UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

A-560-823, A-570-958
Sunset Review
Public Document
ADCVDOps/Office II: TKS

January 04, 2016

MEMORANDUM TO: Paul Piquado
Assistant Secretary
for Enforcement and Compliance

FROM: Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Reviews of the Antidumping Duty Orders on Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from Indonesia and the People's Republic of China

---

Summary

We analyzed the responses of the domestic interested parties in the first sunset reviews of the antidumping duty orders covering certain coated paper suitable for high-quality print graphics using sheet-fed presses (certain coated paper) from Indonesia and the People's Republic of China (PRC).[1] No respondent interested party submitted a substantive response. Accordingly, we conducted expedited (120-day) sunset reviews of these Orders. We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. The following is a list of the issues in these sunset reviews for which we received substantive responses:

1. Likelihood of Continuation or Recurrence of Dumping

2. Magnitude of the Margins Likely to Prevail

Background

On November 17, 2010, the Department of Commerce (the Department) published the antidumping duty orders on coated paper from Indonesia and the PRC.[2] On October 1, 2015, the

---

[1] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From Indonesia: Antidumping Duty Order, 75 FR 70205 (November 17, 2010); and Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order, 75 FR 70203 (November 17, 2010) (Orders)
[2] See Orders.

Department published the notice of initiation of the first sunset reviews of the Orders, pursuant to section 751(c) of the Tariff Act 1930, as amended (the Act).[3] On October 14, 2015, we received a notice of intent to participate in these reviews from Verso Corporation (Verso), S.D. Warren Company d/b/a Sappi North America (Sappi), Appleton Coated LLC (Appleton) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO CLC (USW) (collectively, "the petitioners"), within the deadline specified in 19 CFR 351.218(d)(1)(i).[4] Verso, Sappi and Appleton claimed interested party status under section 771(9)(C) of the Act and 19 CFR 351.102(b)(29)(v), as domestic producers of a domestic like product in the United States. USW claimed interested party status under section 771(9)(D) of the Act and 19 CFR 351.102(b)(29)(vi), as a certified union or recognized union that represents workers engaged in the manufacturing of a domestic like product in the United States. On October 30, 2015, we received adequate substantive responses from the petitioners within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).[5] We received no substantive responses from any respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted expedited (120-day) sunset reviews of these Orders.

Scope of the Orders

The scope of the orders cover certain coated paper and paperboard[6] in sheets suitable for high quality print graphics using sheet-fed presses; coated on one or both sides with kaolin (China or other clay), calcium carbonate, titanium dioxide, and/or other inorganic substances; with or without a binder; having a GE brightness level of 80 or higher,[7] weighing not more than 340 grams per square meter; whether gloss grade, satin grade, matte grade, dull grade, or any other grade of finish; whether or not surface-colored, surface-decorated, printed (except as described below), embossed, or perforated; and irrespective of dimensions (Certain Coated Paper).

Certain Coated Paper includes (a) coated free sheet paper and paperboard that meets this scope definition; (b) coated groundwood paper and paperboard produced from bleached chemi-thermo-

---

[3] See Initiation of Five-Year ("Sunset") Review, 80 FR 59133 (October 1, 2015).

[4] See October 14, 2015, letters from the petitioners regarding "1st Sunset Review of Antidumping Order on Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from Indonesia: Notice of Intent to Participate," and "1st Sunset Review of Antidumping Order on Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Notice of Intent to Participate."

[5] See October 30, 2015, filings from the petitioners regarding "1st Sunset Review of Antidumping Order on Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from Indonesia: Substantive Response to Notice of Initiation" (Indonesia Substantive Response), and "1st Sunset Review of Antidumping Order on Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Substantive Response to Notice of Initiation" (PRC Substantive Response).

[6] "'Paperboard' refers to Certain Coated Paper that is heavier, thicker and more rigid than coated paper which otherwise meets the product description. In the context of Certain Coated Paper, paperboard typically is referred to as 'cover,' to distinguish it from 'text.'"

[7] 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 of 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.

mechanical pulp (BCTMP) that meets this scope definition; and (c) any other coated paper and paperboard that meets this scope definition.

Certain Coated Paper is typically (but not exclusively) used for printing multi-colored graphics for catalogues, books, magazines, envelopes, labels and wraps, greeting cards, and other commercial printing applications requiring high quality print graphics.

Specifically excluded from the scope are imports of paper and paperboard printed with final content printed text or graphics.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 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 HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these orders is dispositive.

History of the Orders

Indonesia

On September 27, 2010, the Department published its final determination in the less-than-fair-value (LTFV) investigation of certain coated paper from Indonesia.[8] On November 17, 2010, the Department published the antidumping duty order on certain coated paper from Indonesia.[9] The Department found the following dumping margins:

PT. Pabrik Kertas Tjiwi Kimia Tbk./PT. Pindo Deli Pulp and Paper Mills/PT. Indah Kiat Pulp and Paper Tbk.	20.13
All-Others Rate	20.13

Since the issuance of the order, the Department has not conducted any administrative or new shipper reviews of the order. The order remains in effect for all producers/exporters from Indonesia.

PRC

On September 27, 2010, the Department published its final determination in the LTFV investigation of certain coated paper from the PRC.[10] On November 17, 2010, the Department

[8] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 75 FR 59223 (September 27, 2010).
[9] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From Indonesia: Antidumping Duty Order, 75 FR 70205 (November 17, 2010).
[10] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's

published an amended final determination and antidumping duty order on certain coated paper from the PRC.[11] The Department found the following dumping margins:

Gold East Paper (Jiangsu) Co., Ltd,/Gold Huasheng Paper Co., Ltd/ Ningbo Zhonghua Paper Co., Ltd/Ningbo Asia Pulp and Paper Co. Ltd/ Gold East (Hong Kong) Trading Co., Ltd (collectively APP China)	7.62
Shandong Chenming Paper Holdings Ltd (Shandong Chenming)	7.62
PRC-Wide Entity[12]	135.84

Since the issuance of the order, the Department revised the margin of APP China from 7.62 to 3.64 percent pursuant to a remand.[13] The Department conducted a Section 129 proceeding regarding the order pursuant to section 129 of the Uruguay Round Agreements Act, but did not revise any margins in its determination.[14] The Department has not conducted any administrative or new shipper reviews of the order. The order remains in effect for all producers/exporters from the PRC.

Republic of China: Final Determination of Sales at Less Than Fair Value, 75 FR 59217 (September 27, 2010).

[11] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order, 75 FR 70203 (November 17, 2010) (Amended Final Determination).

[12] The PRC-Wide rate in the final determination was 135.83 percent, but was amended to a final margin of 135.84 percent due to the correction of ministerial errors. The PRC-Wide Entity includes Shandong Sun Paper Industry Joint Stock Co., Ltd, Yanzhou Tianzhang Paper Industry Co., Ltd., Shandong International Paper and Sun Coated Paperboard Co., Ltd., and International Paper and Sun Cartonboard Co., Ltd. (collectively "Sun Paper Companies"). See Amended Final Determination.

[13] See Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Notice of Court Decision Not in Harmony with Final Determination of Sales at Less Than Fair Value and Notice of Amended Final Determination of Sales at Less Than Fair Value Pursuant to Court Decision, 80 FR77603 (December 15, 2015) (Remand).

[14] See Implementation of Determinations Under Section 129 of the Uruguay Round Agreements Act: Citric Acid and Citrate Salts From the People's Republic of China; Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China; Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe From the People's Republic of China; High Pressure Steel Cylinders From the People's Republic of China; Multilayered Wood Flooring From the People's Republic of China; Certain Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China; Utility Scale Wind Towers From the People's Republic of China, 80 FR 48812 (August 14, 2015).

Scope Inquiries, Changed Circumstances Reviews, and Duty Absorption

Since the issuance of these orders, the Department has conducted one scope inquiry.[15] The Department has not conducted any changed circumstances reviews, or duty absorption inquiries since the issuances of these orders.

Legal Framework

In accordance with section 751(c)(1) of the Act, the Department is conducting these sunset reviews to determine whether revocation of the orders would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, the Department shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the period before and after the issuance of the order.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action, H.R. Doc. 103-316, vol. 1 (1994) (SAA), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department's determinations of likelihood will be made on an order-wide, rather than company-specific, basis.[16] In addition, the Department normally determines that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping when: (a) dumping continued at any level above de minimis after the issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.[17] In addition, as a base period of import volume comparison, it is the Department's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew the comparison.[18]

---

[15] See Notice of Scope Rulings, 78 FR 9370 (February 8, 2013) - Requestor: Gold East Paper (Jiangsu) Co. Ltd. (including its subsidiaries Ningbo Zhonghua Paper Co., Ltd. and Ningbo Asia Pulp and Paper Co., Ltd.), Global Paper Solutions, Inc., Pindo Deli Pulp and Paper Mills, PT. Indah Kiat Pulp & Paper Tbk, and Paper Max, Ltd. (collectively "APP"); (1) APP's Ningbo Fold packaging paperboard, APP's Savvi Coat packaging paperboard, APP's Zenith packaging paperboard with a basis weight of 215 grams per square meter ("gsm"), APP's Sinar Vanda packaging paperboard with a basis weight of 210 gsm, and APP's blue-, grey-, and black-center playing card board which APP exports are within the scope of the antidumping duty and countervailing duty orders; (2) APP's Zenith packaging paperboard (except with a basis weight of 215 gsm) and APP's Sinar Vanda packaging paperboard (except with a basis weight of 210 gsm) which APP exports are not within the scope of the antidumping duty and countervailing duty orders.

[16] See SAA at 879 and House Report at 56.

[17] See SAA at 889-90, House Report at 63-64, and Senate Report at 52 for a description of our practice; see also Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin, 63 FR 18871, 18872 (April 16, 1998) (Sunset Policy).

[18] See, e.g., Stainless Steel Bar from Germany; Final Results of the Sunset Review of the Antidumping Duty Order, 72 FR 56985 (October 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

Further, section 752(c)(3) of the Act states that the Department shall provide to the International Trade Commission (ITC)the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, the Department selects the dumping margins from the final determination in the original investigation, as these rates are the only calculated rates that reflect the behavior of exporters without the discipline of an order in place.[19] However, in certain circumstances, a more recently calculated rate may be more appropriate (e.g., "if dumping margins have declined over the life of an order and imports have remained steady or increased, {the Department} may conclude that exporters are likely to continue dumping at the lower rates found in a more recent review.").[20]

In February 2012, the Department announced it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the methodology found to be World Trade Organization (WTO)-inconsistent.[21] In the Final Modification for Reviews, the Department stated that "only in the most extraordinary circumstances" would it rely on margins other than those calculated and published in prior determinations.[22] The Department further stated that apart from the "most extraordinary circumstances," it would "limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTO-inconsistent" and that it "may also rely on past dumping margins that were not affected by the WTO-inconsistent methodology, such as dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available, and dumping margins where no offsets were denied because all comparison results were positive."[23]

Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or de minimis shall not by itself require the Department to determine that revocation of an antidumping duty order would not be likely to lead to a continuation or recurrence of sales at LTFV.[24]

---

[19] See SAA at 890; see also Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order, 73 FR 11868 (March 5, 2008), and accompanying Issues and Decision Memorandum at Comment 2.
[20] See SAA at 890-91.
[21] See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) (Final Modification for Reviews).
[22] Id.
[23] Id. at 8109.
[24] See Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order, 72 FR 16765 (April 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

Discussion of the Issues

1. Likelihood of Continuation or Recurrence of Dumping

Petitioners' Comments

The petitioners argue that revocation of the Orders would likely lead to continuation or recurrence of sales at LTFV and significant increases in the volume of dumped imports from Indonesia and the PRC, pointing out that since the imposition of the Orders dumping has continued at levels above de minimis while imports of subject merchandise have essentially ceased or dramatically declined well below pre-order volumes.

Specifically, the petitioners point out that the above de minimis margins found in the LTFV investigations remain in effect for all Indonesian and Chinese producers/exporters of subject merchandise.[25] There have been no administrative reviews of the Orders. Therefore, affirmative dumping margins have existed over the life of the Orders, and any entries of subject merchandise into the United States since the issuance of the Orders have been, and continue to be, assessed at rates above de minimis.[26] Furthermore, the petitioners point out that the Department had ceased using WTO-inconsistent methodology in LTFV investigations prior to issuing the Orders, thus the margins calculated in the LTFV investigations were not affected by zeroing.[27] Citing to prior sunset reviews of antidumping orders for which no administrative reviews had been conducted, the petitioners argue that the Department has repeatedly found that dumping has continued at above de minimis levels and was likely to continue or recur.[28] Accordingly, because there is a continued existence of above de minimis margins on certain coated paper from Indonesia and the PRC, the petitioners argue the Department should determine that dumping is likely to continue or recur.

In addition, the petitioners argue that they believe that imports of subject merchandise from Indonesia and the PRC have essentially disappeared, although it cannot be definitively confirmed because import data for certain HTSUS classifications under which subject merchandise is imported may also capture significant volumes of non-subject merchandise.[29] Nevertheless, the

---

[25] The petitioners note that the margins for Indonesia are 20.13 percent and the margins for the PRC are 7.26 and 135.84 percent.

[26] The petitioners note that the Department did not make any adjustments to the margins found in the LTFV investigation in the recent Section 129 proceeding regarding the PRC order, and that there is ongoing litigation regarding the margin calculated for APP-China in the PRC LTFV investigation. See PRC Substantive Response at 11 and 12.

[27] See Indonesia Substantive Response at 11; see also the PRC Substantive Response at 14 and 15. Specifically with respect to the PRC LTFV investigation, the petitioners note that to calculate the margins for the two mandatory respondents the Department used the A-T methodology in the context of targeted dumping which has not been found to be WTO-inconsistent, and that the margin for the PRC-Wide entity was based on the highest margin in the petition and thus did not include zeroing.

[28] See Indonesia Substantive Response at 10; see also the PRC Substantive Response at 13.

[29] See Indonesia Substantive Response at 12; see also the PRC Substantive Response at 16 and 17.

petitioners maintain that import data of subject merchandise shows a dramatic decline in subject merchandise imports following the imposition of the Orders.

Specifically, for Indonesia the petitioners reported that in 2008 (the year preceding the initiation of the investigation) import volumes of subject merchandise were at 52,939 short tons. After the order was imposed in November 2010, imports plummeted to 12,046 short tons in 2011, less than 23 percent of 2008 levels. Since 2011, imports have continued to decline and in 2014, imports were only 2,607 short tons, or less than five percent of 2008 import volumes.[30]

For the PRC, the petitioners reported that in 2008 import volumes of subject merchandise were at 325,301 short tons. After the order was imposed in November 2010, imports plummeted to 51,560 short tons in 2011, less than 16 percent of 2008 levels. Since 2011, imports have continued to decline and in 2014, imports were only 21,995 short tons, or less than seven percent of 2008 import volumes.[31]

Therefore, the petitioners argue that the cessation of, or at least the dramatic decline in, import volumes following the imposition of the Orders demonstrate the effective discipline the Orders have had on subject merchandise from Indonesia and the PRC. In light of the continued existence of above de minimis dumping margins and cessation of, or dramatic decline in, subject merchandise import volumes following the imposition of the Orders, the petitioners argue that the consideration of other factors in this instance is not warranted.

Department's Position

Consistent with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the SAA, the House Report, and the Senate Report, the Department's determinations of likelihood will be made on an order-wide basis.[32] In addition, the Department normally will determine that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above de minimis after the issuance of the order, (b) imports of the subject merchandise ceased after the

---

[30] See Indonesia Substantive Response at 14 and 15. We note that to determine the yearly import totals the petitioners relied on data from the USITC Trade Dataweb for the following HTSUS 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, 4810.29.1035, and 4810.29.7035. Id. at 13.

[31] See the PRC Substantive Response at 20. We note that to determine the yearly import totals the petitioners relied on data from the USITC Trade Dataweb for the following HTSUS subheadings: 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, 4810.29.1035, and 4810.29.7035. Id. at 19. For HTSUS subheadings 4810.92.12 and 4810.92.1235 the petitioners included only 76 percent of the total volume in 2008, 64 percent of the total volume in 2009, and 70.33 percent of the total volume for 2010 to the present. Id. at 17 - 19.

[32] See SAA at 879 and House Report at 56.

issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.[33]

As explained above, when determining whether revocation of the order would be likely to lead to continuation of dumping, sections 752(c)(1)(A) and (B) of the Act instruct the Department to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping duty order. According to the SAA, "{d}eclining import volumes accompanied by the continued existence of dumping margins after the issuance of an order may provide a strong indication that, absent an order, dumping would be likely to continue, because the evidence would indicate that the exporter needs to dump to sell at pre-order volumes."[34]

Since the issuance of the Orders the Department has conducted no administrative reviews of the Orders. Therefore, the above de minimis margins established in the LTFV investigations, as amended, are in effect for all Indonesian and Chinese producers/exporters of subject merchandise. In the LTFV investigation of certain coated paper from Indonesia, we note that a margin of 20.13 percent was calculated for the sole respondent and was also assigned as the All-Others rate. In the LTFV investigation of certain coated paper from the PRC, as amended, we note that margins of 7.26[35] and 3.64[36] percent were calculated for the two mandatory respondents, and that a margin of 135.84[37] percent, based on the highest margin in the petition, was assigned to the PRC-Wide entity. Further, we note that the margins calculated in these LTFV investigations were not affected by the denial of offsets in accordance with the Final Modification for Reviews because the Orders occurred after the Department ceased zeroing in investigations or were based on margins from the petition which did not involve the denial of offsets. In addition, we reviewed the import data placed on the records of these sunset reviews by the petitioners and note that for both Indonesia and the PRC import volumes after the imposition of the Orders were significantly below the import volumes of the year preceding the initiation of the LTFV investigations (i.e., 2008), and have remained at levels well below per-order volumes over the sunset review period (i.e., 2010 – 2014).[38]

As explained earlier, the Department normally will determine that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping where dumping continued at any level above de minimis after the issuance of the order, dumping was eliminated after the issuance of the order, or import volumes for the subject merchandise declined significantly.[39] The continued existence of dumping margins at levels above de minimis and the continued decline in import volumes since the imposition of the Orders demonstrate that the Indonesian and

---

[33] See SAA at 889-90, House Report at 63-64, and Senate Report at 52; see also Sunset Policy, 63 FR at 18872.
[34] See SAA at 889.
[35] See Amended Final Determination.
[36] See Remand.
[37] See Amended Final Determination.
[38] See Indonesia Substantive Response at 13 - 14; see also the PRC Substantive Response at 19 - 20,
[39] See SAA at 889-90, House Report at 63-64, and Senate Report at 52; see also Sunset Policy, 63 FR at 18872.

Chinese respondents have not been able to sell at pre-order volumes without dumping. Accordingly, pursuant to section 752(c)(1) of the Act, the Department determines that dumping is likely to continue or recur if the order were revoked.

2. Magnitude of the Margins Likely to Prevail

Petitioners' Comments

The petitioners argue that in prior sunset reviews where no administrate reviews had been conducted, the Department has determined that dumping continued at margins equal to the cash deposit rates.[40] Therefore, in this case the petitioners argue that the Department should follow its normal practice and select the margins found in the LTFV investigations, as amended where applicable (i.e., 20.13 percent for Indonesia and 7.62 and 135.84 percent for the PRC), as the dumping margins likely to prevail upon revocation. Furthermore, consistent with its practice, the petitioners argue that with respect to certain coated paper from the PRC, if any other margin determined on remand, is sustained by the Court of International Trade and becomes final before the completion of the sunset reviews, the Department may report to the ITC the final dumping margin for APP China from the LTFV investigation as modified pursuant to the remand.[41]

Department's Position

Pursuant to section 752(c)(3) of the Act and the SAA at 890, the Department normally will provide to the ITC the company-specific margins from the investigation. In non-market-economy (NME) cases, for companies not investigated specifically and which were not found to be eligible for a separate rate, or for companies that did not begin shipping until after the order was issued, the Department normally will provide a margin based on the NME-entity rate from the investigation.[42] The Department's preference for selecting a margin from the LTFV investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place. Under certain circumstances, however, the Department may select a more recently calculated margin to report to the ITC.

As indicated in the "Legal Framework" section above, the Department's current practice is not to rely on weighted-average dumping margins calculated using the zeroing methodology, consistent with the Final Modification for Reviews. Instead, we may rely on other rates that may be available, or we may recalculate weighted-average dumping margins using our current offsetting methodology in extraordinary circumstances.[43] In addition, the rate assigned to the PRC-wide

---

[40] See Indonesia Substantive Response at 17; see also the PRC Substantive Response at 23.
[41] See Indonesia Substantive Response at 16; see also the PRC Substantive Response at 22 - 23.
[42] See, e.g., Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order, 73 FR 39656 (July 10, 2008), and accompanying Issues and Decision Memorandum at Comment 2.
[43] See Final Modification for Reviews, 77 FR at 8103.

entity, if it is based on the margin from the petition and does not involve the denial of offsets, is another available rate that we may report to the ITC.

After considering the dumping margins determined in the LTFV investigations, we find that it is appropriate to provide the ITC with the margins determined in the LTFV investigations, as amended where applicable, as the magnitude of the margins likely to prevail because these margins best reflect the behavior of Indonesian and Chinese producers/exporters without the discipline of the Orders in place. As noted above, the margins calculated in these LTFV investigations were not affected by the denial of offsets because the Orders occurred after the Department ceased zeroing in investigations or was based on a margin from the petition which did not involve the denial of offsets. As a result, we will report to the ITC the margins of dumping likely to prevail listed in the "Final Results of Review" section below.

Final Results of Sunset Review

We determine that revocation of the antidumping duty orders on certain coated paper from Indonesia and the PRC would likely lead to continuation or recurrence of dumping and that the magnitude of the dumping margins likely to prevail would be weighted-average margins up to the following percentages:

Country	Weighted-Average Margin (Percent)
Indonesia	20.13
PRC	135.84

Recommendation

Based on our analysis of the responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of the sunset review in the Federal Register.

Agree ✓ Disagree_____

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

4 January 2016
(Date)