



## FACT SHEET

### **Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Certain Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal**

- On February 11, 2015, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain uncoated paper from Australia (AD), Brazil (AD), Portugal (AD), China (AD/CVD), and Indonesia (AD/CVD).
- The AD and CVD laws provide U.S. businesses and workers with a transparent and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioners for these investigations are the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) (PA); Domtar Corporation (SC); Finch Paper LLC (NY); Packaging Corporation of America (IL); and P.H. Glatfelter Company (PA).
- The merchandise covered by these investigations 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<sup>1</sup> level 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 groundwood paper produced from bleached chemi-thermo-mechanical pulp 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.

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<sup>1</sup> 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.

Imports of the subject merchandise are provided for under 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 investigations is dispositive.

- In 2013, imports of certain uncoated paper from Australia, Brazil, Portugal, China, and Indonesia were valued at an estimated \$39 million, \$189.3 million, \$164.3 million, \$32 million, and \$104.1 million, respectively.

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before March 9, 2015.
- If the ITC determines that there is a reasonable indication that imports of certain uncoated paper from Australia, Brazil, China, Indonesia, and/or Portugal materially injure, or threaten material injury to, the domestic industry, the investigations will continue and Commerce will be scheduled to make its preliminary CVD determinations in April 2015 and its preliminary AD determinations in June 2015, unless the statutory deadlines are extended. If the ITC's preliminary determinations are negative, the investigations will be terminated.

## Alleged Dumping Margins:

COUNTRY	DUMPING MARGINS
Australia	49.90 – 222.46 percent
Brazil	86.90 – 172.70 percent
China	243.65 – 271.87 percent
Indonesia	12.08 – 66.82 percent
Portugal	2.23 – 22.59 percent

## Estimated Subsidy Rates:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i> *
Indonesia	Above <i>de minimis</i> *

\* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

## CASE CALENDAR:

EVENT	AD INVESTIGATIONS	CVD INVESTIGATIONS
Petitions Filed	January 21, 2015	January 21, 2015
DOC Initiation Date	February 10, 2015	February 10, 2015
ITC Preliminary Determinations*†	March 9, 2015	March 9, 2015
DOC Preliminary Determinations	June 30, 2015	April 16, 2015
DOC Final Determinations	September 14, 2015	June 30, 2015
ITC Final Determinations**	October 28, 2015	August 14, 2015
Issuance of Orders***	November 4, 2015	August 21, 2015

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

\*If the ITC makes negative preliminary determinations of injury, the investigations are terminated.

\*\*This will take place only in the event of final affirmative determinations from Commerce.

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

## IMPORT STATISTICS:

<b>AUSTRALIA</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Volume (metric tons)	20,000	46,300	48,700
Value (USD)	17,553,000	37,164,000	38,994,000
<b>BRAZIL</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Volume (metric tons)	145,500	139,000	197,600
Value (USD)	146,941,000	139,215,000	189,328,000
<b>CHINA</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Volume (metric tons)	16,600	23,600	37,000
Value (USD)	17,394,000	22,140,000	32,035,000
<b>INDONESIA</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Volume (metric tons)	95,800	105,600	116,200
Value (USD)	91,825,000	99,457,000	104,103,000
<b>PORTUGAL</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Volume (metric tons)	145,100	141,600	160,200
Value (USD)	115,065,000	146,180,000	164,297,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 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.) Imports of certain uncoated paper may also enter under HTSUS subheadings 4802.62.1000, 4802.62.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000, 4811.90.8050 and 4811.90.9080. However, these HTSUS subheadings may cover significant amounts of non-subject merchandise. Therefore, these HTSUS subheadings have not been used for purposes of reporting import statistics.