

US sets triple-digit duties on China paper-industry

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WASHINGTON - The United States has set combined duties ranging up to 313.8 percent on coated paper from China and duties of up to 38 percent on the same product from Indonesia, a top Asian paper exporter said on Tuesday.

"While we are disappointed ... we remain confident that the entire trade case will be thrown out at the conclusion of the International Trade Commission's injury investigation in mid-October," Terry Hunley, acting president of Asia Pulp & Paper, said in a statement issued in Washington.

The U.S. Commerce Department was expected to officially announce the duties later on Tuesday.

The decision comes just a few days before President Barack Obama meets with Chinese Premier Wen Jiabao on the sidelines of an annual U.N. meeting in New York.

Beijing has accused the United States of using its trade laws in protectionist manner, while Washington says its actions are a justified defense against unfair trade practices.

The steep coated paper duties are a victory for U.S. companies NewPage Corp [NEWPG.UL], Appleton Coated LLC and S.D. Warren Co, and for union workers who accused their Chinese competitors of receiving government subsidies and selling their goods in the United States at unfairly low prices.

Last year, the United States imported \$213.2 million of the coated paper from China and \$46.7 million from Indonesia.

The paper is used in the printing of corporate annual reports, high-end catalogues and magazines, and in other prestigious applications.

The U.S. International Trade Commission must give its approval for the duties to remain in effect.

Asia Pulp and Paper said it was hit with combined anti-dumping and countervailing duties of 25.2 percent on its coated papers exports from China to the United States and 38.0 percent on its exports from Indonesia.

Chinese company Sun Paper received a combined duty rate of 313.8 percent, while Shandong Chenming was hit with a combined rate of 25.2 percent. All other Chinese exporters received a combined rate of 153.4 percent and all other Indonesian exporters received a rate of 38.0 percent, AP&P said.

(Reporting by [Doug Palmer](#); Editing by [Philip Barbara](#))