Certain Uncoated Paper from Indonesia: Final Results of the Expedited First Five-Year Sunset Review of the Countervailing Duty Order

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

SUMMARY: As a result of this sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain uncoated paper from Indonesia would be likely to lead to continuation or recurrence of countervailable subsidies at the levels indicated in the “Final Results of Sunset Review” section of this notice.

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


SUPPLEMENTARY INFORMATION:

Background

On March 3, 2016, Commerce published in the Federal Register the CVD order on certain uncoated paper from Indonesia.¹ On February 1, 2021, Commerce published the notice of initiation of the first sunset review of the Order, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On February 12 and 16, 2021, Commerce received notices of

² See Initiation of Five-Year (Sunset) Review, 86 FR 7709 (February 1, 2021).
intent to participate from domestic interested parties\(^3\) within the deadline specified in 19 CFR 351.218(d)(1)(i).\(^4\) The domestic interested parties claimed interested party status pursuant to sections 771(9)(C) and (D) of the Act, respectively, as either manufacturers in the United States of the domestic like product or as a certified union with workers engaged in the production of the domestic like product in the United States.\(^5\)

On March 1, 2021, Commerce received an adequate substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).\(^6\) Commerce received no substantive response from any other interested parties with respect to the Order covered by this sunset review. On March 23, 2021, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.\(^7\) As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the Order.

**Scope of the Order**

The scope of the Order 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 level\(^8\) 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

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\(^3\) The domestic interested parties are: Domtar Corporation (Domtar); Finch Paper LLC (Finch); North Pacific Paper Company (NORPAC); Packaging Corporation of America (PCA); and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Services Workers International Union (USW) (collectively, domestic interested parties).


\(^5\) Id.


\(^8\) 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.
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 of this order 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.

On September 1, 2017, Commerce determined that imports of uncoated paper with a GE brightness of 83 +/ – 1% (83 Bright paper), otherwise meeting the description of in-scope merchandise, constitute merchandise “altered in form or appearance in minor respects” from in-scope merchandise that are subject to this order.9

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 is dispositive.

Analysis of Comments Received

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9 See Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Affirmative Final Determination of Circumvention of the Antidumping and Countervailing Duty Orders, 82 FR 41610 (September 1, 2017).
All issues raised in this sunset review are addressed in the Issues and Decision Memorandum. A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice. 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. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at https://enforcement.trade.gov/frn/.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, we determine that revocation of the Order would be likely to lead to continuation or recurrence of countervailable subsidies at the following net countervailable subsidy rates:

<table>
<thead>
<tr>
<th>Manufacturers/Producers/Exporters</th>
<th>Net Countervailable Subsidy (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Champ Trading Limited</td>
<td>103.99</td>
</tr>
<tr>
<td>All Others</td>
<td>21.21</td>
</tr>
</tbody>
</table>

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under an APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of

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10 See Memorandum, “Issues and Decision Memorandum for the Expedited First Sunset Review of the Countervailing Duty Order on Certain Uncoated Paper from Indonesia,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).
APO materials, or conversion to judicial protective orders, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing the final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218(f)(3).


Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.
Appendix

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary
II. Background
III. Scope of the Order
IV. History of the Order
V. Legal Framework
VI. Discussion of the Issues
   1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
   2. Net Countervailable Subsidy Rates Likely to Prevail
   3. Nature of the Subsidies
VII. Final Results of Sunset Review
VIII. Recommendation

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