

relevance of the information to be used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. The only source for margins is administrative determinations. Thus, in an administrative review, if the Department chooses as facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant. Where circumstances indicate that the selected margin is not appropriate as facts available, the Department will disregard the margin and determine an appropriate margin, *see, e.g., Fresh Cut Flowers from Mexico: Final Results of Antidumping Duty Administrative Review* (61 FR 63822, 63824 December 2, 1996), where the Department disregarded the highest margin as adverse facts available because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin. No such circumstances exist in this case which would cause the Department to disregard a prior margin.

#### Preliminary Results of Review

As a result of this review, we preliminarily determine that the following margins exist for the period September 1, 1997, through August 31, 1998:

Manufacturer/exporter	Percent margin
Gourmet Equipment (Taiwan) Corporation .....	10.67
Buxton International/Uniauto ....	10.67
Chu Fong Metallic Electric Co. ..	10.67
Transcend International .....	6.93
San Chien Industrial Works, Ltd	10.67
Anmax Industrial Co., Ltd .....	10.67
Everspring Plastic Corp .....	6.93
Gingen Metal Corp .....	6.93
Hwen Hsin Enterprises Co., Ltd	10.67
Kwan How Enterprises Co., Ltd	6.93
Kwan Ta Enterprises Co., Ltd ..	6.93
Kuang Hong Industries Ltd .....	6.93
Multigrand Industries Inc .....	10.67
San Shing Hardware Works Co., Ltd .....	10.67
Trade Union International Inc./Top Line .....	10.67
Uniauto, Inc .....	10.67
Wing Tang Electrical Manufacturing Company .....	10.67

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to

the proceeding any calculations performed in connection with these preliminary results within five (5) days after the date of publication of this notice. Pursuant to 19 CFR 351.309, interested parties may submit written comments in response to these preliminary results. Case briefs are currently scheduled for submission within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five (5) days after the time limit for filing case briefs. Parties who submit an argument in this proceeding are requested to submit with the argument: (1) A statement of the issue, and (2) a brief summary of the argument. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the deadline for submission of rebuttal briefs. The Department will issue a notice of the final results of this administrative review, including its analysis of issues raised in any case or rebuttal brief or at a hearing, not later than 120 days after the date of publication of this notice.

The Department shall determine, and Customs shall assess, based on the above rates, antidumping duties on all appropriate entries. The rate will be assessed uniformly on all entries supplied by that particular company during the POR. Upon completion of this review, the Department will issue appraisement instructions on each manufacturer/exporter directly to Customs.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of chrome plated lug nuts from Taiwan entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed companies will be the rates established in the final results of this administrative review (except no cash deposit will be required where the weighted-average margin is *de minimis*, i.e., less than 0.5 percent); (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the LTFV investigation or a previous review, the cash deposit will continue

to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received an individual rate; (3) if the exporter is not a firm covered in this review, a previous review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews or the original investigation, the cash deposit rate will be 6.93 percent, the "all others" rate established in the LTFV investigation.

This notice serves as a preliminary reminder to importers of their responsibility, under 19 CFR 351.402(f), to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: September 29, 1999.

**Robert S. LaRossa,**

*Assistant Secretary, Import Administration.*

[FR Doc. 99-26591 Filed 10-8-99; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-848]

#### Notice of Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review, Partial Rescission of the Antidumping Duty Administrative Review, and Rescission of the New Shipper Review for Yancheng Baolong Biochemical Products, Co. Ltd.: Freshwater Crawfish Tail Meat From the People's Republic of China

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on freshwater crawfish tail meat from the People's Republic of China (PRC) in response to requests from petitioner and from respondent Ningbo Nanlian Frozen Foods Company, Ltd. (Ningbo Nanlian).

The Department is also conducting new shipper reviews in response to requests from respondents Yancheng Baolong Biochemical Products Co., Ltd. (Baolong Biochemical), Lianyungang Haiwang Aquatic Products Co., Ltd. (Haiwang) and Qingdao Rirong Foodstuff Co., Ltd. (Rirong), PRC exporters of subject merchandise. These reviews generally cover the period March 26, 1997 through August 31, 1998. See the "Background" section of this notice, below.

We preliminarily determine that sales have been made below normal value (NV). The preliminary results are listed below in the section titled "Preliminary Results of Review." If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between the export price (EP) or constructed export price (CEP), as applicable, and NV. Interested parties are invited to comment on these preliminary results. (See the "Preliminary Results of Review" section of this notice.)

**EFFECTIVE DATE:** October 12, 1999.

**FOR FURTHER INFORMATION CONTACT:** Andrew Nulman, Michael Strollo, or Maureen Flannery, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4052, (202) 482-5255, or (202) 482-3020, respectively.

### The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR part 351 (1998).

### Background

The Department published in the **Federal Register** an antidumping duty order on freshwater crawfish tail meat from the PRC on September 15, 1997 (62 FR 48218). On September 16, 1998, in accordance with 19 CFR 351.213(b)(1), the Department received a request from respondent, Ningbo Nanlian, and on September 30, 1998, the Department received a request from petitioner, the Crawfish Processors Alliance (CPA), to conduct an administrative review of the antidumping duty order on freshwater crawfish tail meat from the PRC. On October 26, 1998, the Department initiated this antidumping

administrative review of the following companies: Ningbo Nanlian, Huaiyin Ningtai Fisheries Co., Ltd. (Huaiyin Ningtai), Nantong Delu Aquatic Food Co., Ltd. (Nantong Delu), Binzhou Prefecture Foodstuffs Import & Export Corp. (Binzhou Foodstuffs), Yancheng Foreign Trade Corp. (Yancheng FTC), Yancheng Baolong Aquatic Foods Co., Ltd. (Baolong Aquatic), China Everbright Trading Company (China Everbright), Huaiyin Foreign Trade Corp. (Huaiyin FTC), and Jiangsu Cereals, Oils & Foodstuffs Import & Export Corp. (Jiangsu Ceroilfood). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews, Requests for Revocation in Part and Deferral of Administrative Reviews*, 63 FR 58010 (October 29, 1998). This administrative review covers the period of March 26, 1997 through August 31, 1998, except with respect to Ningbo Nanlian. The period of review for Ningbo Nanlian is April 1, 1998 through August 31, 1998, because we reviewed sales for Ningbo Nanlian prior to April 1, 1998 in our new shipper review of this firm. See *Freshwater Crawfish Tail Meat From the People's Republic of China: Final Results of New Shipper Review*, 64 FR 27961 (May 24, 1999) (*Ningbo New Shipper Review*).

On September 29, 1998, the Department received requests from Haiwang and Rirong, and on September 30, 1998, the Department received a request from Baolong Biochemical, for new shipper reviews of the antidumping duty order on freshwater crawfish tail meat from the PRC. These requests were pursuant to section 751(a)(2)(B) of the Act and section 351.214(b) of the Department's regulations, which state that, if the Department receives a request for review from an exporter or producer of the subject merchandise stating that it did not export the merchandise to the United States during the period covered by the original investigation (the POI) and that such exporter or producer is not affiliated with any exporter or producer who exported the subject merchandise during that period, the Department shall conduct a new shipper review to establish an individual weighted-average dumping margin for such exporter or producer, if the Department has not previously established such a margin for the exporter or producer. The regulations require that the exporter or producer shall include in its request, with appropriate certifications: (i) The date on which the merchandise was first entered, or withdrawn from warehouse, for consumption, or, if it cannot certify as to the date of first entry, the date on

which it first shipped the merchandise for export to the United States, or if the merchandise has not yet been shipped or entered, the date of sale; (ii) a list of the firms with which it is affiliated; (iii) a statement from such exporter or producer, and from each affiliated firm, that it did not, under its current or a former name, export the merchandise during the POI; and (iv) in an antidumping proceeding involving inputs from a non-market-economy (NME) country, a certification that the export activities of such exporter or producer are not controlled by the central government. See 19 CFR 351.214(b)(ii) and (iii).

Haiwang's, Rirong's, and Baolong Biochemical's requests were accompanied by information and certifications establishing the effective date on which each company first shipped and entered freshwater crawfish tail meat for consumption in the United States, the volume of each shipment, and the date of first sale to an unaffiliated customer in the United States. Haiwang, Rirong and Baolong Biochemical each claimed it had no affiliated companies which exported freshwater crawfish tail meat from the PRC during the POI. In addition, Haiwang, Rirong, and Baolong Biochemical each certified that its export activities are not controlled by the central government. On October 30, 1998, the Department initiated these new shipper reviews covering the period March 26, 1997 through August 31, 1998. These new shipper reviews cover the same period as the administrative review. See *Freshwater Crawfish Tail Meat From the People's Republic of China: Initiation of New-Shipper Antidumping Administrative Review*, 63 FR 59762 (November 5, 1998). In our initiation notice, we noted that Haiwang and Rirong agreed to waive the standard deadlines for new shipper reviews, and that, in accordance with section 751(a) of the Act and 19 CFR 351.214(j)(3), we were conducting new shipper reviews for these parties concurrent with the administrative review initiated on October 29, 1998 (63 FR 58009).

Due to extraordinarily complicated issues in this case, the Department extended the deadline for completion of the administrative review and the new shipper reviews for Rirong, Haiwang and Baolong Biochemical on March 5, 1999. See *Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Extension of Time Limits for Preliminary Results of the Antidumping Duty Administrative Review*, 64 FR 13398 (March 18, 1999), *Freshwater Crawfish Tail Meat from the*

*People's Republic of China: Notice of Extension of Time Limits for Preliminary Results of New Shipper Antidumping Duty Administrative Review*, 64 FR 13399 (March 18, 1999), and *Freshwater Crawfish Tail Meat from the People's Republic of China: Extension of Preliminary Results of a New Shipper Antidumping Review*, 64 FR 12977 (March 16, 1999). On July 16, 1999, the Department published a second extension. See *Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Extension of Time Limits for Preliminary Results of the Antidumping Duty Administrative Review and New Shipper Reviews*, 64 FR 38409. Also on July 16, 1999, the Department published an extension for the new shipper review of Baolong Biochemical. See *Freshwater Crawfish Tail Meat From the People's Republic of China: Notice of Extension of Time Limits for Preliminary Results of New Shipper Antidumping Duty Review*, 64 FR 38408.

On August 6, 1999, we received a request from Baolong Biochemical to conduct its new shipper review concurrently with the administrative review, in accordance with 19 CFR 351.214(j)(3). Therefore, pursuant to section 751(a) of the Act and 19 CFR 351.214(j)(3), we are conducting the new shipper review for Baolong Biochemical concurrently with the administrative review. See *Freshwater Crawfish Tail Meat From the People's Republic of China: Postponement of New Shipper Antidumping Duty Review*, 64 FR 46181 (August 24, 1999).

#### **Partial Rescission of Administrative Review**

At the request of petitioner, we initiated a review of China Everbright and Jiangsu Ceroilfood. However, on December 7, 1998, China Everbright informed the Department that it had no shipments of the subject merchandise to the United States during the period of review (POR). On December 28, 1998, Jiangsu Ceroilfood informed the Department that it had no shipments of the subject merchandise to the United States during the POR. We independently confirmed with the United States Customs Service that there were no shipments from either China Everbright or Jiangsu Ceroilfood during the POR. Therefore, in accordance with section 351.213(d)(3) of the Department's regulations and consistent with Department practice, we are rescinding our review of China Everbright and Jiangsu Ceroilfood. The cash deposit rates for China Everbright and Jiangsu Ceroilfood will continue to be the company-specific rates for these

companies, as established in the amended final determination in the investigation and the antidumping duty order. See *Notice of Amendment to Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Freshwater Crawfish Tail Meat From the People's Republic of China*, 62 FR 48218 (September 15, 1997) (*Amended Final Determination*).

#### **Rescission of New Shipper Review for Baolong Biochemical**

A review of information on the record with respect to Baolong Biochemical has led us to conclude that Baolong Biochemical did not have a *bona fide* sale to the United States during the review period, and thus is not entitled to a review under section 751(a)(2)(B) of the Act. Baolong Biochemical's sales of crawfish tail meat to the United States fall outside of its normal business, which is the processing of crawfish shells into intermediary products used to produce medicinal products and animal feed. Baolong has no facilities to produce subject merchandise. Moreover, the terms and conditions of Baolong's sales are not normal for the industry. For a further discussion of these issues, see Memorandum to Robert S. LaRossa through Joseph A. Spetrini from Barbara E. Tillman: *Issues for the Preliminary Results of Review Concerning Bona Fide Sales and the Use of Facts Available (Decision Memorandum)*, dated September 30, 1999. Because Baolong Biochemical has no *bona fide* sales during the POR, we are rescinding the new shipper review of Baolong Biochemical. We will instruct the Customs Service to require the posting of cash deposits, rather than bond, for imports of crawfish exported by Baolong Biochemical.

#### **Scope of Reviews**

The product covered by these reviews is freshwater crawfish tail meat, in all its forms (whether washed or with fat on, whether purged or unpurged), grades, and sizes; whether frozen, fresh, or chilled; and regardless of how it is packed, preserved, or prepared. Excluded from the scope of the order are live crawfish and other whole crawfish, whether boiled, frozen, fresh, or chilled. Also excluded are saltwater crawfish of any type, and parts thereof. Freshwater crawfish tail meat is currently classifiable in the Harmonized Tariff Schedule of the United States (HTS) under item numbers 0306.19.00.10 and 0306.29.00.00. The HTS subheadings are provided for convenience and Customs purposes only. The written description of the scope of this order is dispositive.

#### **Review Period**

These new shipper and antidumping duty reviews cover the period March 26, 1997 through August 31, 1998, except for the review of Ningbo Nanlian, which covers the period April 1, 1998 through August 31, 1998, as explained above.

#### **Verification**

As provided in section 782(i) of the Act, we conducted a verification of Haiwang. We also conducted a verification of Rirong and its unaffiliated producer, Weishan Hongfa Lake Foodstuff Co., Ltd. (Hongfa), and Baolong Biochemical and its unaffiliated producer, Jiangsu Zhenfeng Group Food Company (Zhenfeng). We used standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results are outlined in the public version of the verification reports. Huaiyin FTC was not verified because the company refused to permit verification to take place. See letter from Huaiyin FTC to the Department dated May 21, 1999.

#### **Application of Facts Available**

Section 776(a)(2) of the Act provides that if any interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested; (C) significantly impedes an antidumping investigation; or (D) provides such information but the information cannot be verified, the Department shall use the facts otherwise available (FA) in reaching the applicable determination under this title.

As noted above, Huaiyin FTC refused verification of its questionnaire response. Because Huaiyin FTC did not allow the Department to verify the information it submitted, we could not use the information. Therefore, in accordance with section 776(a)(2)(D) of the Act, the use of FA is required for Huaiyin FTC. See *Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent Not To Revoke Order in Part*, 64 FR 30481 (June 8, 1999).

With respect to Binzhou Foodstuffs, Huaiyin Ningtai, and Baolong Aquatic, we preliminarily determine that, in accordance with section 776(a)(2)(A) of the Act, the use of FA is required because these firms did not respond to the Department's antidumping

questionnaire. *See Silicon Metal From The People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review*, 63 FR 11654 (March 10, 1998) and *Silicon Metal From The People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 63 FR 37850 (July 14, 1998).

Two firms, Yancheng FTC and Nantong Delu, failed to file their questionnaire responses in the proper manner and to serve responses on the other interested parties in this review, as required by sections 351.303 and 351.304 of the Department's regulations. The Department afforded Yancheng FTC and Nantong Delu numerous opportunities to remedy these deficiencies. Neither company complied with the applicable regulations. Consequently, the information was returned to Yancheng FTC on February 19, 1999, and to Nantong Delu on April 5, 1999. Because Yancheng FTC and Nantong Delu failed to respond to our requests in the form and manner requested, we determine that they did not cooperate to the best of their ability with our requests for information. Therefore, pursuant to section 776(a)(2)(B) of the Act, the use of FA is required for Yancheng FTC and Nantong Delu.

While all six companies received separate rates in the original investigation, it is the Department's policy that separate-rates questionnaire responses must be evaluated each time a respondent makes a separate rate claim, regardless of any separate rate the respondent received in the past. *See Manganese Metal from the People's Republic of China, Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 63 FR 12441 (March 13, 1998). However, for companies for which no questionnaire response is on the record, or which refuse verification, we are unable to evaluate whether a separate rate would be appropriate. In the instant administrative review, these companies failed to provide complete and accurate responses which could be used in the determination of separate rates. Therefore, consistent with Department practice, we are treating these companies, together with all other PRC companies that have not established that they are entitled to separate rates, as a single enterprise subject to government control. Thus, we have determined the rate applied to this single enterprise, the PRC-wide rate, based on adverse FA, in accordance with section 776(b) of the Act.

We were unable to verify a significant part of Haiwang's questionnaire

response. Specifically, Haiwang claimed that it produced the crawfish sold to the United States during the POR and submitted information on its factors of production. However, based on our on-site verification, we preliminarily determine that Haiwang's response, particularly the factors of production data, is unreliable and unverifiable. Because much of the relevant information is proprietary, it is not possible to discuss the issue in this public notice. *See Decision Memorandum and the New Shipper Review of Freshwater Crawfish Tail Meat from the People's Republic of China: Sales and Factors of Production Verification of Lianyungang Haiwang Aquatic Products Co., Ltd.*, dated September 30, 1999 (*Haiwang Verification Report*). Therefore, pursuant to 776(a)(2)(D), we are using FA for Haiwang.

We preliminarily determine, in accordance with section 776(b) of the Act, that the use of adverse FA is appropriate for Haiwang, as well as for the PRC enterprise. *See Determination of Adverse Facts Available in the Administrative and New Shipper Review of Freshwater Crawfish Tail Meat from the People's Republic of China (Adverse Facts Available Memorandum)*, dated September 30, 1999.

Under section 776(b) of the Act, adverse FA may include reliance on information derived from: (1) the petition, (2) a final determination in the investigation, (3) any previous review under section 751 of the Act or determination under section 753 of the Act, or (4) any other information placed on the record. In this case, for Haiwang and the PRC-wide rate, we have used the highest rate from the petition, 201.63 percent, which was the PRC-wide rate in the final determination (*see Amended Final Determination*).

Section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate secondary information, such as the petition, using independent sources reasonably at its disposal. The Statement of Administrative Action, H.R. Doc. 316, Vol. 1, 103d Cong., 2d Sess. 870 (1994) (SAA) provides that "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. *See SAA*, at 870. The petition rate being used in this proceeding was previously corroborated. *See the Concurrence Memorandum; Final Antidumping Determination Freshwater Crawfish Tail Meat from the People's Republic of China*, dated July 24, 1997.

We have no new information that would lead us to reconsider that decision.

#### Affiliation Issues

We have placed on the record of the new shipper reviews of Baolong Biochemical and Haiwang third party allegations that these companies may be affiliated with companies that exported during the investigation. With respect to the new shipper review of Haiwang, we intend to request more information regarding this issue and will evaluate such information for the final results of review. With respect to the new shipper review of Baolong Biochemical, this issue is moot because we are rescinding the review due to the absence of *bona fide* sales during the period of review.

#### Market-Oriented Industry (MOI) Status

Jiangsu Ceroilfood claims that its material inputs are acquired at market prices, and that, accordingly, the Department should find that the crawfish tail meat industry in the PRC is a MOI. Thus, Jiangsu Ceroilfood claims, the Department should value these inputs using the actual prices it pays in the PRC.

Because Jiangsu Ceroilfood had no shipments of the subject merchandise during the POR, we are rescinding the review of this company in accordance with section 351.213(d)(3) of the Department's regulations. Consequently, we are not evaluating the MOI claim of Jiangsu Ceroilfood during the course of this administrative review.

#### Separate Rates

Baolong Biochemical, Haiwang, Ningbo Nanlian, Jiangsu Ceroilfood, and Rirong have requested separate, company-specific rates. Because we are rescinding the new shipper review for Baolong Biochemical and the administrative review for Jiangsu Ceroilfood, we are not addressing the question of a separate rate with respect to these companies.

In their questionnaire responses, Haiwang, Ningbo Nanlian and Rirong state that they are independent legal entities. Ningbo Nanlian and Rirong have furthermore reported they are PRC-foreign joint ventures. Haiwang has reported that it is a wholly foreign-owned enterprise.

To establish whether a company operating in a NME country is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991), as amplified by the *Final*

*Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994). Under this policy, exporters in NMEs are entitled to separate, company-specific margins when they can demonstrate an absence of government control, both in law and in fact, with respect to export activities. Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control over exports is based on four factors: (1) whether each exporter sets its own export prices independently of the government and without the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has the authority to negotiate and sign contracts and other agreements; and (4) whether each exporter has autonomy from the government regarding the selection of management.

#### De Jure Control

With respect to the absence of *de jure* government control over its export activities, evidence on the record indicates that Haiwang is not controlled by the government. Haiwang submitted evidence of its legal right to set prices independent of all government oversight. Haiwang's business licence and certificate of approval indicate that Haiwang is a foreign wholly-owned enterprise. We find no evidence of *de jure* government control restricting Haiwang from the exportation of crawfish. See *Section A Response*, Haiwang, pages A-1 through A-8, and exhibits 2 through 4 (December 15, 1998).

With respect to the absence of *de jure* government control over its export activities, evidence on the record indicates that Ningbo Nanlian and its affiliated producer, Yinxian No. 2 Freezing Factory (Y2FF), are not controlled by the government. Ningbo Nanlian submitted evidence of its legal right to set prices independent of all government oversight. Ningbo Nanlian's business license indicates that Ningbo Nanlian is permitted to engage in the exportation of crawfish. See *Section A Response*, Ningbo Nanlian, pages A-4

through A-8, and exhibits 2-5 (December 8, 1998).

With respect to the absence of *de jure* government control over its export activities, evidence on the record indicates that Rirong is not controlled by the government. Rirong submitted evidence of its legal right to set prices independent of all government oversight. Rirong's business licence and certificate of approval indicate that Rirong is a Sino-foreign joint venture enterprise. We find no evidence of *de jure* government control restricting Rirong from the exportation of crawfish. See *Section A Response*, Rirong, pages A-1 through A-6, and exhibits 2 through 4 (December 15, 1998).

No export quotas apply to crawfish and an export license is not required for exports of the subject merchandise to the United States. See the *Section A Responses* of Rirong and Haiwang, both dated December 15, 1998. Prior verifications have confirmed that there are no export licenses required and no quotas for the seafood category "Other," which includes crawfish, in *China's Tariff and Non-Tariff Handbook* for 1996. In addition, we have previously confirmed that crawfish is not on the list of commodities with planned quotas in the 1992 PRC Ministry of Foreign Trade and Economic Cooperation document entitled *Temporary Provisions for Administration of Export Commodities*. (See *Freshwater Crawfish Tail Meat From The People's Republic of China; Preliminary Results of New Shipper Review*, 64 FR 8543, (February 22, 1999) and *Ningbo New Shipper Review*.)

*The Administrative Regulations of the People's Republic of China for Controlling the Registration of Enterprises as Legal Persons (Legal Persons Regulations)*, issued on July 13, 1988 by the State Administration for Industry and Commerce of the PRC and placed on the record of these reviews, provide that, to qualify as legal persons, companies must have the "ability to bear civil liability independently" and the right to control and manage their businesses. These regulations also state that as an independent legal entity, a company is responsible for its own profits and losses. (See *Notice of Final Determination of Sales at Less Than Fair Value: Manganese Metal from the People's Republic of China*, 60 FR 56046 (November 6, 1995) (*Manganese Metal*) and *Section A Response*, Ningbo Nanlian, December 8, 1998.) *The People's Republic of China All People's Ownership Business Law (Company Law)*, also on the record of these reviews, states that a foreign company shall bear civil responsibility for the

operational activities of its branch organization in China. See *Section A Response*, Ningbo Nanlian, December 7, 1998. At verification, we saw that business licenses for Ningbo Nanlian and Rirong were established in accordance with these laws. (Haiwang provided copies of the *Foreign Investment Enterprise Law* (See exhibit 1 of the April 13, 1999 supplemental questionnaire response) which states that "sole foreign investment enterprise \* \* \* shall have right of autonomy in its operation and administration and any [government] interference shall be prohibited." Therefore, with respect to the absence of *de jure* control over export activity, we determine that these firms are independent legal entities.

#### De Facto Control

With respect to the absence of *de facto* control over export activities, the information presented indicates that the management of Haiwang, Ningbo Nanlian and Rirong is responsible for all decisions such as the determination of export prices, profit distribution, marketing strategy, and contract negotiations. Our analysis indicates that there is no government involvement in the daily operations or the selection of management for Haiwang, Ningbo Nanlian or Rirong. See *Section A Response*, Ningbo Nanlian, page A-6 through A-8 and A-10, and exhibit 5, (December 8, 1998); *Section A Response*, Rirong, pages A-5, A-7 and A-9 through A-10 and exhibit 6 (December 15, 1998); and *Section A Response*, Haiwang, pages A-5 to A-8 and exhibit 6 (December 15, 1998). For more information, see *Separate Rate Analysis in the New Shipper Review of Freshwater Crawfish Tail Meat from the People's Republic of China* dated September 30, 1999 (*Separate Rates Memoranda*), which are on file in the Central Records Unit (room B099 of the Main Commerce Building).

Consequently, because evidence on the record indicates an absence of government control, both in law and in fact, over their export activities, we preliminarily determine that these exporters are entitled to separate rates. For further discussion of the Department's preliminary determination that these exporters are entitled to separate rates, see the *Separate Rates Memoranda*.

#### Normal Value Comparisons

To determine whether respondents' sales of the subject merchandise to the United States were made at NV, we compared their United States prices to NV, as described in the "United States

Price" and "Normal Value" sections of this notice.

### United States Price

For sales made by Ningbo Nanlian, we based United States price on CEP in accordance with section 772(b) of the Act, because the sales to unaffiliated purchasers were made after importation. We calculated CEP based on packed prices from the U.S. affiliate's warehouse to the first unaffiliated purchaser in the United States. We made the following deductions from the starting price (gross unit price): foreign inland freight, international (ocean) freight, U.S. customs duty, brokerage and handling expenses, the affiliated purchaser's U.S. credit expenses, the affiliated purchaser's indirect selling expenses, and CEP profit. See sections 772(c) and (d) of the Act. Because U.S. customs duty, brokerage and handling expenses, credit expenses and indirect selling expenses incurred by the U.S. affiliate are market-economy costs incurred in U.S. dollars, we used actual costs rather than surrogate values to value these deductions to gross unit price. Consistent with the original investigation and the *Ningbo Nanlian New Shipper Review*, we valued other expenses using India as a surrogate country. We valued movement expenses as follows:

- To value truck freight, we used the rates reported in an April 20, 1994 newspaper article in the "Times of India" and submitted for the *Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol From the People's Republic of China*, 60 FR 52647 (October 10, 1995). We adjusted the rates to reflect inflation through the POR using wholesale price indices (WPI) for India in the *International Financial Statistics (IFS)* published by the International Monetary Fund (IMF).

- To value brokerage and handling in the home market, we used information reported in the antidumping administrative review of *Certain Stainless Steel Wire Rod From India; Preliminary Results of Antidumping Duty Administrative and New Shipper Reviews*, 63 FR 48184 (September 9, 1998) (*Stainless Steel Wire Rod from India*), and also used in the *Ningbo New Shipper Review*.

We used the average of the foreign brokerage and handling expenses reported in the U.S. sales listing portion of the public questionnaire response submitted in the antidumping review of Viraj Impoexpo in *Stainless Steel Wire Rod from India*. We also used this average value for Ningbo Nanlian for the period February 1997 through January 1998. Charges were reported on a per

metric ton basis. For further discussion, see Memorandum to Barbara E. Tillman through Maureen Flannery from The Crawfish Team, *Freshwater Crawfish Tail Meat from the People's Republic of China: Factor Values Memorandum, (Factor Values Memorandum)* dated September 30, 1999.

- To value ocean freight, we obtained publicly available price quotes from Sea Land Services for shipping frozen crawfish tail meat from the PRC to Long Beach, California in the United States. See *Factor Values Memorandum*. To adjust this rate to the POR, we used the closest corresponding monthly WPI and the WPI average for the POR.

For Rirong, we based United States price on EP in accordance with section 772(a) of the Act, because the first sales to unaffiliated purchasers were made prior to importation, and CEP was not otherwise warranted by the facts on the record. We calculated EP based on packed prices from the exporter to the first unaffiliated purchaser in the United States. We deducted foreign inland freight and brokerage and handling expenses in the home market from the starting price (gross unit price) in accordance with 772(c) of the Act. Consistent with the original investigation and the *Ningbo Nanlian New Shipper Review*, we used India as a surrogate country for all expenses for non-market-economy suppliers. We valued movement expenses as follows:

- To value truck freight, we used the rates reported in an April 20, 1994 newspaper article in the "Times of India" and submitted for the *Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol From the People's Republic of China*, 60 FR 52647 (October 10, 1995). We adjusted the rates to reflect inflation through the POR using WPI for India in the IFS published by the IMF.

- To value brokerage and handling in the home market, we used information reported in the antidumping administrative review of *Stainless Steel Wire Rod from India*, and also used in *Ningbo New Shipper Review*.

### Normal Value

For companies located in NME countries, section 773(c)(1) of the Act provides that the Department shall determine NV using a factors-of-production methodology if (1) the merchandise is exported from an NME country, and (2) available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC

has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. None of the companies contested such treatment in this review. Accordingly, we have applied surrogate values to the factors of production to determine NV.

We calculated NV based on factors of production in accordance with section 773(c)(4) of the Act and section 351.408(c) of our regulations. Consistent with the original investigation and the *Ningbo Nanlian New Shipper Review*, we determined that India (1) is comparable to the PRC in level of economic development, and (2) is a significant producer of comparable merchandise. With the exception of the crawfish input, we valued the factors of production using publicly available information from India. For the crawfish input, we used Spanish import statistics for crawfish imported from Portugal. See the *Factor Values Memorandum*. We used import prices to value many factors. As appropriate, we adjusted import prices by adding freight expenses to make them delivered prices. For a complete analysis of surrogate values, see the *Factor Values Memorandum*.

We valued the factors of production as follows:

- To value whole crawfish, we used the average Spanish import price for fresh (not frozen) crawfish imported from Portugal. In order to factor out seasonal fluctuations in the price of the Spanish import data, we valued whole crawfish using data from the calendar year 1997, the most recent period for which data is available. Spanish import data show insignificant amounts of crawfish from other countries at aberrational prices and, therefore, it would not be appropriate to include these data in the calculation of the crawfish cost. These data are publicly available and are published by the Spanish Ministry of Customs in Madrid. Since the factors of production were reported for a period concurrent with our valuation of the crawfish input, we did not adjust these factor values. See the *Factor Values Memorandum* for further discussion.

- To value the by-product of shells in the investigation and the *Ningbo New Shipper Review*, we used Indian import data for HTS category 0508.00.05, "shells of mollusks, crustaceans, and echinoderms." The petitioner has argued in these reviews, as it did in the *Ningbo New Shipper Review*, that Indian import prices are aberrational. In the *Ningbo New Shipper Review*, we



found that no other tariff classifications for comparable merchandise are as detailed as the Indian HTS category under which we valued the crawfish shells. In these reviews, petitioner has argued that the Indian tariff category under which we valued the crawfish shells is over broad and includes different items with much higher values. HTS category 0508.00.05 includes echinoderms. Petitioner has maintained that echinoderms, such as starfish, which do not have shells and do not contain chitin (the chemical that makes crustacean shells valuable), are traded only for decorative purposes, thereby inflating the overall value of this tariff category. To substantiate its argument for these reviews, petitioner has placed on the record information demonstrating that the resulting Indian import price of 56 cents per pound for crawfish shells is highly exaggerated, including: (1) an offer to sell dried, crushed crab shells from an electronic bulletin board, (2) a delivered price for wet crustacean shells reported in a study on marine biopolymers, and (3) a price for crustacean scrap sold in India, calculated from a report detailing chitin and chitosan exports using established yields from crawfish shells for the production of chitosan. All of these items show significantly lower prices for shells of crustacean than the 55 cents per pound used in the *Ningbo New Shipper Review*. In addition, we know that the price of the Spanish whole, live, crawfish is 59 cents per pound. Finally, we received from the U.S. Embassy in Sri Lanka information indicating that Sri Lankan exports consist of conch shells and chanks for decorative purposes. See *Memorandum to the File; Cables from U.S. Embassies in Sri Lanka and Switzerland regarding Crustacean Shells*, September 30, 1999. Based on this information taken as a whole, we determine that the Indian import statistics are an inappropriate surrogate value for crawfish shells.

Some of the alternate information currently on the record is internally inconsistent, is quite old, or possibly

includes items other than crawfish shells. For these preliminary results, we applied a surrogate value based on a free-on-board (FOB) factory price quote for crab and shrimp shells from a Canadian seller of crustacean shells. We chose this price from any available alternatives because it is an actual price for crustacean scrap that is reasonably contemporaneous with the POR. We adjusted this price to reflect deflation to the crawfish processing season applicable for each of the companies. See the *Factor Value Memorandum*.

We have requested additional information relating to shell scrap prices in a number of countries. For the final results of these reviews, we will consider any information we receive 45 days prior to the deadline for the final results.

- To value coal and electricity, we used data reported as the average Indian domestic prices within the categories of "Steam Coal for Industry" and "Electricity for Industry," published in the International Energy Agency's publication, *Energy Prices and Taxes, First Quarter, 1998*. We adjusted the cost of coal to include an amount for transportation. For water, we relied upon public information from the November 1993 *Water Utilities Data Book: Asian and Pacific Region*, published by the Asian Development Bank. To achieve comparability of the energy and water prices to the factors reported for the crawfish processing periods applicable for the companies under review, we adjusted these factor values using the WPI for India, as published in the *IFS*, to reflect inflation through the applicable periods.

- To value plastic bags, cardboard boxes and adhesive tape, we relied upon Indian import data from the April 1997 through March 1998 issues of *Monthly Statistics of the Foreign Trade of India (Monthly Statistics)*. We adjusted the values of packing materials to include freight costs incurred between the supplier and the factory. For transportation distances used for the calculation of freight expenses on raw

materials, we added to surrogate values from India a surrogate freight cost using the shorter of (a) the distances between the closest PRC port and the factory, or (b) the distance between the domestic supplier and the factory. See *Notice of Final Determination of Sales at Less Than Fair Value: Collated Roofing Nails From the People's Republic of China*, 62 FR 51410 (October 1, 1997) (*Roofing Nails*). Since not all companies reported the same crawfish processing periods, we adjusted the reported factor values to reflect inflation through the applicable periods for each company.

- To value factory overhead, selling, general, and administrative expenses (SG&A), and profit, we calculated simple average rates using publicly available financial statements of three Indian seafood processing companies submitted in the original investigation for which more current data is now available, and applied these rates to the calculated cost of manufacture. See *Factor Values Memorandum*.

- For labor, we used the PRC regression-based wage rate at Import Administration's home page, Import Library, Expected Wages of Selected NME Countries, revised in May 1999. See [http://www.ita.doc.gov/import\\_admin/records/wages](http://www.ita.doc.gov/import_admin/records/wages). Because of the variability of wage rates in countries with similar per capita GDPs, section 351.408(c)(3) of the Department's regulations requires the use of a regression-based wage rate. The source of these wage rate data on the Import Administration's Web site is found in the *1998 Year Book of Labour Statistics*, International Labour Office (Geneva: 1998), Chapter 5: Wages in Manufacturing.

#### Currency Conversion

We made currency conversions pursuant to section 351.415 of the Department's regulations at the rates certified by the Federal Reserve Bank.

#### Preliminary Results of Review

We preliminarily determine that the following dumping margins exist:

Manufacturer/exporter (percent)	Time period	Margin
Lianyungang Haiwang Aquatic Products Co., Ltd. ....	3/26/97-8/31/98	201.63
Ningbo Nanlian Frozen Foods Company, Ltd. ....	4/01/98-8/31/98	0.00
Qingdao Rirong Foodstuff Co., Ltd. ....	3/26/97-8/31/98	0.00
PRC-Wide Rate*	3/26/97-8/31/98	201.63

\*Binzhou Prefecture Foodstuffs Import & Export Corp., Huaiyin Foreign Trade Corp., Huaiyin Ningtai Fisheries Co., Ltd., Nantong Delu Aquatic Food Co., Ltd., Yancheng Baolong Aquatic Foods Co., Ltd., and Yancheng Foreign Trade Corp. are subject to the PRC-wide rate of 201.63 percent.

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice in accordance

with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication in accordance with

19 CFR 351.310(c). Any hearing would normally be held 37 days after the publication of this notice, or the first

workday thereafter, at the U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Requests for a public hearing should contain: (1) the party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. Interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(2). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication. Parties who submit arguments are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument. If a hearing is held, an interested party may make an affirmative presentation only on arguments included in that party's case brief and may make a rebuttal presentation only on arguments included in that party's rebuttal brief. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

The Department will issue the final results of these administrative and new shipper reviews, which will include the results of its analysis of issues raised in the briefs, within 120 days from the publication of these preliminary results.

Upon completion of these administrative and new shipper reviews, the Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between export price and NV may vary from the percentages stated above. The Department will issue appraisal instructions directly to the U.S. Customs Service upon completion of this review. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties. For assessment purposes, we intend to calculate importer-specific assessment rates for freshwater crawfish tail meat from the PRC. For both EP and CEP sales, we will divide the total dumping margins (calculated as the difference between NV and EP (or CEP)) for each importer by the entered value of the merchandise.

Upon the completion of this review, we will direct Customs to assess the resulting *ad valorem* rates against the entered value of each entry of the subject merchandise by the importer during the POR.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of freshwater crawfish tail meat from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the reviewed firms will be the rates indicated above; (2) for previously-reviewed PRC and non-PRC exporters with separate rates, the cash deposit rate will be the company-specific rate established for the most recent period; (3) for all other PRC exporters, the rate will be the PRC-wide rate, which is 201.63 percent; and (4) for all other non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter.

These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) of the Department's regulations to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review, these new shipper reviews, and this notice are published in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and sections 351.213, 351.214 and 351.221 of the Department's regulations.

Dated: September 30, 1999.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-588-837]

#### Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan: Preliminary Results of Antidumping Duty Administrative Reviews

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of preliminary results of antidumping duty administrative reviews.

**SUMMARY:** In response to a request by the respondents, Tokyo Kikai Seisakusho, Ltd. and Mitsubishi Heavy Industries, Ltd., the Department of Commerce is conducting administrative reviews of the antidumping duty order on large newspaper printing presses and components thereof, whether assembled or unassembled, from Japan. These reviews cover Mitsubishi Heavy Industries, Ltd. and Tokyo Kikai Seisakusho, Ltd., manufacturers/exporters of the subject merchandise to the United States. The periods of review for Mitsubishi Heavy Industries, Ltd. are September 5, 1996, through August 31, 1997, and September 1, 1997, through August 31, 1998. The period of review for Tokyo Kikai Seisakusho is September 1, 1997, through August 31, 1998.

We preliminarily determine that sales have been made below normal value for Mitsubishi Heavy Industries. If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service to assess antidumping duties on all appropriate entries. For Tokyo Kikai Seisakusho, we have preliminarily determined that sales have not been made below normal value. If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service not to assess antidumping duties on entries subject to this review. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** October 12, 1999.

#### FOR FURTHER INFORMATION CONTACT:

Dinah McDougall, Kate Johnson, or David J. Goldberger, Office 2, AD/CVD Enforcement Group I, Import Administration—Room B099, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202)