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Administrative Review
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May 28, 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: Decision Memorandum for the Preliminary Results of the
Administrative Review of the Antidumping Duty Order: Certain
Uncoated Paper from Brazil; 2019-2020

I. SUMMARY

The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty (AD) order on certain uncoated paper (uncoated paper) from Brazil for the period of review (POR) March 1, 2019, through February 29, 2020. The review covers one producer and/or exporter of the subject merchandise: Suzano S.A., formerly Suzano Papel e Celulose S.A. (Suzano). We preliminarily determine that Suzano made sales of subject merchandise at prices below normal value (NV) during the POR.

II. BACKGROUND

On March 3, 2016, Commerce published in the *Federal Register* the AD order on uncoated paper from Brazil.¹ On March 2, 2020, Commerce published a notice of opportunity to request an administrative review of the *Order* for the POR.² Pursuant to section 751(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(b)(1), Commerce received timely requests to conduct an administrative review of the *Order* from Domtar Corporation, P.H. Glatfelter Company, Packaging Corporation of America, and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO,

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

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 85 FR 12267 (March 2, 2020).



CLC (collectively, the petitioners) and Suzano.³ On May 6, 2020, in accordance with 19 CFR 351.221(c)(1)(i), we published a notice of initiation of administrative review covering two companies, International Paper do Brasil Ltda and International Paper Exportadora Ltda (collectively, International Paper)⁴ and Suzano.

On June 5, 2020, International Paper submitted a letter indicating that it had no shipments of subject merchandise to the United States during the POR.⁵

On June 18, 2020, we issued the AD questionnaire to Suzano.⁶ At that time, Commerce stated that it would individually review Suzano and continue to evaluate International Paper's no-shipment claim.⁷ Between July 17, 2020, and May 14, 2021, Suzano submitted timely responses to Commerce's initial and supplemental questionnaires.⁸

On July 21, 2020, Commerce exercised its discretion to toll administrative review deadlines by 60 days.⁹ In addition, pursuant to section 751(a)(3)(A) of the Act, Commerce determined that it was not practicable to complete the preliminary results of this review within the 245 days and extended the preliminary results by 118 days, until May 28, 2021.¹⁰

³ See Suzano's Letter, "Uncoated Paper from Brazil: Request for an Administrative Review of Suzano S.A.," dated March 30, 2020; see also Petitioners' Letter, "Uncoated Paper from Brazil / Request for Administrative Review of the Antidumping Order," dated March 31, 2020.

⁴ In the less-than-fair-value (LTFV) investigation, we determined that International Paper do Brasil (IP) and International Paper Exportadora Ltda (IPEX) constituted a single entity. Because no interested parties submitted comments on this issue, and in the absence of any new information regarding this finding, Commerce is continuing to find that IP and IPEX are affiliated, pursuant to sections 771(33)(E) and (F) of the Act, and are considered a single entity, pursuant to 19 CFR 351.401(f). See *Certain Uncoated Paper from Brazil: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 80 FR 52029 (August 27, 2015), and accompanying Preliminary Decision Memorandum (PDM) at "Affiliation Determinations," unchanged in *Certain Uncoated Paper from Brazil: Final Determination of Sales at Less Than Fair Value*, 81 FR 3115 (January 20, 2016).

⁵ See International Paper's Letter, "Uncoated Paper from Brazil: No Shipments Letter," dated June 5, 2020.

⁶ See Commerce's Letter, Initial AD Questionnaire, dated June 18, 2020 (Questionnaire).

⁷ See Memorandum, "Administrative Review of Certain Uncoated Paper Products from Brazil; 2019-2020: Issuance of Questionnaire," dated June 18, 2020.

⁸ See Suzano's Letters "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Section A Questionnaire Response," dated July 17, 2020 (Suzano July 17, 2020 AQR); "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Sections B-D Questionnaire Response," dated August 21, 2020 (Suzano August 21, 2020 BCDQR); "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Supplemental Questionnaire Response," dated November 19, 2020 (Suzano November 19, 2020 SQR); "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Supplemental Questionnaire Response," dated February 22, 2021; and "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Supplemental Section D Questionnaire Response," dated May 14, 2021. Additionally, on October 20, 2020, Suzano responded to Commerce's questionnaire regarding duty absorption. See Suzano's Letter, "Antidumping Duty Investigation of Certain Uncoated Paper from Brazil: Suzano's Response to the Department's Duty Absorption Request for Information," dated October 20, 2020.

⁹ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

¹⁰ See Memorandum, "Certain Uncoated Paper from Brazil: Extension of Deadline for Preliminary Results of 2019-2020 Antidumping Duty Administrative Review," dated January 8, 2021.

On July 28, 2020, the petitioners withdrew their request for an administrative review of International Paper and, on August 17, 2020, Commerce published a notice in the *Federal Register* rescinding the administrative review for International Paper.¹¹

On July 21, 2020, Commerce exercised its discretion to toll administrative review deadlines by 60 days.¹² In addition, pursuant to section 751(a)(3)(A) of the Act, Commerce determined that it was not practicable to complete the preliminary results of this review within the 245 days and extended the preliminary results by 118 days, until May 28, 2021.¹³

We have received comments for these preliminary results from the petitioners and Suzano, which we have considered.¹⁴

III. SCOPE OF THE *ORDER*

The merchandise covered by this *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 level¹⁵ 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.

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

¹¹ See *Certain Uncoated Paper from Brazil: Partial Rescission of Antidumping Duty Administrative Review*; 2019-2020, 85 FR 50008 (August 17, 2020).

¹² See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020. All deadlines in this proceeding have been extended by 60 days.

¹³ See Memorandum, “Certain Uncoated Paper from Brazil: Extension of Deadline for Preliminary Results of 2019-2020 Antidumping Duty Administrative Review,” dated January 8, 2021.

¹⁴ See Petitioner’s Letter, “Petitioners’ Pre-Preliminary Comments Regarding Suzano” dated April 12, 2021; see also Suzano’s Letter, “Suzano’s Response to the Petitioners’ Pre-Preliminary Comments,” dated April 27, 2021.

¹⁵ 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.

merchandise, constitute merchandise “altered in form or appearance in minor respects” from in-scope merchandise that are subject to this *Order*.¹⁶

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 4811.90.9080.¹⁷ While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.

IV. PRELIMINARY SUCCESSOR-IN-INTEREST DETERMINATION

In determining whether one company is the successor to another for purposes of the AD law, Commerce examines several factors including, but not limited to, changes in: (1) management; (2) production facilities; (3) supplier relationships; and (4) customer base.¹⁸ Although no single or combination of these factors will necessarily provide a dispositive indication of successorship, generally Commerce will consider one company to be a successor to another company if its resulting operation is not materially dissimilar to that of its predecessor.¹⁹ Thus, if the totality of circumstances demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the prior company, Commerce will assign the new company the cash-deposit rate of its predecessor.²⁰

In its section A response, Suzano stated that, during the POR, it finalized the acquisition of a Brazilian wood pulp producer named Fibria S.A. (Fibria), and thereafter it changed its name from “Suzano Papel e Celulose S.A.” to “Suzano S.A.,” effective April 2019.²¹ Suzano stated that Fibria produced and sold pulp and was not involved in Suzano’s production of uncoated paper during the POR.²² Suzano also stated that its corporate policy, operations, and customer

¹⁶ 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).

¹⁷ On January 27, 2021, Commerce preliminarily found that rolls of certain uncoated paper from Brazil were being further processed in the United States into individual sheets of uncoated paper that would be subject to the *Order*. The uncoated paper rolls covered by the preliminary finding are converted into sheets of uncoated paper using specialized cutting machinery prior to printing, and are typically, but not exclusively, between 52 and 103 inches wide and 50 inches in diameter. These certain uncoated paper rolls are classified under HTSUS subheading 4802.55. 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). Commerce intends to make a final finding as to whether these uncoated paper rolls are within the scope of this proceeding prior to the issuance of the final results of this administrative review.

¹⁸ See, e.g., *Stainless Steel Bar from Spain: Preliminary Results of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 22622 (April 23, 2014), and accompanying PDM at 2-3.

¹⁹ See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Certain Orange Juice from Brazil*, 71 FR 2183 (January 13, 2006).

²⁰ See, e.g., *Certain Pasta from Italy: Final Results of Changed Circumstances Review*, 86 FR 24845 (May 10, 2021).

²¹ See Suzano July 17, 2020 AQR at A-1.

²² *Id.*

base for uncoated paper sales remain unchanged following the acquisition of Fibria.²³ In its November 19, 2020, supplemental questionnaire response, Suzano provided evidence of fundamental continuity of facilities, customers, suppliers, and board members both prior to, and after, the acquisition.²⁴ Therefore, we preliminarily find that the record evidence demonstrates that Suzano's operations after the acquisition of Fibria are not materially dissimilar to that of Suzano's operations prior to the acquisition. As such, we preliminarily find that Suzano S.A. is the successor-in-interest to Suzano Papel e Celulose S.A.

V. DUTY ABSORPTION

Section 751(a)(4) of the Act provides for Commerce, if requested, to determine, during an administrative review initiated two or four years after publication of the order, whether AD duties have been absorbed by the foreign producer or exporter if the subject merchandise is sold in the United States through an affiliated importer. On June 2, 2020, the petitioners requested that Commerce conduct a duty absorption inquiry.²⁵

In determining whether the AD duties have been absorbed by the respondents during the POR, we examine the AD duties calculated in the administrative review in which the absorption inquiry is requested.²⁶ Commerce presumes that the duties will be absorbed for those sales that have been made at less than NV. This presumption can be rebutted with evidence (*e.g.*, an enforceable agreement between the affiliated importer and unaffiliated purchaser) that the unaffiliated purchaser will pay the full duty ultimately assessed on the subject merchandise.²⁷

In its section A response, Suzano indicated that it made all U.S. sales of subject merchandise through an affiliated U.S. importer.²⁸ On October 6, 2020, Commerce issued a letter to Suzano providing an opportunity for it to submit on the record of this review proof that its unaffiliated purchasers will ultimately pay the AD duties to be assessed on entries during the instant POR.²⁹ On October 20, 2020, Suzano submitted a response outlining the efforts it made to pass through to its customers the duties imposed as a result of the order.³⁰ Based on the information on the record, we preliminarily find that AD duties have not been paid by Suzano's unaffiliated U.S. purchasers. Specifically, although Suzano has provided information regarding gradual price increases for sales of subject merchandise,³¹ the information does not demonstrate that any of the AD duties ultimately assessed on the subject merchandise are, or will be, paid by the unaffiliated customer. Therefore, Suzano has not rebutted the presumption of duty absorption.

²³ *Id.*

²⁴ See Suzano November 19, 2020 SQR at 1-3 and at Exhibits SA-1 through SA-4.

²⁵ See Petitioners' Letter, "Request For Duty Absorption Determination," dated June 2, 2020.

²⁶ See 19 CFR 351.213(j)(3).

²⁷ See, *e.g.*, *Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent to Rescind*, 70 FR 39735, 39737 (July 11, 2005), unchanged in *Notice of Final Results and Final Rescission in Part of Antidumping Duty Administrative Review: Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan*, 70 FR 73727 (December 13, 2005).

²⁸ See Suzano July 17, 2020 AQR at A-20.

²⁹ See Commerce's Letter, "Duty Absorption Request for Information," dated October 6, 2020.

³⁰ See Suzano's Letter, "Suzano's Response to the Department's Duty Absorption Request for Information," dated October 20, 2020.

³¹ *Id.* at Exhibit 1.

VI. DISCUSSION OF THE METHODOLOGY

Comparisons to Normal Value

Pursuant to section 773(a) of the Act and 19 CFR 351.414(c)(1) and (d), to determine whether Suzano's sales of uncoated paper from Brazil to the United States were made at less than NV, Commerce compared the export price (EP) or constructed export price (CEP) to the NV, as described in the "Export Price/Constructed Export Price" and "Normal Value" sections of this memorandum.

A. Determination of Comparison Method

Pursuant to 19 CFR 351.414(c)(1), Commerce calculates weighted-average dumping margins by comparing weighted-average NVs to weighted-average EPs (or CEPs) (*i.e.*, the average-to-average method) unless Commerce determines that another method is appropriate in a particular situation. In LTFV investigations, Commerce examines whether to compare weighted-average NVs with the EPs (or CEPs) of individual sales (*i.e.*, the average-to-transaction method) as an alternative comparison method using an analysis consistent with section 777A(d)(1)(B) of the Act. Although section 777A(d)(1)(B) of the Act does not strictly govern Commerce's examination of this question in the context of administrative reviews, the issue arising under 19 CFR 351.414(c)(1) in administrative reviews is analogous to the issue in LTFV investigations.³²

In numerous investigations and reviews, Commerce applied a "differential pricing" analysis for determining whether application of average-to-transaction comparisons is appropriate in a particular situation pursuant to 19 CFR 351.414(c)(1) and consistent with section 777A(d)(1)(B) of the Act.³³ Commerce finds that the differential pricing analysis used in recent investigations may be instructive for purposes of examining whether to apply an alternative comparison method in this administrative review. Commerce will continue to develop its approach in this area based on comments received in this and other proceedings, and on Commerce's additional experience with addressing the potential masking of dumping that can occur when Commerce uses the average-to-average method in calculating weighted-average dumping margins.

³² See *Ball Bearings and Parts Thereof from France, Germany, and Italy: Final Results of Antidumping Duty Administrative Reviews*; 2010–2011, 77 FR 73415 (December 10, 2012), and accompanying Issues and Decision Memorandum (IDM) at Comment 1; see also *JBF RAK LLC v. United States*, 790 F.3d 1358, 1363–65 (Fed. Cir. 2015) (holding that "{t}he fact that the statute is silent with regard to administrative reviews does not preclude Commerce from filling gaps in the statute to properly calculate and assign antidumping duties") (citations omitted).

³³ See, e.g., *Polyethylene Terephthalate Resin from Taiwan: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 83 FR 19696 (May 4, 2018), unchanged in *Polyethylene Terephthalate Resin from Taiwan: Final Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances, in Part*, 83 FR 48287 (September 24, 2018); *Large Diameter Welded Pipe from Canada: Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 83 FR 43649 (August 27, 2018), unchanged in *Large Diameter Welded Pipe from Canada: Final Affirmative Determination of Sales at Less Than Fair Value*, 84 FR 6378 (February 27, 2019); and *Cast Iron Soil Pipe from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 83 FR 44567 (August 31, 2018), unchanged in *Cast Iron Soil Pipe from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 84 FR 6767 (February 28, 2019).

The differential pricing analysis used in these preliminary results examines whether there exists a pattern of EPs (or CEPs) for comparable merchandise that differ significantly among purchasers, regions, or time periods. The analysis evaluates all export sales by purchasers, regions, and time periods to determine whether a pattern of prices that differ significantly exists. If such a pattern is found, then the differential pricing analysis evaluates whether such differences can be taken into account when using the average-to-average method to calculate the weighted-average dumping margin. The analysis incorporates default group definitions for purchasers, regions, time periods, and comparable merchandise. Purchasers are based on the reported consolidated customer codes. Regions are defined using the reported destination code (*i.e.*, ZIP code) and are grouped into regions based upon standard definitions published by the U.S. Census Bureau. Time periods are defined by the quarter within the POR based upon the reported date of sale. For purposes of analyzing sales transactions by purchaser, region, and time period, comparable merchandise is defined using the product control number and all characteristics of the U.S. sales, other than purchaser, region, and time period, that Commerce uses in making comparisons between EP (or CEP) and NV for the individual dumping margins.

In the first stage of the differential pricing analysis used here, the “Cohen’s *d* test” is applied. The Cohen’s *d* coefficient is a generally recognized statistical measure of the extent of the difference between the mean (*i.e.*, weighted-average price) of a test group and the mean (*i.e.*, weighted-average price) of a comparison group. First, for comparable merchandise, the Cohen’s *d* coefficient is calculated when the test and comparison groups of data for a particular purchaser, region, or time period each have at least two observations, and when the sales quantity for the comparison group accounts for at least five percent of the total sales quantity of the comparable merchandise. Then, the Cohen’s *d* coefficient is used to evaluate the extent to which the prices to the particular purchaser, region, or time period differ significantly from the prices of all other sales of comparable merchandise. The extent of these differences can be quantified by one of three fixed thresholds defined by the Cohen’s *d* test: small, medium, or large (0.2, 0.5, and 0.8, respectively). Of these thresholds, the large threshold provides the strongest indication that there is a significant difference between the mean of the test and comparison groups, while the small threshold provides the weakest indication that such a difference exists. For this analysis, the difference is considered significant, and the sales in the test group are found to pass the Cohen’s *d* test, if the calculated Cohen’s *d* coefficient is equal to or exceeds the large (*i.e.*, 0.8) threshold.

Next, the “ratio test” assesses the extent of the significant price differences for all sales as measured by the Cohen’s *d* test. If the value of sales to purchasers, regions, and time periods that pass the Cohen’s *d* test account for 66 percent or more of the value of total sales, then the identified pattern of prices that differ significantly supports the consideration of the application of the average-to-transaction method to all sales as an alternative to the average-to-average method. If the value of sales to purchasers, regions, and time periods that pass the Cohen’s *d* test accounts for more than 33 percent and less than 66 percent of the value of total sales, then the results support consideration of the application of an average-to-transaction method to those sales identified as passing the Cohen’s *d* test as an alternative to the average-to-average method, and application of the average-to-average method to those sales identified as not passing the Cohen’s *d* test. If 33 percent or less of the value of total sales passes the Cohen’s *d* test, then the results of the Cohen’s *d* test do not support consideration of an alternative to the average-to-average method.

If both tests in the first stage (*i.e.*, the Cohen’s *d* test and the ratio test) demonstrate the existence of a pattern of prices that differ significantly such that an alternative comparison method should be considered, then in the second stage of the differential pricing analysis, Commerce examines whether using only the average-to-average method can appropriately account for such differences. In considering this question, Commerce tests whether using an alternative comparison method, based on the results of the Cohen’s *d* and ratio tests described above, yields a meaningful difference in the weighted-average dumping margin as compared to that resulting from the use of the average-to-average method only. If the difference between the two calculations is meaningful, then this demonstrates that the average-to-average method cannot account for differences such as those observed in this analysis, and, therefore, an alternative comparison method would be appropriate. A difference in the weighted-average dumping margins is considered meaningful if: (1) there is a 25 percent relative change in the weighted-average dumping margins between the average-to-average method and the appropriate alternative method where both rates are above the *de minimis* threshold; or (2) the resulting weighted-average dumping margins between the average-to-average method and the appropriate alternative method move across the *de minimis* threshold.

Interested parties may present arguments and justifications in relation to the above-described differential pricing approach used in these preliminary results, including arguments for modifying the group definitions used in this proceeding.³⁴

B. Results of the Differential Pricing Analysis

Based on the results of the differential pricing analysis, Commerce preliminarily finds that 13.37 percent of the value of Suzano’s U.S. sales pass the Cohen’s *d* test,³⁵ which does not confirm the existence of a pattern of prices that differ significantly among purchasers, regions, or time periods. Thus, the results of the Cohen’s *d* and ratio tests do not support consideration of an alternative to the average-to-average method.³⁶ Accordingly, Commerce is preliminarily applying the average-to-average method for all U.S. sales to calculate the weighted-average dumping margin for Suzano.

VII. PRODUCT COMPARISONS

For purposes of determining an appropriate product comparison to U.S. sales, in accordance with section 771(16)(A) of the Act, we considered all products sold in the home market as described in the “Scope of the Order” section, above, that were sold in the ordinary course of trade. In making the product comparisons, we matched foreign like products to the products sold in the United States based on their physical characteristics. In order of importance, these physical

³⁴ The Court of Appeals for the Federal Circuit (CAFC) has affirmed much of Commerce’s differential pricing methodology. *See, e.g., Apex Frozen Foods v. United States*, 862 F.3d 1322 (Fed. Cir. 2017). We ask that interested parties present only arguments on issues that have not already been decided by the CAFC.

³⁵ *See* Memorandum, “Antidumping Duty Administrative Review of Certain Uncoated Paper from Brazil: Preliminary Results Analysis Memorandum for Suzano S.A.,” dated concurrently with this memorandum (Suzano Preliminary Analysis Memorandum).

³⁶ *Id.*

characteristics are: whether the product is folio paper, color, existence of embossing/watermark, basis weight, sheet size, brightness, recycled weight, printing, perforations, and punching.

Pursuant to 19 CFR 351.414(f), we compared U.S. sales of uncoated paper to home market sales of uncoated paper within the contemporaneous window period, which extends from three months prior to the month of the first U.S. sale until two months after the month of the last U.S. sale. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, according to section 771(16)(B) of the Act, we compared U.S. sales of uncoated paper to sales of the most similar foreign like product made in the ordinary course of trade.

VIII. DATE OF SALE

Section 351.401(i) of Commerce's regulations states that, "{i}n identifying the date of sale of the subject merchandise or foreign like product, the secretary normally will use the date of invoice, as recorded in the exporter or producer's records kept in the ordinary course of business." The regulation provides further that Commerce may use a date other than the date of invoice if Commerce is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale.³⁷ Commerce has a long-standing practice of finding that, where shipment date precedes invoice date, shipment date better reflects the date on which the material terms of sale are established.³⁸

For both its home market and U.S. sales, Suzano reported the date of invoice to the first unaffiliated customer as the date of sale.³⁹ Suzano stated that it selected the invoice date as the date of sale because that is the point in the sales process at which the material terms of the sale cannot be altered.⁴⁰ In the home market, there were no instances where shipment date predated the invoice date;⁴¹ therefore, reliance on invoice date as the date of sale is consistent with our practice of using the earlier of invoice date or shipment date.

With respect to the U.S. market, Suzano reported that, for the majority of its U.S. sales, the reported invoice date preceded the actual shipment date; therefore, we have also relied on the invoice date as the date of sale for these transactions, in accordance with our practice. However, for a small portion of CEP sales, Suzano stated that shipment occurred prior to invoicing.⁴² Because Suzano did not report the actual shipment date for these latter transactions, and we did not provide Suzano an opportunity to remedy this deficiency, as required by section 782(d) of the Act, we have also preliminarily accepted the invoice date as the date of sale for

³⁷ See 19 CFR 351.401(i); see also *Allied Tube & Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090 (CIT 2001) (quoting 19 CFR 351.401(i)).

³⁸ See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Frozen and Canned Warmwater Shrimp from Thailand*, 69 FR 76918 (December 23, 2004), and accompanying IDM at Comment 10; see also *Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Germany*, 67 FR 35497 (May 20, 2002), and accompanying IDM at Comment 2.

³⁹ See Suzano August 24, 2020 BCDQR at B-15 and C-18.

⁴⁰ See Suzano July 17, 2020 AQR at A-35.

⁴¹ *Id.*

⁴² *Id.* at A-36.

such sales, as facts available. However, we intend to solicit further information from Suzano regarding the actual shipment dates for the sales in question and to require it to report any additional U.S. sales transactions with actual shipment dates during, but with invoice dates after, the POR. We will consider the revised information for purposes of the final results.

IX. TREATMENT OF RE-EXPORT SALES

Suzano reported that it exported subject merchandise to an unaffiliated customer located in the United States.⁴³ Suzano's customer (Company A) kept this merchandise in its own warehouse, located in a foreign trade zone (FTZ), and then it re-exported this merchandise to third country markets directly.⁴⁴ Suzano states that Commerce should not include sales of any re-exported products in the calculation on U.S. price because Company A re-exported the products and they never entered U.S. commerce.

In order to determine whether these FTZ sales are U.S. sales which should be included in the margin calculation, Commerce considers whether the unaffiliated customer is located in the United States,⁴⁵ whether the merchandise was delivered in the United States, and, finally, whether the goods entered the commerce of the United States for consumption.⁴⁶ Commerce notes that Suzano is not affiliated with its customer in the FTZ that re-exported the merchandise to third country markets. Commerce finds that record evidence demonstrates that Suzano's sales to Company A were of products delivered to the customer's FTZ warehouse in the United States and then re-exported to third country markets, and that such goods did not enter the commerce of the United States for consumption.⁴⁷ We are, therefore, excluding these sales from the margin analysis for these preliminary results.

X. EXPORT PRICE/CONSTRUCTED EXPORT PRICE

Section 772(a) of the Act defines EP as "the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection (c)" of section 772 of the Act. Section 772(b) of the Act defines CEP as "the price at which the subject merchandise is first sold (or agreed to be sold) in the United States to an unaffiliated purchaser in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d)" of section 772 of the Act.

⁴³ *Id.* at A-2.

⁴⁴ *Id.* at A-7

⁴⁵ See section 772(a) of the Act (defining "export price" as "the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United State or to an unaffiliated purchaser for exportation to the United States," as adjusted under section 772(c) of the Act).

⁴⁶ See *Certain Oil Country Tubular Goods from Ukraine: Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 79 FR 41969 (July 18, 2014), and accompanying IDM at Comment 1.

⁴⁷ See Suzano July 17, 2020 AQR at A-38 – A-39 and Exhibit A-2; see also Suzano November 19, 2020 SQR at 3.

In accordance with section 772(a) of the Act, Commerce used EP methodology for some of Suzano's U.S. sales because the subject merchandise was first sold directly to the first unaffiliated U.S. purchaser prior to importation into the United States, and CEP methodology was not otherwise warranted. For the remainder of Suzano's U.S. sales, in accordance with section 772(b) of the Act, we used CEP methodology because the subject merchandise was sold in the United States by a U.S. seller affiliated with Suzano.

Commerce calculated EP based on packed, delivered prices to unaffiliated purchases in the United States. We made deductions for movement expenses, in accordance with section 772(c)(2)(A) of the Act; these expenses included, where appropriate, foreign inland freight, foreign warehousing expenses, foreign inland insurance, foreign brokerage and handling expenses, and international freight.

Commerce calculated CEP based on packed, delivered prices to unaffiliated purchasers in the United States. We made adjustments, where appropriate, to the starting price for billing adjustments, early payment discounts, and rebates, pursuant to 19 CFR 351.401(c). We also made adjustments for movement expenses in accordance with section 772(c)(2)(A) of the Act; these expenses include, where appropriate, foreign inland freight, foreign warehousing expenses, foreign inland insurance, foreign brokerage and handling expenses, international freight, U.S. inland freight, U.S. warehousing, U.S. brokerage and handling expenses, and U.S. customs duties.

In accordance with section 772(d)(1) of the Act, we calculated CEP by deducting selling expenses associated with economic activities occurring in the United States, which include direct selling expenses (credit expenses and other direct selling expenses) and indirect selling expenses (inventory carrying costs and other indirect selling expenses).

Finally, we made an adjustment for profit allocated to CEP selling expenses, in accordance with section 772(d)(3) of the Act. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred by Suzano and its U.S. affiliate, Suzano Pulp and Paper America, Inc. (SPPA), on their sales of subject merchandise in the United States and the profit associated with those sales.

XI. NORMAL VALUE

A. Home Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), Commerce normally compares the respondent's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with sections 773(a)(1)(A) and (B) of the Act. If Commerce determines that no viable home market exists, Commerce may, if appropriate, use a respondent's sales of the foreign like product to a third

country market as the basis for comparison market sales in accordance with section 773(a)(1)(C) of the Act and 19 CFR 351.404.

In this review, Commerce preliminarily determines that the aggregate volume of home market sales of the foreign like product for Suzano was greater than five percent of the aggregate volume of its U.S. sales of the subject merchandise.⁴⁸ Therefore, Commerce used home market sales as the basis for NV for Suzano, in accordance with section 773(a)(1)(B) of the Act.

B. Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, Commerce will calculate NV based on sales at the same level of trade (LOT) as the U.S. sales. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent).⁴⁹ Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing.⁵⁰ In order to determine whether the comparison market sales are at different stages in the marketing process than the U.S. sales, we examine the distribution system in each market (*i.e.*, the chain of distribution), including selling functions and class of customer (customer category), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying LOTs for EP and comparison market sales (*i.e.*, NV based on either home market or third country prices),⁵¹ we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act.⁵²

When Commerce is unable to compare the NV based on the prices of the foreign like product in the comparison market with EP or CEP at the same LOT, Commerce may compare the U.S. sale prices to sale prices at a different LOT in the comparison market. In comparing EP or CEP to sale prices at a different LOT in the comparison market, where available data make it possible, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if the NV LOT is at a more advanced stage of distribution than the LOT of the CEP sale and there is no basis for determining whether the difference in LOTs between NV and CEP affects price comparability (*i.e.*, no LOT adjustment is possible), Commerce will grant a CEP offset, as provided in section 773(a)(7)(B) of the Act.⁵³

In this review, we sought information from Suzano regarding the marketing stages involved in making its reported home market and U.S. sales, including a description of the selling activities performed for each channel of distribution, as well as quantitative support. Specifically, in the

⁴⁸ See Suzano July 17, 2020 AQR, at Appendix A-1.

⁴⁹ See 19 CFR 351.412(c)(2).

⁵⁰ *Id.*; see also *Certain Orange Juice from Brazil: Final Results of Antidumping Duty Administrative Review and Notice of Intent Not to Revoke Antidumping Duty Order in Part*, 75 FR 50999 (August 18, 2010) (*OJ from Brazil*), and accompanying IDM at Comment 7.

⁵¹ Where NV is based on constructed value (CV), we determine the NV LOT based on the LOT of the sales from which we derive selling, general and administrative expenses, and profit for CV, where possible. See 19 CFR 351.412(c)(1).

⁵² See *Micron Tech., Inc. v. United States*, 243 F.3d 1301, 1314-16 (Fed. Cir. 2001) (*Micron*).

⁵³ See, *e.g.*, *OJ from Brazil* IDM at Comment 7.

initial questionnaire, we requested that Suzano “{p}rovide documentation demonstrating that you performed each of these activities, “ and “{i}ndicate how often you performed each of the specific activities.”⁵⁴ Based on the questionnaire responses provided by Suzano, our LOT findings are summarized below.

In the home market, Suzano reported that it made sales through two channels of distribution: (1) Home Market Channel 1 – Sales Office A sells directly to small retailers and end-users through a call center structure and external sales force; and (2) Home Market Channel 2 – Sales Office B sells directly to distributors and merchants.⁵⁵ Suzano categorized its selling functions by intensity level and assigned numeric values for these levels. These selling activities, as identified by Commerce in its initial questionnaire, are grouped into five selling function categories: (1) Provision of Sales Support; (2) Provision of Training Services; (3) Provision of Technical Support; (4) Provision of Logistical Services; and (5) Performance of Sales-Related Administrative Activities.⁵⁶

For Home Market Channel 1, Suzano reported an intensity level of 8 for provision of sales support, 0 for provision of training services, 2 for provision of technical support, 10 for provision of logistical services, and 7 for performance of sales-related administrative activities.⁵⁷ For Home Market Channel 2, Suzano reported an intensity level of 6 for provision of sales support, 4 for provision of training services, 6 for provision of technical support, 5 for provision of logistical services, and 5 for performance of sales-related administrative activities.⁵⁸

According to 19 CFR 351.412(c)(2), Commerce will determine that sales are made at different LOTs if they are made at different marketing stages (or their equivalent). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stage of marketing. Suzano contends that the two channels discussed above are different in terms of the segment of the market in which they operate, and this difference is reflected in differences in pricing strategy, credit costs, relationship management, and service level.⁵⁹

In making a determination, we are unable to corroborate Suzano’s reported intensity of certain selling functions due to the lack of supporting evidence on the record beyond the narrative response. Specifically, there is no documentary evidence to support the intensities assigned to “Provision of Training Services” or “Provision of Technical Support,” for either channel of trade. Additionally, we note that “Provision of Sales Support” and “Provision of Sales-Related Administrative Activities” are purportedly performed at comparable levels across the two channels (8 vs. 6, and 7 vs. 5, respectively). With respect to “Provision of Logistical Services” (10 vs. 5) packing is the same across channels, and many sales in both categories are made out of distribution warehouses. Give that the freight and warehousing requirements are similar, it is unclear what warrants the particularly high score for the first channel of trade, and the claimed

⁵⁴ See Questionnaire at A-7.

⁵⁵ See Suzano July 16, 2020 AQR at A-19 – A-20.

⁵⁶ See Questionnaire at A-15.

⁵⁷ See Suzano July 16, 2020 AQR at Exhibit A-10.

⁵⁸ *Id.*

⁵⁹ See Suzano July 16, 2020 AQR at A-18 – A-22.

disparity between the two channels. Finally, we note that Home Market Channel 1 is ranked higher in certain categories, while Home Market Channel 2 is higher in others; therefore, it does not appear that one channel is clearly at a more advanced marketing stage. The burden of proof is on Suzano to demonstrate selling functions and intensities,⁶⁰ and it has not met that threshold for these preliminary results. Accordingly, we preliminarily find that there is one LOT in the home market. However, because we did not specifically request that Suzano address the apparent discrepancies noted above or provide additional supporting documentation, we intend to obtain the missing information and consider it in our analysis for the final results.

With respect to the U.S. market, Suzano reported that the overwhelming majority of its U.S. sales were CEP sales made through its U.S. affiliate SPPA to U.S. distributors. In addition, Suzano made a small number of sales on an EP basis.⁶¹ Although Suzano did not identify EP sales as representing a distinct sales channel, and it did not provide information regarding selling functions specifically associated with such sales, we find these sales to constitute a distinct channel of trade. Given that the lack of information on the record with respect to the selling functions performed for EP sales, we preliminarily find that Suzano made EP sales at the same LOT as its sales to SPPA. Thus, we preliminarily find that there is a single LOT in the U.S. market.

In comparing the single U.S. LOT to the home market LOT, we examined the selling functions performed for Suzano's sales to SPPA.⁶² Suzano reported an intensity level of 1 for Provision of Sales Support, 0 for Provision of Training Services, 1 for Provision of Technical Support, 3 for Provision of Logistical Services, and 2 for Performance of Sales-Related Administrative Activities.⁶³ However, as with Suzano's home market selling functions, we are unable to corroborate Suzano's reported levels of intensity in the U.S. market based on record evidence. Specifically, there is no documentary evidence to support the intensities reported for the provision of training services, the provision of technical support, or the provision of sales support.⁶⁴

Further, with respect to other selling functions, the narrative and the reported figures appear to be inconsistent. For instance, regarding freight (provision of logistical services), for CEP sales, Suzano states that "the transport of this merchandise to U.S. ports {is} handled by Suzano Brazil's logistics team."⁶⁵ Therefore, beyond some differences related to arranging for warehousing provided by unaffiliated parties, the differences between the home market and U.S. market are limited and, therefore, the intensity score difference appears overstated (10/5 in home market compared to 3 for sales to SPPA). Similarly, for the provision of sales-related administrative support, Suzano states that "order processing" and "production planning in the

⁶⁰ See 19 CFR 351.412(d)(1).

⁶¹ See Suzano August 21, 2020 BCDQR at C-15.

⁶² As noted above, Commerce's LOT analysis focuses on the selling functions that the respondent performs to sell to its U.S. affiliate, rather than the activities that the U.S. affiliate undertakes to sell to the first unaffiliated customer. See 19 CFR 351.412(c)(1)(ii); see also *Micron*, 243 F. 3d at 1314-16.

⁶³ See Suzano July 16, 2020 AQR at Exhibit A-10.

⁶⁴ See *PSC VSMPO - AVISMA Corp. v. United States*, 33 CIT 1593 (CIT October 20, 2009) at 1599 ("Commerce cannot base its {CEP offset} decisions on conclusory statements alone")

⁶⁵ See Suzano July 16, 2020 AQR at A-27.

paper mills” for CEP sales are “handled by Suzano Brazil’s logistics team,”⁶⁶ and Suzano’s U.S. rebate program is administered by Suzano Brazil, just as with home market sales.⁶⁷ Therefore, the intensity score differential across markets again appears overstated (7/5 in home market compared to only 2 for sales to SPPA). Given these inconsistencies, and the limited supporting evidence for the claimed selling intensities, we find that the record does not establish that there are separate LOTs in the home market and in the United States.⁶⁸ Because we also did not specifically request that Suzano address the apparent discrepancies noted above, we intend to obtain the missing information and consider it in our analysis for the final results.

Based on the findings above, we preliminarily find that an LOT adjustment is not warranted. We also find that a CEP offset, under section 773(a)(7)(B) of the Act and 19 CFR 351.412(f), is not warranted because the record does not support the reported selling functions/intensities, and, thus, does not demonstrate that home market sales are made at a more advanced marketing stage than Suzano’s sales to SPPA.

C Cost of Production Analysis

In accordance with section 773(b)(2)(A)(ii) of the Act, Commerce requested cost of production (COP) information from Suzano. We examined Suzano’s cost data and determined that our quarterly cost methodology is not warranted, and, therefore, we applied our standard methodology of using annual costs based on the reported data.

1. Calculation of COP

We calculated the COP for Suzano based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for general and administrative (G&A) expenses and financial expenses, in accordance with section 773(b)(3) of the Act.

We relied on the COP information provided by Suzano for the COP calculation. We included in Suzano’s G&A expenses the amortization of goodwill from its acquisition of Fibria, which was concluded during the POR, despite the fact that Fibria does not operate in the paper industry. The applicable G&A expense, for Commerce’s purposes, is related to Suzano’s operations as a whole, and is not specifically limited to the production of subject merchandise.

2. Test of Comparison Market Sales Prices

On a product-specific basis, pursuant to section 773(b) of the Act, we compared the weighted-average COP to the per-unit price of the home market sales of the foreign like product to determine whether the sales had been made at prices below the COP. In particular, in determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made within an extended period of time in substantial

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ See *Ad Hoc Shrimp Trade Action Comm. v. United States*, 616 F. Supp. 2d 1354, 1374 (CIT 2009) (“While it is Commerce’s responsibility to determine if a {respondent} qualifies for a CEP offset, it is the responsibility of the respondent requesting the CEP offset to procure and present the relevant evidence to Commerce”).

quantities and at prices which permitted the recovery of all costs within a reasonable period of time, in accordance with sections 773(b)(2)(B), (C), and (D) of the Act. For purposes of this comparison, we used COP exclusive of selling and packing expenses. The prices were net of billing adjustments, discounts, rebates, movement expenses, actual direct and indirect selling expenses, and packing expenses, where appropriate.

3. Results of the COP Test

Section 773(b)(1) of the Act provides that, where sales made at less than the COP “have been made within an extended period of time in substantial quantities” and “were not at prices which permit recovery of all costs within a reasonable period of time,” Commerce may disregard such sales when calculating NV. Pursuant to section 773(b)(2)(C)(i) of the Act, we did not disregard below-cost sales that were not made in “substantial quantities,” *i.e.*, where less than 20 percent of sales of a given product were made at prices less than the COP. We disregarded below-cost sales when they were made in substantial quantities, *i.e.*, where 20 percent or more of a respondent’s sales of a given product were at prices less than the COP and where “the weighted average per unit price of the sales ... is less than the weighted average per unit cost of production for such sales.”⁶⁹ Finally, based on our comparison of prices to the weighted-average COPs, we considered whether the prices would permit the recovery of all costs within a reasonable period of time.⁷⁰

We found that, for certain products, more than 20 percent of Suzano’s home market sales were at prices less than the COP and, in addition, such sales did not provide for the recovery of costs within a reasonable period of time. We, therefore, disregarded these sales and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

D. Calculation of NV Based on Comparison Market Prices

We calculated NV based on packed, ex-factory or delivered prices to unaffiliated customers in the home market. We made adjustments, where appropriate, to the starting price for billing adjustments, discounts, rebates, late payment revenue,⁷¹ and certain taxes, in accordance with 19 CFR 351.401(c).⁷² We also made deductions, where appropriate, from the starting price for movement expenses, *i.e.*, foreign inland freight, warehousing expenses, and inland insurance, pursuant to section 773(a)(6)(B)(ii) of the Act.

For comparisons to EP sales, we made adjustments for differences in circumstances of sale pursuant to section 773(a)(6)(C)(iii) of the Act by deducting home market direct selling expenses (*i.e.*, imputed credit expenses, bank charges, royalties, financing fees, and advertising expenses), and adding U.S. direct selling expenses (*i.e.*, imputed credit expenses), where appropriate.

⁶⁹ See section 773(b)(2)(C)(ii) of the Act.

⁷⁰ See section 773(b)(2)(D) of the Act.

⁷¹ See *Certain Corrosion-Resistant Steel Products from Taiwan: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 16613 (March 24, 2020), and accompanying IDM at Comment 7.

⁷² See Suzano Preliminary Analysis Memorandum at 3.

For comparisons to CEP sales, we made deductions for home market direct selling expenses (*i.e.*, imputed credit expenses, bank charges, royalties, financing fees, and advertising expenses) in accordance with section 773(a)(6)(c) of the Act. Finally, we deducted home market packing costs and added U.S. packing costs, in accordance with section 773(a)(6)(A) and (B) of the Act.

When comparing U.S. sales with home market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise, in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the variable cost of manufacturing for the foreign like product and the subject merchandise.⁷³

E. Calculation of NV Based on CV

In accordance with section 773(e) of the Act, and where applicable, we calculated CV based on the sum of Suzano's material and fabrication costs, selling expenses, G&A expenses, profit, and U.S. packing costs. In accordance with section 773(e)(2)(A) of the Act, we based selling expenses and profit on the amounts incurred and realized by Suzano in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the comparison market.

For comparisons to Suzano's EP sales, we made circumstances-of-sale adjustments by deducting direct selling expenses incurred on comparison market sales from, and adding U.S. direct selling expenses to, CV, in accordance with section 773(a)(8) of the Act and 19 CFR 351.410.

For comparisons to Suzano's CEP sales, we deducted home market direct selling expenses, in accordance with section 773(a)(6)(B)(ii) of the Act.

XII. CURRENCY CONVERSION

We made currency conversions into U.S. dollars in accordance with section 773A(a) of the Act and 19 CFR 351.415, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank. The exchange rates are available on the Enforcement and Compliance website at <http://enforcement.trade.gov/exchange>.

⁷³ See 19 CFR 351.411(b).

XIII. RECOMMENDATION

Based on our analysis, we recommend adopting the above positions in these preliminary results. If this recommendation is accepted, we will publish the preliminary results of the review and the preliminary dumping margin in the *Federal Register*.



Agree

Disagree

5/28/2021

X



Signed by: CHRISTIAN MARSH

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance