

FACT SHEET

Preliminary Determinations in the Countervailing Duty Investigations on Imports of Certain Lined Paper Products from India and Indonesia

On February 7, the Department of Commerce announced its preliminary determinations in the countervailing duty (CVD) investigations on imports of certain lined paper products from India and Indonesia. We preliminarily found that countervailable subsidies were provided to producers/exporters of certain lined paper products from India, with net subsidy rates ranging from 2.20 to 7.17 percent, and to producers/exporters of certain lined paper products from Indonesia, with a net subsidy rate of 33.31 percent. As a result of these preliminary determinations, the Department will instruct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise and to collect a cash deposit or bond based on the preliminary rates.

Next Steps: The Department will consider all submitted comments from interested parties along with other record evidence before making its final determinations, currently scheduled for April 2006. If the Department finds that countervailable subsidies were provided to producers/exporters from India and/or Indonesia, and the U.S. International Trade Commission (ITC) makes a final affirmative determination that imports from India and/or Indonesia materially injure, or threaten material injury to, the domestic industry, the Department will issue countervailing duty orders and instruct U.S. Customs and Border Protection to collect cash deposits on imports of subject merchandise.

Critical Circumstances: The petitioners alleged that critical circumstances exist with respect to imports of subject merchandise from India and Indonesia. The Department has preliminarily determined that there is not sufficient evidence to warrant a finding that critical circumstances exist with respect to imports from producers/exporters subject to these investigations.

Companion Antidumping Investigations: The Department's preliminary determinations in the antidumping investigations of imports of certain lined paper products from India, Indonesia, and the People's Republic of China are scheduled to be announced on March 21, 2006.

Petitioners: The petitions requesting these investigations were filed by the Association of American School Paper Suppliers, an *ad hoc* trade association whose members are located in Nebraska, Tennessee, and Georgia.

Product Description: The scope of these investigations includes certain lined paper products, typically school supplies, composed of or including paper that incorporates straight horizontal and/or vertical lines on ten or more paper sheets, including but not limited to such products as single- and multi-subject notebooks, composition books, wireless notebooks, looseleaf or glued filler paper, graph paper, and laboratory notebooks. Merchandise subject to these investigations is typically imported under headings 4820.10.2050, 4810.22.5044, 4811.90.9090 of the Harmonized Tariff Schedule of the United States (HTSUS). The tariff classifications are provided for convenience and customs purposes; however, the written description of the scope of the investigations is dispositive. For a complete scope description, see the CVD preliminary determination notices.

Preliminary Net Countervailable Subsidy Rates:

COUNTRY	PRODUCER/EXPORTER	PRELIMINARY RATE
INDIA	Aero Exports	6.92%
	Kejriwal Paper Limited	2.20%
	Navneet Publications	7.17%
	All Others	5.99%
INDONESIA	PT. Pabrik Kertas Tjiwi Kimia Tbk	33.31%
	All Others	33.31%

Case Calendar:

Event	Date
Petition Filed	September 9, 2005
AD/CVD Initiation Date	September 29, 2005
ITC Preliminary Determinations	October 24, 2005
ITA Preliminary Determinations	February 6, 2006
ITA Final Determinations*	April 24, 2006
ITC Final Determinations**	June 8, 2006
Issuance of Order***	June 15, 2006

* This deadline may be extended under the governing statute.

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

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

Import Statistics:

COUNTRY	2002	2003	2004
INDIA			
Volume (units)	28,761,808	37,407,759	37,290,761
Value (\$US)	11,754,930	14,196,954	12,418,696
INDONESIA			
Volume (units)	34,621,227	43,981,874	36,342,264
Value (\$US)	15,706,846	15,518,181	11,231,117

Source: U.S. ITC DataWeb under HTSUS subheadings 4820.10.2050, 4810.22.5044, and 4811.90.9000. In calculating the import volume for HTSUS subheadings 4811.90.9000 and 4810.22.5044, the Department converted import data obtained from the DataWeb into a unit basis by dividing the reported total weight (in kilograms) by 0.491262 kilograms, the per unit weight of the most common filler paper product (150-count filler paper), as indicated by Petitioner. See Petition, Volume I, page 9, Footnote 1. HTSUS subheading 4820.10.2050 did not require conversion.