

production and sales by all of these foundries. For further discussion of this issue, see the memorandum from Holly A. Kuga to Bernard T. Carreau, dated concurrently with this notice, regarding Iron Constructing Castings from Canada: Changed Circumstances Review.

Because the Department reviewed sales of Canada Pipe, including its Bibby Ste Croix Division, in the 99–00 administrative review, the cash deposit rate from that review will apply to all entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after April 12, 2001, the date of publication of the final results in the 99–00 administrative review. This deposit rate shall remain in effect until publication of the final results of the next relevant administrative review.

Interested parties are invited to comment on these preliminary results. Any written comments may be submitted no later than 14 days after date of publication of this notice. Rebuttal briefs, limited to arguments raised in case briefs, are due five days after the case brief deadline. Case briefs and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.209. The Department will publish the final results of the changed circumstances review including the results of its analysis of any issues raised in any such comments.

This initiation of review, preliminary results of review, and notice are in accordance with sections 751(b) and 777(i)(1) of the Act.

Dated: June 24, 2002.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-855]

Certain Non-Frozen Apple Juice Concentrate From the People's Republic of China: Preliminary Results of 1999–2001 Administrative Review and Partial Rescission of Review

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

ACTION: Notice of Preliminary Results of 1999–2001 Administrative Review, Partial Rescission of Review.

SUMMARY: We preliminarily determine that sales of certain non-frozen apple juice concentrate from the People's

Republic of China were made below normal value during the period November 23, 1999 through May 31, 2001. If these preliminary results are adopted in our final results of review, we will instruct the Customs Service to assess antidumping duties based on the difference between export price or constructed export price and normal value on all appropriate entries. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: July 9, 2002.

FOR FURTHER INFORMATION CONTACT: Craig Matney or John Brinkmann, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1778 or (202) 482-4126, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (“the Act”), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (“URAA”). In addition, unless otherwise indicated, all citations to the Department of Commerce (“Department”) regulations are to the regulations at 19 CFR Part 351 (April 2001).

Background

On June 5, 2000, the Department published in the **Federal Register** (65 FR 35606) the antidumping duty order on certain non-frozen apple juice concentrate from the People's Republic of China (“PRC”). On June 11, 2001, the Department notified interested parties of the opportunity to request an administrative review of this order (66 FR 31203). On June 21, 2001, Shaanxi Gold Peter Natural Drink Co., Ltd. (“Gold Peter”) requested an administrative review. On June 22, 2001, Qingdao Nannan Foods Co., Ltd. (“Nannan”), Shaanxi Haisheng Fresh Fruit Juice Co., Ltd. (“Haisheng”), Shaanxi Hengxing Fruit Juice Co., Ltd. (“Hengxing”), Shaanxi Machinery and Equipment Import and Export Corporation (“SAAME”), Shandong ZhongLu Juice Group Co., Ltd. (“ZhongLu”), Xian Asia Qin Fruit Co., Ltd. (“Xian Asia”), and Yantai Oriental Juice Co., Ltd. (“Oriental”) (collectively “Nannan *et al.*”) also requested administrative reviews. On June 28, 2001, Sanmenxia Lakeside Fruit Juice Co., Ltd. (“Lakeside”) requested an administrative review. On June 29, 2001, Coloma Frozen Foods, Inc., Green

Valley Packers, Knouse Foods Cooperative, Inc., Mason County Fruit Packers Co-op, Inc., and Tree Top, Inc., (“the petitioners”), requested that, in addition to the above-mentioned requests, the Department conduct an administrative review of the antidumping order for Xian Yang Fuan Juice Co., Ltd. (“Xian Yang”), Changsha Industrial Products & Minerals Import and Export Co., Ltd. (“Changsha”), and Shandong Foodstuffs Import and Export Corporation (“Shandong”). In accordance with 19 CFR 351.221(b)(1), on July 23, 2001, we published a notice of initiation of this antidumping duty administrative review (66 FR 38252).

On November 14, 2001, the Department sent a letter to the Chinese Chamber of Commerce for the Import and Export of Foodstuffs, Native Produce & Animal By-Products (“China Chamber”), with a copy to the Embassy of the PRC in the United States, requesting that the China Chamber forward the questionnaire to the companies named in the initiation notice.

On December 18, 2001, Xian Yang reported that it had no shipments of subject merchandise to the United States during the November 23, 1999, through May 31, 2001, period of review (“POR”). See “*Partial Rescission*” section, below. In December 2001 and January 2002, we received responses to the questionnaire from the following companies: Gold Peter, Haisheng, Hengxing, Lakeside, Nannan, Oriental, SAAME, Xian Asia, and ZhongLu. Shandong's response was received by the Department in March 2002. Changsha did not respond to the Department's original questionnaire. See “*Use of Fact Otherwise Available*” section, below.

In December 2001, the Department invited interested parties to comment on surrogate country selection and to provide publicly available information for valuing the factors of production. We received responses from Nannan *et al.* on February 11, 2002, and from Lakeside on February 12, 2002. The petitioners provided surrogate value information to the Department on March 5, 2002.

On February 7, 2002, in accordance with section 751(a)(3)(A) of the Act, the Department found that it was not practicable to complete the review in the time allotted, and extended the time limit for the completion of the preliminary results in this case by 60 days (i.e., until no later than May 1, 2002) (67 FR 5788).

In February and March 2002, we sent out supplemental questionnaires to Gold Peter, Lakeside, and Nannan *et al.*,

and received responses to these supplemental questionnaires in March 2002. In April and May 2002, the Department issued supplemental questionnaires to and received responses from Shandong.

On May 1, 2002, in accordance with section 751(a)(3)(A) of the Act, the Department extended the time limit for the completion of the preliminary results in this case by an additional 60 days, (i.e., until no later than July 1, 2002) (67 FR 21633).

Scope of the Order

The product covered by this order is certain non-frozen apple juice concentrate ("NFAJC"). Certain NFAJC is defined as all non-frozen concentrated apple juice with a Brix scale of 40 or greater, whether or not containing added sugar or other sweetening matter, and whether or not fortified with vitamins or minerals. Excluded from the scope of this order are: frozen concentrated apple juice; non-frozen concentrated apple juice that has been fermented; and non-frozen concentrated apple juice to which spirits have been added.

The merchandise subject to this order is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 2009.70.00.20 and 2106.90.52. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Partial Rescission

In accordance with 19 CFR 351.213(d)(3), we are preliminarily rescinding this review with respect to Xian Yang, which reported that it made no shipments of subject merchandise during this POR. We examined shipment data furnished by the Customs Service and are satisfied that the record does not indicate that there were U.S. entries of subject merchandise from Xian Yang during the POR.

Verification

As provided in section 782(i) of the Act, in May 2002 we verified information provided by Haisheng, Hengxing, and Xian Asia using standard verification procedures, including onsite inspection of manufacturers' facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information.

Separate Rates Determination

The Department has treated the PRC as a nonmarket economy ("NME") country in all previous antidumping

cases. In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME shall remain in effect until revoked by the Department. None of the parties to this proceeding have contested such treatment in this review. Moreover, parties to this proceeding have not argued that the PRC NFAJC industry is a market-oriented industry.

Therefore, we are treating the PRC as an NME country within the meaning of section 773(c) of the Act. We allow companies in NME countries to receive separate antidumping duty rates for purposes of assessment and cash deposits when those companies can demonstrate an absence of government control, both in law and in fact, with respect to export activities.

To establish whether a company operating in an 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) ("Sparklers"), 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) ("Silicon Carbide"). Under the separate rates criteria, the Department assigns separate rates in NME cases only if the respondents can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

Absence of De Jure Control

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 the 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.

The ten participating respondents have placed a number of documents on the record to demonstrate absence of *de jure* government control, including "Foreign Trade Law of the People's Republic of China" ("Foreign Trade Law"), "Company Law of the PRC" ("Company Law"), the "Administrative Regulations of the People's Republic of China Governing the Registration of Legal Corporations" ("Administrative Regulations"), the "Law of the People's Republic of China on Chinese-Foreign Cooperative Joint Ventures" ("Joint Ventures Law"), and the "Law of the

People's Republic of China on Industrial Enterprises Owned by the Whole People" ("Industrial Enterprises Law"). The Foreign Trade Law grants autonomy to foreign trade operators in management decisions and establishes accountability for their own profits and losses. In prior cases, the Department has analyzed the Foreign Trade Law and found that it establishes an absence of *de jure* control. (See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Partial-Extension Steel Drawer Slides with Rollers from the People's Republic of China*, 60 FR 29571 (June 5, 1995); *Final Determination of Sales at Less Than Fair Value: Certain Preserved Mushrooms from the People's Republic of China*, 63 FR 72255 (December 31, 1998) ("Mushrooms"))). We have no new information in this proceeding which would cause us to reconsider this determination.

The Company Law is designed to meet the PRC's needs of establishing a modern enterprise system, and to maintain social and economic order. The Department has noted that the Company Law supports an absence of *de jure* control because of its emphasis on the responsibility of each company for its own profits and losses, thereby decentralizing control of companies.

In keeping with the Company Law, the Administrative Regulations safeguard social and economic order, as well as establishing an administrative system for the registration of corporations. The Department has reviewed the Administrative Regulations and concluded that they show an absence of *de jure* control by requiring companies to bear civil liabilities independently, thereby decentralizing control of companies.

The Joint Ventures Law states that Chinese and foreign parties shall share earnings and bear risks jointly. An analysis of the Joint Ventures Law by the Department further indicates lack of *de jure* control for Oriental, Xian Asia, and ZhongLu, those respondents actually subject to this law.

The Industrial Enterprises Law provides that enterprises owned by "the whole people" shall make their own management decisions, be responsible for their own profits and losses, choose their own suppliers, and purchase their own goods and materials. As in prior PRC cases, the Department has analyzed the Industrial Enterprises Law and found that this law establishes mechanisms for private control of companies, which indicates an absence of *de jure* control. See *Pure Magnesium from the People's Republic of China*:

Final Results of New Shipper Review, 63 FR 3085, 3086 (January 21, 1998).

According to the respondents, NFAJC exports are not affected by quota allocations or export license requirements. The Department has examined the record in this case and does not find any evidence that NFAJC exports are affected by quota allocations or export license requirements. By contrast, the evidence on the record demonstrates that the producers/exporters have the autonomy to set the price at whatever level they wish through independent price negotiations with their foreign customers and without government interference.

Accordingly, we preliminarily determine that there is an absence of *de jure* government control over export pricing and marketing decisions of the respondents.

Absence of *De Facto* Control

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; 4) whether each exporter has autonomy from the government regarding the selection of management (see *Silicon Carbide*, 59 FR at 22587; *Sparklers*, 56 FR at 20589).

As stated in previous cases, there is evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. (See *Mushrooms*, 63 FR at 72255). Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates.

The Department has reviewed the record in this case and notes that each respondent: (1) establishes its own export prices; (2) negotiates contracts without guidance from any governmental entities or organizations; (3) makes its own personnel decisions; (4) retains the proceeds from export sales and uses profits according to its business needs without any restrictions; and (5) does not coordinate or consult with other exporters regarding pricing decisions.

The information on the record supports a preliminary finding that

there is an absence of *de facto* governmental control of the export functions of these companies. Consequently, we preliminarily determine that all responding exporters have met the criteria for the application of separate rates.

Changsha did not submit a response to the Department's antidumping duty questionnaire, including the separate rates section. We therefore preliminarily determine that Changsha did not establish its entitlement to a separate rate in this review and, therefore, is presumed to be part of the PRC NME entity and, as such, is subject to the PRC country-wide rate. See the "Use of Facts Otherwise Available" section, below.

PRC-Wide Rate and Use of Facts Otherwise Available

As noted above, Changsha is appropriately considered part of the PRC-wide entity. This entity did not respond to the Department's questionnaire. Section 776(a)(2) of the Act provides that if an interested party or any other person: (A) withholds information that has been requested by the administering authority; (B) fails to provide such information by the deadlines for the submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782; (C) significantly impedes a proceeding under this title; or (D) provides such information but the information cannot be verified as provided in section 782(i), the Department shall, subject to section 782(d), use the facts otherwise available in reaching the applicable determination under this title.

Because the PRC entity did not respond to the Department's questionnaire, we find that, in accordance with sections 776(a)(2)(A) and (C) of the Act, the use of total facts available is appropriate (see, e.g., *Final Results of Antidumping Duty Administrative Review for Two Manufacturers/Exporters: Certain Preserved Mushrooms from the People's Republic of China*, 65 FR 50183, 50184 (August 17, 2000) (for a more detailed discussion, see *Preliminary Results of Antidumping Duty Administrative Review for Two Manufacturers/Exporters: Certain Preserved Mushrooms from the People's Republic of China*, 65 FR 40609, 40610-40611 (June 30, 2000)); *Notice of Final Determination of Sales at Less Than Fair Value: Persulfates from the People's Republic of China*, 62 FR 27222, 27224 (May 19, 1997); and *Certain Grain-Oriented Electrical Steel from Italy: Final Results of Antidumping Duty Administrative Review*, 62 FR 2655

(January 17, 1997) (for a more detailed discussion, see *Preliminary Results of Antidumping Duty Administrative Review: Certain Grain-Oriented Electrical Steel from Italy*, 61 FR 36551, 36552 (July 4, 1996)). Because the PRC entity provided no information, sections 782(d) and (e) are not relevant to our analysis.

Section 776(b) of the Act provides that, if the Department finds that an interested party "has failed to cooperate by not acting to the best of its ability to comply with a request for information," the Department may use information that is adverse to the interests of the party as facts otherwise available. Adverse inferences are appropriate "to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." See Statement of Administrative Action ("SAA") accompanying the URAA, H.R. Doc. No. 103-316, at 870 (1994).

Section 776(b) of the Act authorizes the Department to use as adverse facts available information derived from the petition, the final determination from the less-than-fair-value ("LTFV") investigation, a previous administrative review, or any other information placed on the record. Under section 782(c) of the Act, a respondent has a responsibility not only to notify the Department if it is unable to provide requested information, but also to provide a "full explanation and suggested alternative forms." On November 14, 2001, the Department transmitted its questionnaire to Changsha via priority mail. We confirmed with the delivery company that this transmission was received and signed for by Changsha personnel on November 19, 2001. Changsha did not submit a response to our questionnaire by the deadline established for such submissions. On March 27, 2002, the Department wrote to Changsha via e-mail asking whether the company had received the November 14, 2001, questionnaire, and whether it had, in fact, decided not to comply with our requests for information. On March 31, 2002, the Department made a similar inquiry via facsimile. The Department received no responses from Changsha personnel to either the e-mail or the facsimile. Therefore, we determine that the PRC entity failed to cooperate to the best of its ability, making the use of an adverse inference appropriate.

In this proceeding, in accordance with Department practice (see, e.g., *Rescission of Second New Shipper Review and Final Results and Partial Rescission of First Antidumping Duty Administrative Review: Brake Rotors*

From the People's Republic of China, 64 FR 61581, 61584 (November 12, 1999); *Preliminary Results of Antidumping Duty Administrative Review: Fresh Garlic From the People's Republic of China*, 64 FR 39115 (July 21, 1999); and *Fresh Garlic from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 65 FR 33295 (May 23, 2000) (for a more detailed discussion, see *Preliminary Results of Antidumping Duty Administrative Review: Fresh Garlic From the People's Republic of China*, 64 FR 39115 (July 21, 1999)), as adverse facts available, we have preliminarily assigned to the PRC entity (which includes Changsha) the PRC-wide rate of 51.74 percent, which is the PRC-wide rate established in the LTFV investigation (see *Notice of Final Determination of Sales at Less Than Fair Value: Certain Non-Frozen Apple Juice Concentrate From the People's Republic of China*, 65 FR 19873 (April 13, 2000) ("Final Determination")) and the highest dumping margin determined in any segment of this proceeding. The Department's practice when selecting an adverse rate from among the possible sources of information is to ensure that the margin is sufficiently adverse "as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner." See *Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors from Taiwan*, 63 FR 8909, 8932 (February 23, 1998).

Section 776(c) of the Act provides that where the Department selects from among the facts otherwise available and relies on "secondary information," the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. Secondary information is described in the SAA as "{i}nformation derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise." See SAA at 870. The SAA states that "corroborate" means to determine that the information used has probative value (*id.*). To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. To examine the reliability of margins in the petition, we examine whether, based on available evidence, those margins reasonably reflect a level of dumping

that may have occurred during the period of investigation by any firm, including those that did not provide us with usable information. This procedure generally consists of examining, to the extent practicable, whether the significant elements used to derive the petition margins, or the resulting margins, are supported by independent sources. With respect to the relevance aspect of corroboration, 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 may not be relevant, the Department will attempt to find a more appropriate basis for facts available. See, e.g., *Final Results of Antidumping Duty Administrative Review: Fresh Cut Flowers from Mexico*, 61 FR 6812, 6814 (February 22, 1996) (where the Department disregarded the highest margin as best information available because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin). We have determined that there is no evidence on the record which would render the application of the petition margin inappropriate. Therefore, we consider the petition information relevant for this proceeding.

Furthermore, in the underlying LTFV investigation, we established the reliability of the petition margin (see Final Determination). As there is no information on the record of this review that demonstrates that the petition rate is not reliable for use as the adverse facts available rate for the PRC-wide rate, we determine that this rate has probative value and, therefore, is an appropriate basis for the PRC-wide rate to be applied in this review to exports of subject merchandise by the PRC entity (which includes Changsha).

Export Price and Constructed Export Price

For certain sales made by Haisheng, ZhongLu, Oriental, and Xian Asia, and all sales made by Shandong to the United States, we used constructed export price ("CEP") in accordance with section 772(b) of the Act because the first sale to an unaffiliated purchaser occurred after importation of the merchandise into the United States. For sales made by nine of the participating respondents (excluding Shandong, and including certain sales made by Haisheng, Oriental, Xian Asia, and ZhongLu), we used export price ("EP"), in accordance with section 772(a) of the Act, because the subject merchandise was sold to unaffiliated purchasers in

the United States prior to importation into the United States and because the CEP methodology was not warranted by other circumstances.

We calculated EP based on the CIF, C&F, CFR, FOB, and delivered prices to unaffiliated purchasers, as appropriate. In accordance with section 772(c) of the Act, we deducted from these prices, where appropriate, amounts for foreign inland freight, foreign brokerage and handling, international freight, marine insurance, U.S. inland freight, other U.S. transportation expense, U.S. customs duty (including merchandise processing and harbor maintenance fees), and U.S. warehousing. We valued the deductions for foreign inland freight and brokerage and handling using surrogate data, which were based on Indian freight costs. (We selected India as the surrogate country for the reasons explained in the "Normal Value" section of this notice, below.) When marine insurance and ocean freight were provided by PRC-owned companies, we valued the deductions using surrogate value data (amounts charged by market-economy providers). However, when some or all of a specific company's ocean freight or marine insurance was provided directly by market economy companies and paid for in a market economy currency, we used the reported market economy ocean freight or marine insurance values for all U.S. sales made by that company. See 19 CFR 351.408(c)(1).

We calculated CEP based on the ex-dock (PRC), ex-dock (USA), CIF, DDP (delivered duty paid), and delivered prices from Haisheng, ZhongLu, Oriental, Shandong and Xian Asia's U.S. subsidiaries to unaffiliated customers. In accordance with section 772(c) of the Act, we deducted from the starting price for CEP amounts for foreign inland freight, foreign inland insurance, international freight, marine insurance, U.S. inland freight, other U.S. transportation expense, U.S. customs duty (including merchandise processing and harbor maintenance fees), U.S. brokerage and handling expense, U.S. freight forwarder fee, and U.S. warehousing expense.

In accordance with section 772(d)(1) of the Act, we made further deductions for the following selling expenses that related to economic activity in the United States: commissions, warranties, outside laboratory testing fees, drum relabeling expenses, credit expenses, indirect selling expenses (including inventory carrying costs), and other direct selling expenses. In accordance with section 772(d)(3) of the Act, we also deducted from the starting price an amount for profit.

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine normal value ("NV") using a factors-of-production methodology if: (1) the subject merchandise is exported from an NME country, and (2) the Department finds that the available information does not permit the calculation of NV under section 773(a) of the Act. We have no basis to determine that the available information would permit the calculation of NV using PRC prices or costs. Therefore, we calculated NV based on factors data in accordance with section 773(c) of the Act and 19 CFR 351.408(c).

Under the factors-of-production methodology, we are required to value, to the extent possible, the NME producer's inputs in a market economy country that is at a comparable level of economic development and that is a significant producer of comparable merchandise. We chose India as the surrogate on the basis of the criteria set out in sections 773(c)(2)(B) and 773(c)(4) of the Act, and in 19 CFR 351.408(b). *See* the December 26, 2001, Memorandum to Susan Kuhbach from Jeff May "1st Administrative Review of Non-Frozen Apple Juice Concentrate from the People's Republic of China," ("Surrogate Country Memo") for a further discussion of our surrogate selection, which is on file in the Department's Central Records Unit in Room B-099 of the main Department building ("CRU"). *See also* the July 1, 2002, Memorandum to Susan Kuhbach from Team, "Significant Production of Comparable Merchandise," which is also on file in the CRU.

We used publicly available information from India to value the various factors. Because some of the Indian import data was not contemporaneous with the POR, unless otherwise noted, we inflated the data to the POR using the Indian wholesale price indices ("WPI") published by the International Monetary Fund.

Pursuant to the Department's factors-of-production methodology as provided in section 773(c) of the Act and 19 CFR 351.408(c), we valued the respondents' reported factors of production by multiplying them by the following values (for a complete description of the factor values used, see the Memorandum to Susan Kuhbach: "Factors of Production Values Used for the Preliminary Results," dated July 1, 2002, which is on file in the CRU):

Juice Apples: We have preliminarily valued juice apples at the weighted average price paid for culled or processing grade apples in India, based

on information in two articles from *The Tribune*, an Indian news source. These articles describe the price charged to the Himachal Pradesh Horticulture Produce Marketing and Processing Corporation ("the HPMC"), a state-owned fruit processing company, for apples procured under the Government of India's price support scheme for apple growers, as well as the prices obtained for the remaining apples (*i.e.*, apples that are not processed by the HPMC and are sold at auction). According to these articles, the HPMC pays rupees 2.25 per kilo for the apples it processes. The prices for the remaining apples ranged from rupees 0.6 to 2.50 per kilo. We weighted the prices paid by the HPMC and the average auction prices by the amounts of apples procured by the HPMC and the amounts sold at auction, respectively, with the result that the value of juice apples was rupees 1.34 per kilo. Because of the wide range of prices reported for auctioned apples, and because the information in the articles is not sufficiently detailed to allow us to know the amounts sold at the various prices, we are inviting parties to submit additional information regarding the prices of juice apples in India.

Processing Agents: We valued pectinex enzyme, amylase enzyme, bentonite, diatomite, gelatin, silica gel, and activated carbon using the *Monthly Statistics of the Foreign Trade of India, Volume II: Imports* ("Indian import statistics") for the period January 2000 through May 2001.

Labor: Pursuant to section 351.408(c)(3) of the Department's regulations, we valued labor using the regression-based wage rate for the PRC published by Import Administration on its website.

Electricity and Coal: To value electricity, we used electricity rate data from the *Energy Data Directory & Yearbook (1999/2000)*. We determined that the most contemporaneous information on the record for coal could be derived from Indian import statistics. Prices for goods vary over time, and therefore contemporaneity is significant to our selection of an appropriate surrogate value. Therefore, we based the value of coal on Indian import statistics.

Factory Overhead, SG&A, and Profit: We derived ratios for factory overhead, SG&A, and profit, using 2000-01 data from the audited financial statements of Himalayan Vegefruit Ltd., identified in the investigation as an Indian producer of products the same as, and similar to, the subject merchandise.

Packing Materials: We calculated values for aseptic bags, plastic liners, labels, wood bins, steel corners, steel

bolts, steel bands, steel clips, styrofoam padding, adhesive tape, nails, and cardboard boxes using Indian import statistics from the period January 2000 through May 2001. We converted values from a per kilogram to a per piece basis, where necessary.

For steel drums, we could not find a reliable Indian value. Therefore, we used a 1994 Indonesian price and inflated it using the Indonesian WPI.

Inland Freight Rates: To value truck freight rates, we used a July 2000 newspaper article from the *Indian Express Newspaper*. With regard to rail freight, we based our calculation on a price quote from the Northern Railway. We calculated an average per kilometer per metric ton rate.

International Freight: We used rates collected from the Federal Maritime Commission's Automated Tariff Filing Information ("AFTI") database. Where an individual PRC producer/exporter used a market-economy shipper and paid for the shipping in a market-economy currency, and could provide the complete documentation of the transaction, we calculated an average price for shipping paid by that producer/exporter.

Marine Insurance: We used a June 1998 price quote from a U.S. insurance provider, as we have in past PRC cases. *See also Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Preliminary Results of 1996-97 Antidumping Duty Administrative Review and New Shipper Review and Determination Not To Revoke Order in Part*, 63 FR 63842 (November 17, 1998).

Brokerage and Handling: We used the public version of a U.S. sales listing reported in the questionnaire response submitted by Meltroll Engineering for *Stainless Steel Bar from India; Final Results of Antidumping Duty Administrative Review and New Shipper Review and Partial Rescission of Administrative Review*, 65 FR 48965 (August 10, 2000). Because this information is not contemporaneous with the POR, we adjusted the data to the POR by using the Indian WPI.

By-products: Certain respondents reported by-products resulting from production of the subject merchandise. For those respondents that reported their production of apple essence/aroma and/or apple pomace, we have offset the cost of materials with a by-product credit. The value for apple essence/aroma was calculated as a simple average of the various prices reported at the July 1999 ITC hearing and 1999 price quotes provided to the Department by two U.S. brokers of food products. Apple pomace was valued using an

April 2000 study published by the University of Georgia.

Preliminary Results of the Review

We preliminary determine that the following dumping margins exist for the

period November 23, 1999, through May 31, 2001:

Exporter/manufacturer	Weighted-average margin percentage
Changsha Industrial Products & Minerals Import and Export Co., Ltd. (included in the PRC entity)	51.74
Qingdao Nannan Foods Co., Ltd.	0.00
Sanmenxia Lakeside Fruit Juice Co., Ltd.	0.00
Shaanxi Gold Peter Natural Drink Co., Ltd.	0.00
Shaanxi Haisheng Fresh Fruit Juice Co., Ltd.	0.00
Shaanxi Hengxing Fruit Juice Co. Ltd.	0.00
Shaanxi Machinery & Equipment Import & Export Corporation	0.00
Shandong Foodstuffs Import and Export Corporation	0.00
Shandong ZhongLu Juice Group Co. Ltd.	0.00
Xian Asia Qin Fruit Co., Ltd.	0.00
Yantai Oriental Juice Co., Ltd.	0.00
PRC-wide rate	51.74

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of the date of publication of this notice. Any hearing, if requested, will be held approximately 42 days after the publication of this notice, or the first workday thereafter. Issues raised in hearings will be limited to those raised in the case and rebuttal briefs. Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs within 30 days of the date of publication of this notice. Furthermore, as discussed in 19 CFR 351.309(d)(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 of this notice. Parties who submit case briefs or rebuttal briefs in this review are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument with an electronic version included.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or hearing, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates and Cash Deposit Requirements

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to the Customs Service.

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section

751(a)(1) of the Act: (1) for the PRC companies named above, the cash deposit rates will be the rates for these firms established in the final results of this review, except that, for exporters with *de minimis* rates, *i.e.*, less than 0.50 percent, no deposit will be required; (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 during which they were reviewed; (3) for all other PRC exporters (including Changsha), the rate will be the PRC country-wide rate, which is 51.74 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 requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Importers

This notice also 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.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

DATED: July 1, 2002.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 02-17196 Filed 7-8-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-816]

Certain Stainless Steel Butt-Weld Pipe Fittings From Taiwan: Preliminary Results and Preliminary Rescission in Part of Antidumping Duty Administrative Review

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

ACTION: Notice of the preliminary results and rescission in part of antidumping duty administrative review.

SUMMARY: In response to a request from respondent Ta Chen Stainless Pipe Co., Ltd. ("Ta Chen") and from Markovitz Enterprises, Inc. (Flowline Division), Shaw Alloy Piping Products Inc., Gerlin, Inc., and Taylor Forge ("petitioners"), the Department of Commerce ("Department") is conducting an administrative review of the antidumping duty order on certain stainless steel butt-weld pipe fittings from Taiwan. Specifically, the petitioners requested that the Department conduct the administrative review for Ta Chen Stainless Pipe Co., Ltd., Liang Feng Stainless Steel Fitting Co., Ltd. ("Liang Feng"), and Tru-Flow Industrial Co., Ltd. ("Tru-Flow"). This review covers Ta Chen, a manufacturer and exporter of the subject merchandise and Liang Feng and Tru-Flow, manufacturers of the subject merchandise. The period of review ("POR") is June 1, 2000 through May 31, 2001. With regard to Ta Chen, we preliminarily determine that sales have been made below normal value ("NV"). With regard to Liang Feng and Tru-Flow, we are preliminarily rescinding this review based on record evidence supporting the conclusion that there