



FACT SHEET

Commerce Preliminarily Finds Subsidization of Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China and Indonesia

- On March 2, the Department of Commerce (Commerce) announced its preliminary determinations in the countervailing duty (CVD) investigations on imports of certain coated paper suitable for high-quality print graphics using sheet-fed presses from the People's Republic of China (China) and Indonesia.
- For the purposes of CVD investigations, subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce preliminarily determined that Chinese and Indonesian producers/exporters have received net countervailable subsidies ranging from 3.92 to 12.83 percent, and 17.48 percent, respectively.
- In the China investigation, mandatory respondents, Gold East Paper (Jiangsu) Co., Ltd., Gold Huasheng Paper Co., Ltd., and Gold East Trading (Hong Kong) Company Ltd., and Shandong Sun Paper Industry Joint Stock Co., Ltd. and Yanzhou Tianzhang Paper Industry Co., Ltd., received net subsidy rates of 12.83 and 3.92 percent, respectively.
- All other Chinese exporters received a net subsidy rate of 8.38 percent.
- In the Indonesia investigation, the sole mandatory respondent, the 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 net subsidy rate of 17.48 percent.
- All other Indonesian exporters received a net subsidy rate of 17.48 percent.
- As a result of these preliminary determinations, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates.
- 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).
- Certain coated paper suitable for high-quality print graphics using sheet-fed presses is used in the printing of corporate annual reports, high-end catalogues and magazines, and in other "prestige" applications.
- The products covered by these investigations are 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. While the HTSUS subheading is provided for convenience and customs purposes, Commerce's written description of the subject merchandise governs the scope of these investigations.

- In 2008, imports of certain coated paper from China and Indonesia were valued at an estimated \$228.7 million and \$44.3 million, respectively.

NEXT STEPS

- Commerce is currently scheduled to make its final determinations in July 2010.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission makes affirmative final determinations that imports of certain coated paper suitable for high-quality print graphics using sheet-fed presses from China and/or Indonesia materially injure, or threaten material injury to, the domestic industry, Commerce will issue countervailing duty orders.

PRELIMINARY SUBSIDY RATES:

COUNTRY	PRODUCER/EXPORTER	SUBSIDY RATE
CHINA	Gold East Paper (Jiangsu) Co., Ltd, Gold Huasheng Paper Co., Ltd., Gold East Trading (Hong Kong) Company Ltd., Ningbo Zhonghua Paper Co., Ltd., and Ningbo Asia Pulp & Paper Co., Ltd.	12.83
	Shandong Sun Paper Industry Joint Stock Co., Ltd. and Yanzhou Tianzhang Paper Industry Co., Ltd.	3.92
	All Others Rate	8.38
INDONESIA	APP/SMG	17.48
	All Others Rate	17.48

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petitions Filed	September 23, 2009
DOC Initiation Date	October 13, 2009
ITC Preliminary Determination	January 13, 2009
DOC Preliminary Determination	March 1, 2010
DOC Final Determination*	July 12, 2010
ITC Final Determination**	August 26, 2010
Issuance of Order***	September 2, 2010

* This deadline may be extended under the governing statute.

** This will take place only in the event of final affirmative determinations by the Department of Commerce.

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

IMPORT STATISTICS:

INDONESIA	2006	2007	2008
Quantity (Tons)	65,298	57,361	53,329
Value (1,000 USD)	48,158	43,856	44,250
CHINA	2006	2007	2008
Quantity (Tons)	303,405	306,387	275,723
Value (1,000 USD)	234,127	243,002	228,697

Source: U.S. International Trade Commission ("ITC") Dataweb available at <http://dataweb.usitc.gov>.