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Sunset Reviews  
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May 25, 2021

**MEMORANDUM TO:** Christian Marsh  
Acting Assistant Secretary  
for Enforcement and Compliance

**FROM:** James Maeder  
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 Uncoated Paper from Australia, Brazil, the People's Republic of China, Indonesia, and Portugal

## I. SUMMARY

The Department of Commerce (Commerce) analyzed the substantive responses of the domestic interested parties in the first sunset reviews of the antidumping duty (AD) orders covering certain uncoated paper (uncoated paper) from Australia, Brazil, the People's Republic of China (China), Indonesia, and Portugal.<sup>1</sup> No respondent interested party submitted a substantive response within the 50-day deadline. Accordingly, Commerce conducted expedited (120-day) sunset reviews pursuant to section 751(c)(3)(B) of the Tariff Act of 1930 (the Act) and 19 CFR 351.218(e)(1)(ii)(C)(2). The following is a complete list of the issues in these sunset reviews for which we received a substantive response:

1. Likelihood of continuation or recurrence of dumping; and
2. Magnitude of the margins likely to prevail.

In accordance with our analysis of the domestic interested parties' substantive responses, we recommend that you approve the positions described in this memorandum.

## II. BACKGROUND

On February 1, 2021, Commerce published the notice of initiation of the first sunset reviews of the *Orders* on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal pursuant to section 751(c)(2) of the Act.<sup>2</sup> On February 12, 2021, Commerce received notice of intent to participate from domestic interested parties Domtar Corporation (Domtar), Finch Paper LLC (Finch), and North Pacific Paper Company (NORPAC), within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>3</sup> On February 16, 2021, Commerce received notice of intent to participate from Packaging Corporation of America (PCA) and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Services Workers International Union (USW),

<sup>1</sup> See *Certain Uncoated Paper from Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Amended Final Affirmative Antidumping Determinations for Brazil and Indonesia and Antidumping Duty Orders*, 81 FR 11174 (March 3, 2016) (collectively, *Orders*).

<sup>2</sup> See *Initiation of Five-Year (Sunset) Reviews*, 86 FR 7709 (February 1, 2021).

<sup>3</sup> See Domtar, Finch, and NORPAC's Letters, "First Five-Year ("Sunset") Review of Antidumping Order on Certain Uncoated Paper from Australia: Domestic Industry's Notice of Intent to Participate in Sunset Review," dated February 12, 2021; "First Five-Year ("Sunset") Review of Antidumping Order on Certain Uncoated Paper from Brazil: Domestic Industry's Notice of Intent to Participate in Sunset Review," dated February 12, 2021; "First Five-Year ("Sunset") Review of Antidumping Order on Certain Uncoated Paper from the People's Republic of China: Domestic Industry's Notice of Intent to Participate in Sunset Review," dated February 12, 2021; "First Five-Year ("Sunset") Review of Antidumping Order on Certain Uncoated Paper from Indonesia: Domestic Industry's Notice of Intent to Participate in Sunset Review," dated February 12, 2021; and "First Five-Year ("Sunset") Review of Antidumping Order on Certain Uncoated Paper from Portugal: Domestic Industry's Notice of Intent to Participate in Sunset Review," dated February 12, 2021.

within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>4</sup> On March 1, 2021, Commerce received a complete substantive response from Domtar, Finch, NORPAC, PCA, and USW (collectively, domestic interested parties) within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>5</sup> We received no substantive responses from respondent interested parties.<sup>6</sup> As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the *Order*.

### III. SCOPE OF THE *ORDERS*

The scope of these orders 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 3 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 orders is dispositive.

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<sup>4</sup> See PCA and USW’s Letters, “Notice of Intent to Participate in the First Five-Year Review of the Antidumping Duty Order on Certain Uncoated Paper from Australia,” dated February 16, 2021; “Notice of Intent to Participate in the First Five-Year Review of the Antidumping Duty Order on Certain Uncoated Paper from Brazil,” dated February 16, 2021; “Notice of Intent to Participate in the First Five-Year Review of the Antidumping Duty Order on Certain Uncoated Paper from the People’s Republic of China,” dated February 16, 2021; “Notice of Intent to Participate in the First Five-Year Review of the Antidumping Duty Order on Certain Uncoated Paper from Indonesia,” dated February 16, 2021; and “Notice of Intent to Participate in the First Five-Year Review of the Antidumping Duty Order on Certain Uncoated Paper from Portugal,” dated February 16, 2021.

<sup>5</sup> See Domestic Interested Parties’ Letters, “First Five-Year (“Sunset”) Review of Antidumping Order on Certain Uncoated Paper from Australia: Domestic Industry’s Substantive Response to Notice of Initiation,” dated March 1, 2021 (Substantive Response – Australia); “First Five-Year (“Sunset”) Review of Antidumping Order on Certain Uncoated Paper from Brazil: Domestic Industry’s Substantive Response to Notice of Initiation,” dated March 1, 2021 (Substantive Response – Brazil); “First Five-Year (“Sunset”) Review of Antidumping Order on Certain Uncoated Paper from the People’s Republic of China: Domestic Industry’s Substantive Response to Notice of Initiation,” dated March 1, 2021 (Substantive Response – China); “First Five-Year (“Sunset”) Review of Antidumping Order on Certain Uncoated Paper from Indonesia: Domestic Industry’s Substantive Response to Notice of Initiation,” dated March 1, 2021 (Substantive Response – Indonesia); and “First Five-Year (“Sunset”) Review of Antidumping Order on Certain Uncoated Paper from Portugal: Domestic Industry’s Substantive Response to Notice of Initiation,” dated March 1, 2021 (Substantive Response – Portugal) (collectively, Substantive Response).

<sup>6</sup> See Commerce’s Letter, “Sunset Reviews Initiated on February 1, 2021,” dated March 23, 2021.

IV. HISTORY OF THE *ORDERS*

Final Determination of Sales at Less-than-Fair Value and *Orders*

On January 20, 2016, Commerce published its final determinations of sales at less than fair value (LFTV) pertaining to uncoated paper from Australia, Brazil, China, Indonesia, and Portugal.<sup>7</sup> On March 3, 2016, Commerce published the *Orders* with respect to imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal. In the *Orders*, we established the following weighted-average dumping margins:<sup>8</sup>

Exporter/Manufacturer		Weighted-Average Dumping Margin (Percent)
Australia:		
	Paper Australia Pty. Ltd. (Paper Australia)	222.46
	All Others	138.87
Brazil:		
	International Paper do Brasil Ltda. and International Paper Exportadora Ltda. (International Paper)	41.39
	Suzano Papel e Celulose S.A. (Suzano Papel)	22.37
	All Others	27.11
China:		
	Exporter: Greenpoint Global Trading (Macao Commercial Offshore) Ltd. (Greenpoint)  Producer: Asia Symbol (Guangdong) Paper Co., Ltd.; and Asia Symbol (Shangong) Pulp & Paper Co., Ltd. (Asia Symbol)	84.05
	China-Wide Entity	149.00
Indonesia:		
	Great Champ Trading Limited (Great Champ)	17.46
	Indah Kiat Pulp & Paper TBK/Pabrik Kertas Tjiwi Kimia/PT. Pindo Deli Pulp and Paper Mills (APP/SMG)	17.46

<sup>7</sup> See *Certain Uncoated Paper from Australia: Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances, In Part*, 81 FR 3108 (January 20, 2016); see also *Certain Uncoated Paper from Brazil: Final Determination of Sales at Less Than Fair Value*, 81 FR 3115 (January 20, 2016); *Certain Uncoated Paper from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 81 FR 3112 (January 20, 2016); *Certain Uncoated Paper from Indonesia: Final Determination of Sales at Less Than Fair Value*, 81 FR 3101 (January 20, 2016); and *Certain Uncoated Paper from Portugal: Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 81 FR 3105 (January 20, 2016).

<sup>8</sup> See *Orders*, 81 FR at 11176.

	April Fine Paper Macao Commercial Offshore Limited/PT Anugerah Kertas Utama/PT Riau Andalan Kertas (APRIL)	2.10
	All Others	2.10
Portugal:		
	Portucel S.A. and Portucel Soporcel Fine Paper, S.A. (Portucel)	7.80
	All Others	7.80

Since the issuance of the *Orders*, Commerce has completed three administrative reviews of each of the *Orders* on Brazil, Indonesia, and Portugal, and no administrative reviews for Australia and China. Commerce found the following weighted-average dumping margins in the first administrative reviews of uncoated paper from Brazil, Indonesia, and Portugal:<sup>9</sup>

	Exporter/Manufacturer	Weighted-Average Dumping Margin (Percent)
Brazil:		
	Suzano Papel	18.80
Indonesia:		
	APRIL	66.82
Portugal		
	The Navigator Company, S.A. and Navigator Fine Paper, S.A. (Navigator)	37.34

Commerce found the following weighted-average dumping margins in the second administrative reviews of uncoated paper from Brazil, Indonesia, and Portugal:<sup>10</sup>

	Exporter/Manufacturer	Weighted-Average Dumping Margin (Percent)
Brazil:		
	Suzano Papel	36.54
Indonesia:		
	APRIL	66.82
Portugal		
	Navigator	5.96

<sup>9</sup> See *Certain Uncoated Paper from Brazil: Final Results of Antidumping Duty Administrative Review; 2015-2017*, 83 FR 52804 (October 18, 2018); see also *Certain Uncoated Paper from Indonesia: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 83 FR 39410 (August 9, 2018); and *Certain Uncoated Paper from Portugal: Final Results of Antidumping Duty Administrative Review; 2015-2017*, 83 FR 39982 (August 13, 2018).  
<sup>10</sup> See *Certain Uncoated Paper from Brazil: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 56760 (October 23, 2019); see also *Certain Uncoated Paper from Indonesia: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 9294 (March 14, 2019); and *Certain Uncoated Paper from Portugal: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 64040 (November 20, 2019).

Commerce found the following weighted-average dumping margins in the third administrative reviews of uncoated paper from Brazil, Indonesia, and Portugal:<sup>11</sup>

	Exporter/Manufacturer	Weighted-Average Dumping Margin (Percent)
Brazil:		
	International Paper	20.80
	Suzano Papel	32.31
Indonesia:		
	APRIL	66.82
Portugal:		
	Navigator	6.75

We initiated the fourth administrative reviews of uncoated paper from Brazil and Portugal on May 6, 2020, covering the period of March 1, 2019 through February 29, 2020.<sup>12</sup>

Since the issuance of the *Orders*, Commerce has completed one changed circumstances review covering Portugal. On November 23, 2016, Commerce determined that Navigator is the successor in interest to Portucel for purposes of the *Orders*. As such, Navigator is entitled to Portucel’s cash deposit rate with respect to entries of merchandise subject to the *Orders*.<sup>13</sup>

Since the issuance of the *Orders*, Commerce has completed one circumvention inquiry covering each country subject to the *Orders*. On September 1, 2017, Commerce issued a final affirmative determination of circumvention of the *Orders*.<sup>14</sup> Specifically, Commerce determined that imports of uncoated paper with a GE brightness of 83 +/- 1% constitutes merchandise “altered in form or appearance in minor respects” and is subject to the *Orders*.<sup>15</sup>

We are currently conducting a circumvention inquiry covering Australia, Brazil, China, and Indonesia.<sup>16</sup> On November 13, 2020, Commerce preliminarily determined that imports of certain uncoated paper rolls (paper rolls) from China are circumventing the *Orders*.<sup>17</sup> On January 27, 2021, Commerce preliminarily determined that imports of paper rolls from Brazil and Indonesia are circumventing the *Orders*.<sup>18</sup> On January 27, 2021, Commerce preliminarily determined that imports of paper rolls from Australia were not completed by conversion into sheet of paper in the United States and, therefore, such imports are not circumventing the *Orders*.<sup>19</sup>

<sup>11</sup> See *Certain Uncoated Paper from Brazil: Final Results of Antidumping Duty Administrative Review; 2018-2019*, 86 FR 7254 (January 27, 2021); see also *Certain Uncoated Paper from Indonesia: Final Results of Antidumping Duty Administrative Review; 2018-2019*, 85 FR 496 (January 6, 2020); and *Certain Uncoated Paper from Portugal: Final Results of Antidumping Duty Administrative Review; 2018-2019*, 86 FR 7269 (January 27, 2021).

<sup>12</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 26931 (May 6, 2020).

<sup>13</sup> See *Certain Uncoated Paper from Portugal: Final Results of Antidumping Duty Changed Circumstances Review*, 81 FR 84555 (November 23, 2016).

<sup>14</sup> 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).

<sup>15</sup> *Id.*

<sup>16</sup> See *Certain Uncoated Paper Products from Australia, Brazil, the People’s Republic of China, and Indonesia: Initiation of Anti-Circumvention Inquiry of Antidumping and Countervailing Duty Orders*, 84 FR 55915 (October 18, 2019).

<sup>17</sup> See *Certain Uncoated Paper from the People’s Republic of China: Affirmative Preliminary Determinations of Circumvention of the Antidumping and Countervailing Duty Orders for Uncoated Paper Rolls*, 85 FR 72624 (November 13, 2020).

<sup>18</sup> See *Certain Uncoated Paper from Brazil: Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order for Uncoated Paper Rolls*, 86 FR 7261 (January 27, 2021); see also *Certain Uncoated Paper from Indonesia: Affirmative Preliminary Determinations of Circumvention of the Antidumping and Countervailing Duty Orders for Uncoated Paper Rolls*, 86 FR 7266 (January 27, 2021).

<sup>19</sup> See *Certain Uncoated Paper from Australia: Negative Preliminary Determination of Circumvention of the Antidumping Duty Order for Uncoated Paper Rolls*, 86 FR 7256 (January 27, 2021).

## V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce 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, Commerce 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 periods before, and the periods after, the issuance of the *Orders*.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action (SAA), the House Report, and the Senate Report, Commerce's determinations of likelihood will be made on an order-wide, rather than company-specific, basis.<sup>20</sup> In addition, Commerce normally determines that revocation of an AD order is likely to lead to continuation or recurrence of dumping when, among other scenarios: (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.<sup>21</sup>

Alternatively, Commerce normally will determine that revocation of an AD order is not likely to lead to continuation or recurrence of dumping where dumping margins declined or were eliminated after issuance of the order and import volumes remained steady or increased.<sup>22</sup> Pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or *de minimis* shall not by itself require Commerce to determine that revocation of an AD order would not be likely to lead to a continuation or recurrence of sales at LTFV.<sup>23</sup>

In addition, as a base period of import volume comparison, it is Commerce'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.<sup>24</sup> Also, when analyzing import volumes for second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.<sup>25</sup>

Further, section 752(c)(3) of the Act states that Commerce shall provide to the U.S. International Trade Commission (ITC) the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, Commerce selects the AD 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.<sup>26</sup> 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, Commerce may conclude that exporters are likely to continue dumping at the lower rates found in a more recent review").<sup>27</sup>

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<sup>20</sup> See Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, vol. 1 (1994) (SAA), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report); see also Senate Report, S. Rep. No. 103-412 (1994) (Senate Report).

<sup>21</sup> See SAA at 889-90; see also House Report at 63-64; Senate Report at 52; and *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 Bulletin*).

<sup>22</sup> See SAA at 889-90; see also House Report at 63; and Senate Report at 52.

<sup>23</sup> 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 (IDM) at Comment 1.

<sup>24</sup> 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) (*Stainless Steel Bar*), and accompanying IDM at Comment 1.

<sup>25</sup> See *Ferrovanadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 79 FR 14216 (March 13, 2014) (*Ferrovanadium*), and accompanying IDM at 3.

<sup>26</sup> 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) (*Persulfates*), and accompanying IDM at Comment 2.

<sup>27</sup> See SAA at 890-91; see also *Sunset Policy Bulletin* at section II.B.2.

In February 2012, in the *Final Modification for Reviews*, Commerce announced that in five-year (*i.e.*, sunset) reviews, it will not rely on weighted-average dumping margins that were calculated using the zeroing methodology that was the subject of that *Final Modification for Reviews*.<sup>28</sup> However, Commerce explained in the *Final Modification for Reviews* that it “retain{s} the discretion, on a case-by-case basis, to apply an alternative methodology, when appropriate” in both investigations and administrative reviews pursuant to section 777A(d)(1)(B) of the Act.<sup>29</sup> In the *Final Modification for Reviews*, Commerce stated that “only in the most extraordinary circumstances” would it rely on margins other than those calculated and published in prior determinations.<sup>30</sup> Commerce 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 recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available (AFA), and dumping margins where no offsets were denied because all comparison results were positive.”<sup>31</sup>

Our analysis of domestic interested parties’ comments follows below.

## VI. DISCUSSION OF THE ISSUES

### 1. Likelihood of Continuation or Recurrence of Dumping

#### *Domestic Interested Parties’ Comments*

##### Australia

Commerce found dumping of uncoated paper from Australia in the investigation. The investigation margins remain in place because Commerce has not conducted an administrative review or new shipper review on uncoated paper imports from Australia. Domestic interested parties assert that continued dumping at above *de minimis* levels shows that dumping would continue if the *Orders* were revoked.<sup>32</sup> Additionally, imports of uncoated paper from Australia declined significantly during the period 2015-2019. Domestic interested parties contend that, since import quantities declined significantly after issuance of the *Orders*, Commerce should find that dumping would likely continue or recur if the *Orders* were revoked.<sup>33</sup>

##### Brazil

Commerce found dumping of uncoated paper from Brazil in the investigation and each subsequent administrative review. Domestic interested parties assert that continued dumping at above *de minimis* levels shows that dumping would continue if the *Orders* were revoked.<sup>34</sup> Additionally, imports of uncoated paper from Brazil declined significantly during the period 2015-2019. Domestic interested parties contend that, since import quantities declined significantly after issuance of the *Orders*, Commerce should find that dumping would likely continue or recur if the *Orders* were revoked.<sup>35</sup>

##### China

Commerce found dumping of uncoated paper from China in the investigation. The investigation margins remain in place because Commerce has not conducted an administrative review or new shipper review on uncoated paper imports from China. Domestic interested parties assert that continued dumping at above *de minimis* levels shows that dumping would continue if the *Orders*

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<sup>28</sup> 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*).

<sup>29</sup> *Id.*, 77 FR at 8105-6.

<sup>30</sup> *Id.*, 77 FR at 8103.

<sup>31</sup> *Id.*, 77 FR at 8109.

<sup>32</sup> See Substantive Response - Australia at 10.

<sup>33</sup> *Id.* at 10 and Exhibit 1.

<sup>34</sup> See Substantive Response – Brazil at 5.

<sup>35</sup> *Id.* at 6.

were revoked.<sup>36</sup> Additionally, imports of uncoated paper from China declined significantly during the period 2015-2019. Domestic interested parties contend that, since import quantities declined significantly after issuance of the *Orders*, Commerce should find that dumping would likely continue or recur if the *Orders* were revoked.<sup>37</sup>

### Indonesia

Commerce found dumping of uncoated paper from Indonesia in the investigation. Three of the four dumping margins established in the investigation remain in effect. Furthermore, one respondent participated in three administrative reviews and Commerce found dumping margins above *de minimis* in each review. Domestic interested parties assert that continued dumping at above *de minimis* levels shows that dumping would continue if the *Orders* were revoked.<sup>38</sup> Imports of uncoated paper from Indonesia declined significantly during the period of 2015-2019. Domestic interested parties contend that, since import quantities declined after issuance of the *Orders*, Commerce should find that dumping would likely continue or recur if the *Orders* were revoked.<sup>39</sup>

### Portugal

Commerce found dumping of uncoated paper from Portugal in the investigation and each subsequent administrative review. Domestic interested parties assert that continued dumping at above *de minimis* levels shows that dumping would continue if the *Orders* were revoked.<sup>40</sup> Imports of uncoated paper from Portugal declined significantly during the period of 2015-2019. Domestic interested parties contend that, since import quantities declined after issuance of the *Orders*, Commerce should find that dumping would likely continue or recur if the *Orders* were revoked.<sup>41</sup>

## **Commerce's Position**

As explained in the Legal Framework section above, Commerce's determinations of likelihood of continuation or recurrence of dumping will be made on an order-wide basis.<sup>42</sup> When determining whether revocation of the *Orders* would be likely to lead to continuation of dumping, sections 752(c)(1)(A) and (B) of the Act instruct Commerce 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 *Orders*.

In this case, Commerce found dumping at above *de minimis* levels in the original AD investigations of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal.<sup>43</sup> Further, as noted above in the "History of the *Orders*" section, Commerce found dumping at above *de minimis* levels in each of the completed administrative reviews of the *Orders*.

Pursuant to 752(c)(1)(B) of the Act, Commerce considers the volume of imports of the subject merchandise for the one year period immediately preceding the initiation of the investigation as a base period for comparison to the sunset review period.<sup>44</sup> Thus, in this review, we examined import volumes of subject merchandise for the year ending December 2014, and compared these results to import volumes for years 2015 through 2019. Our analysis of import statistics sourced from the ITC's DataWeb for the subject merchandise, as provided by domestic interested parties, shows that in the period of 2015-2019, imports of uncoated paper from each country subject to the *Orders* remained significantly lower than import levels prior to the period of investigation.<sup>45</sup>

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<sup>36</sup> See Substantive Response – China at 5.

<sup>37</sup> *Id.* at 6.

<sup>38</sup> See Substantive Response – Indonesia at 13.

<sup>39</sup> *Id.* at 11-12.

<sup>40</sup> See Substantive Response – Portugal at 13.

<sup>41</sup> *Id.* at 12 and Exhibit 1.

<sup>42</sup> See SAA at 879; *see also* House Report at 56.

<sup>43</sup> See *Orders*, 81 FR at 11176-11177.

<sup>44</sup> See *Stainless Steel Bar*, 72 FR 56985, and accompanying IDM at Comment I.

<sup>45</sup> See Substantive Response - Australia at 10 and Exhibit 1; *see also* Substantive Response – Brazil at 6; Substantive Response – China at 6; Substantive Response – Indonesia at 12; and Substantive Response – Portugal at 12 and Exhibit 1.



Based on this analysis, Commerce finds that dumping margins above *de minimis* remain in place for subject merchandise after issuance of the *Orders*. Additionally, Commerce finds that imports declined significantly after issuance of the *Orders* and remain below pre-initiation levels during the sunset review period. Thus, absent argument and evidence to the contrary, Commerce determines that dumping is likely to continue or recur if the *Orders* were revoked.

## 2. Magnitude of the Margin Likely to Prevail

### *Domestic Interested Parties' Comments*

Commerce normally will select a margin “from the investigation, because that is the only calculated rate that reflects the behavior of exporters... without the discipline of an order or suspension agreement in place.”<sup>46</sup> However, when Commerce has conducted a review and found that the margin had increased since the investigation, these “increasing margins may be more representative of a company’s behavior in the absence of an order.”<sup>47</sup>

Domestic interested parties assert that, pursuant to the principles set forth in the SAA and *Sunset Policies Bulletin*, Commerce should report the margins of dumping determined in the original investigations for uncoated paper from Australia, Brazil, China, and Portugal.<sup>48</sup> Furthermore, domestic interested parties argue that Commerce should report the margins determined in the original investigation for Great Champ, APP/SMG, and the all-others rate from Indonesia and the margin found in the latest completed administrative review for APRIL.<sup>49</sup>

### **Commerce’s Position**

Pursuant to section 752(c)(3) of the Act, Commerce shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if the *Order* were revoked. Normally, Commerce will select a weighted-average dumping margin from the investigation to report to the ITC.<sup>50</sup> Commerce’s preference is to select a weighted-average dumping margin from the LTFV investigation because it is the only calculated rate that reflects the behavior of the producers and exporters without the discipline of an order or suspension agreement in place.<sup>51</sup> Under certain circumstances, however, we may select a more recent rate to report to the ITC.<sup>52</sup> Additionally, as explained above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted-average dumping margins that it calculated using the zeroing methodology that was subject to the *Final Modification for Reviews*.<sup>53</sup>

For companies not investigated individually, or for companies that did not begin shipping until after the *Order* was issued, Commerce will normally provide a rate based on the all-others rate from the investigation. However, Commerce considers China to be a non-market economy under section 771(18) of the Act, and, thus, instead of an all-others rate, Commerce uses a rate established for the China-wide entity, which it applies to all imports from an exporter that has not established its eligibility for a separate rate.<sup>54</sup>

After considering the dumping margins determined in the investigations and subsequent administrative reviews, we find that, as an indication of the magnitude of the margins likely to prevail, it is appropriate to provide the ITC with the margins determined in the investigations. Those margins reflect the behavior of manufacturers, producers, and exporters without the discipline of an order in place. The domestic interested parties argue that Commerce should report the margin applied to APRIL in subsequent administrative reviews for Indonesia.

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<sup>46</sup> See Substantive Response – Indonesia at 13 (citing *Sunset Policies Bulletin*, 63 FR at 18873).

<sup>47</sup> See Substantive Response – Indonesia at 15 (citing *Sunset Policies Bulletin*, 63 FR at 18873).

<sup>48</sup> See Substantive Response – Australia at 12; see also Substantive Response – Brazil at 7; Substantive Response – China at 7; and Substantive Response – Portugal at 15.

<sup>49</sup> See Substantive Response – Indonesia at 14-16.

<sup>50</sup> See SAA at 890; see also *Persulfates*, 73 FR at 11868, and accompanying IDM at Comment 2.

<sup>51</sup> See SAA at 890.

<sup>52</sup> *Id.* at 890-891.

<sup>53</sup> See *Final Modification for Reviews*, 77 FR at 8109.

<sup>54</sup> See *Paper Clips from the People’s Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order*, 76 FR 26242 (May 6, 2011), and accompanying IDM at Comment 2; see also 19 CFR 351.107(d).

However, we note that imports of uncoated paper from Indonesia have declined significantly during the period of 2015-2019 (from hundreds of thousands of tons at their peak to zero tons in 2019), while dumping margins on uncoated paper from Indonesia increased.<sup>55</sup> Therefore, in accordance with our normal practice,<sup>56</sup> we decline to report the margin applied to APRIL in subsequent administrative reviews. The rates calculated in the LTFV investigations were not calculated using zeroing and, thus, these dumping margins are consistent with the practice stipulated in the *Final Modification for Reviews*. Therefore, we determine that revocation of the *Orders* would likely lead to continuation or recurrence of dumping at the magnitude of weighted-average dumping margins determined in the LTFV investigations: up to 222.46 percent for Australia, up to 41.39 percent for Brazil, up to 149.00 percent for China, up to 17.46 percent for Indonesia, and up to 7.80 percent for Portugal.

Accordingly, pursuant to section 752(c)(3) of the Act, Commerce will provide the ITC with the margins from the final determinations as the margins of dumping that are likely to prevail if the *Orders* were revoked.

## VII. FINAL RESULTS OF THE EXPEDITED FIRST SUNSET REVIEW

We determine that revocation of the AD duty order on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to: 222.46 percent for Australia, 41.39 percent for Brazil, 149.00 percent for China, 17.46 percent for Indonesia, and 7.80 percent for Portugal.

## VIII. RECOMMENDATION

Based on our analysis of the substantive response received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of these sunset reviews in the *Federal Register* and notify the ITC of our determination.

☒

Agree

☐

Disagree

5/25/2021

X



Signed by: CHRISTIAN MARSH

Christian Marsh

Acting Assistant Secretary

for Enforcement and Compliance

<sup>55</sup> See Substantive Response – Indonesia at 11-13.

<sup>56</sup> See *Sunset Policies*, 63 FR at 18873.