. Conclusion**

BILLING CODE 3510-DS-P

[FR Doc. 2016-01023 Filed: 1/19/2016 8:45 am; Publication Date: 1/20/2016]