

## COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

### Procurement List; Additions

**AGENCY:** Committee for Purchase from People Who Are Blind or Severely Disabled.

**ACTION:** Additions to Procurement List.

**SUMMARY:** This action adds to the Procurement List services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities.

**DATES:** Effective Date: January 22, 2006.

**ADDRESSES:** Committee for Purchase From People Who Are Blind or Severely Disabled, Jefferson Plaza 2, Suite 10800, 1421 Jefferson Davis Highway, Arlington, Virginia, 22202-3259.

**FOR FURTHER INFORMATION CONTACT:** Sheryl D. Kennerly, Telephone: (703) 603-7740, Fax: (703) 603-0655, or e-mail [SKennerly@jwod.gov](mailto:SKennerly@jwod.gov).

**SUPPLEMENTARY INFORMATION:** On October 14, and October 28, 2005, the Committee for Purchase From People Who Are Blind or Severely Disabled published notice (70 FR 60062, and 62092) of proposed additions to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the services and impact of the additions on the current or most recent contractors, the Committee has determined that the services listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46-48c and 41 CFR 51-2.4.

### Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the services to the Government.
2. The action will result in authorizing small entities to furnish the services to the Government.
3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in connection with the services proposed for addition to the Procurement List.

### End of Certification

Accordingly, the following services are added to the Procurement List:

### Services

**Service Type/Location:** Basewide Custodial Services  
U.S. Naval Academy Complex, Annapolis, Maryland

**NPA:** Melwood Horticultural Training Center, Upper Marlboro, Maryland

**Contracting Activity:** Naval Facilities Engineering Command, Chesapeake, Washington, DC

**Service Type/Location:** Custodial Services  
West Point Gym, Building 705-C Barry Road

West Point Middle School, Building 705-A Barry Road

West Point, New York

**NPA:** Occupations, Inc., Middletown, New York

**Contracting Activity:** Directorate of Contracting, West Point, New York

This action does not affect current contracts awarded prior to the effective date of this addition or options that may be exercised under those contracts.

**Sheryl D. Kennerly,**

*Director, Information Management.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

(A-570-881)

### Certain Malleable Iron Pipe Fittings From the People's Republic of China: Notice of Preliminary Results of Antidumping Duty Administrative Review

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

**SUMMARY:** In response to a request from Anvil International, Inc. and Ward Manufacturing, Inc., domestic producers and interested parties in this proceeding, the Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain malleable iron pipe fittings ("MPF") from the People's Republic of China ("PRC"). The period of review ("POR") is December 2, 2003, through November 30, 2004. We have preliminarily determined that sales were made below normal value ("NV"). If these preliminary results are adopted in our final results of review, the Department will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of MPF during the POR for which the importer-specific assessment rates are above *de minimis*. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** December 23, 2005.

**FOR FURTHER INFORMATION CONTACT:** Tisha Loeper-Viti at (202) 482-7425 or Ryan Douglas at (202) 482-1277, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

### SUPPLEMENTARY INFORMATION:

#### Background

On December 1, 2004, the Department published a notice of opportunity to request an administrative review of this order. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 69 FR 69889 (December 1, 2004). On December 30, 2004, in accordance with 19 CFR 351.213(b)(1), Anvil International, Inc. and Ward Manufacturing, Inc. (collectively, "the petitioners") requested that the Department conduct administrative reviews of Beijing Sai Lin Ke Hardware Co., Ltd. ("SLK"), Langfang Pannext Pipe Fitting Co., Ltd. ("Pannext"), Chengde Malleable Iron General Factory ("Chengde"), and SCE Co., Ltd. ("SCE").

On January 31, 2005, the Department published a notice of initiation of this administrative review. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 4818 (January 31, 2005). On September 2, 2005, the Department extended the due date for the preliminary results of this review to December 16, 2005. *See Notice of Extension of Time Limit for the Preliminary Results of Antidumping Duty Administrative Review: Certain Malleable Iron Pipe Fittings from the People's Republic of China*, 70 FR 52634 (September 2, 2005).

On March 14, 2005, we issued antidumping questionnaires to SLK, Pannext, Chengde and SCE. SLK, Pannext, and SCE submitted timely responses to the Department's questionnaire in April and May 2005. For information on Chengde's response, *see the Facts Otherwise Available* section below. We issued supplemental questionnaires in July and November of 2005 to certain respondents, as appropriate, and received timely responses to each.

On August 15, 2005, the petitioners submitted publicly available information for consideration in valuing the factors of production ("FOPs"). SLK and Pannext submitted information for this purpose on August 25, 2005. The petitioners submitted rebuttal comments on September 2, 2005.

### Scope of the Order

For purposes of this order, the products covered are certain malleable iron pipe fittings, cast, other than grooved fittings, from the PRC. The merchandise is currently classifiable under item numbers 7307.19.90.30, 7307.19.90.60 and 7307.19.90.80 of the *Harmonized Tariff Schedule of the United States* (“HTSUS”). Excluded from the scope of this order are metal compression couplings, which are imported under HTSUS number 7307.19.90.80. A metal compression coupling consists of a coupling body, two gaskets, and two compression nuts. These products range in diameter from 1/2 inch to 2 inches and are carried only in galvanized finish. Although HTSUS subheadings are provided for convenience and Customs purposes, the Department’s written description of the scope of this proceeding is dispositive.

### Separate-Rates Determination

The Department has treated the PRC as a non-market-economy (“NME”) country in all past antidumping duty investigations and administrative reviews. *See, e.g., Final Determination of Sales at Less Than Fair Value: Tetrahydrofurfuryl Alcohol From the People’s Republic of China*, 69 FR 34130 (June 18, 2004). A designation as an NME country remains in effect until it is revoked by the Department. *See* section 771(18)(C)(i) of the Tariff Act of 1930, as Amended (“the Act”).

It is the Department’s standard policy to assign all exporters of subject merchandise subject to review in an NME country a single rate unless an exporter can demonstrate an absence of government control, both in law and in fact, with respect to exports. To establish whether an exporter is sufficiently independent of government control to be entitled to a separate rate, the Department analyzes the exporter in light of the criteria 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”); and *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”).

SLK, Pannext, and SCE all provided the requested separate-rate information in their responses to our original and supplemental questionnaires. Accordingly, consistent with *Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People’s Republic of China*, 61 FR 19026 (April 30, 1996), we performed separate-rates analyses to determine

whether each exporter is independent from government control.

#### A. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter’s business and export licenses; and (2) any legislative enactments decentralizing control of companies.

One of the respondents has placed on the record a number of documents to demonstrate absence of *de jure* control including the “Foreign Trade Law of the People’s Republic of China,” the “Administrative Regulations of the People’s Republic of China Governing the Registration of Legal Corporations,” and the “Law of the People’s Republic of China on Foreign Capital Enterprises.” The Department has analyzed such PRC laws and found that they establish an absence of *de jure* control. *See, e.g., Preliminary Results of New Shipper Review: Certain Preserved Mushrooms From the People’s Republic of China*, 66 FR 30695 (June 7, 2001), unchanged in the final determination. We have no information in this proceeding that would cause us to reconsider this determination. Thus, we believe that the evidence on the record supports a preliminary finding of an absence of *de jure* government control based on: (1) an absence of restrictive stipulations associated with the exporter’s business license; and (2) the legal authority on the record decentralizing control over the respondent.

#### B. Absence of De Facto Control

As stated in previous cases, there is some evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. *See 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). 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 government control which would preclude the Department from assigning separate rates. The Department typically considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) whether the exporter sets its own export prices independent of the government and without the approval of a government

authority; (2) whether the respondent has the authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.

SLK and SCE reported that they are wholly owned by foreign entities. Pannext reported that it is privately owned by individual shareholders. Each has asserted the following: (1) There is no government participation in setting export prices; (2) sales managers and authorized employees have the authority to bind sales contracts; (3) they do not have to notify any government authorities of management selections; (4) there are no restrictions on the use of export revenue; (5) each is responsible for financing its own losses. The questionnaire responses of SLK, Pannext, and SCE do not suggest that pricing is coordinated among exporters. During our analysis of the information on the record, we found no information indicating the existence of government control. Consequently, we preliminarily determine that SLK, Pannext, and SCE have met the criteria for the application of a separate rate.

Because we find the information provided by Chengde to be unreliable and Chengde has not cooperated to the best of its ability, we are applying an adverse inference with respect to Chengde for these preliminary results and preliminarily find that it is part of the PRC-wide entity. For further information, *see the Facts Otherwise Available* section below.

### Export Price

For all sales made by SCE and certain sales made by Pannext,<sup>1</sup> we based the U.S. price on export price (“EP”), in accordance with section 772(a) of the Act, because the first sale to an unaffiliated purchaser was made prior to importation and constructed export price (“CEP”) was not otherwise warranted by the facts on the record. We calculated EP based on the packed price from the exporter to the first unaffiliated customer in the United States.

For SCE, we deducted foreign inland freight, foreign brokerage and handling, international ocean freight, marine insurance, and U.S. inland freight

<sup>1</sup> In this review, Pannext has reported that all of its sales are EP transactions. For purposes of these preliminary results, however, we are treating Pannext’s sales made through its U.S. affiliate as CEP transactions. *See the Constructed Export Price* section below for further details.

expenses, where appropriate, from the gross unit price, in accordance with section 772(c) of the Act.

For Pannext, we deducted discounts, foreign inland freight, foreign brokerage and handling, international ocean freight, marine insurance, freight surcharges, U.S. brokerage and handling expenses, and U.S. import duties, where appropriate, from the gross unit price, in accordance with section 772(c) of the Act.

#### Constructed Export Price

In accordance with section 772(b) of the Act, we used CEP methodology when the first sale to an unaffiliated purchaser occurred after importation of the merchandise into the United States. We calculated CEP for all of SLK's sales and, as described further below, for certain U.S. sales made by Pannext through its U.S. affiliate to unaffiliated U.S. customers.

For SLK, we made adjustments to the gross unit price for foreign inland freight, foreign warehousing, foreign brokerage and handling, international ocean freight, marine insurance, U.S. inland freight, U.S. brokerage and handling expenses, U.S. warehousing, and U.S. customs duties. In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States, including commissions, credit expenses, advertising expenses, inventory carrying costs, and indirect selling expenses. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act.

In this review, Pannext has reported that all of its sales are EP transactions. In the LTFV investigation, however, Pannext reported all sales through its U.S. affiliate as CEP transactions. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Malleable Iron Pipe Fittings From the People's Republic of China*, 68 FR 33911 (June 6, 2003), unchanged in the final determination. We find that the sales in the current review follow the same fact pattern as the sales reported as CEP transactions during the LTFV investigation. Pannext reported that its date of sale (*i.e.*, date all material terms of sale are set) is the date of shipment and that its U.S. affiliate issues the official invoice to the unaffiliated U.S. customer upon shipment of the merchandise by Pannext to the U.S. customer. Pannext issues an invoice to the U.S. affiliate (*e.g.*, a transfer-price sale between Pannext and the U.S. affiliate) for the sale typically in an amount that differs from that between

the U.S. affiliate and the unaffiliated U.S. customer. According to Pannext, its U.S. affiliate receives the purchase order, order confirmation, and payment from the unaffiliated U.S. customer. In its questionnaire response, Pannext describes its U.S. affiliate as its "sales headquarters" that is involved in the marketing and sale of subject merchandise and incurs expenses typically associated with CEP sales (*e.g.*, indirect selling expenses, credit expenses, etc.). Pannext further reported that the chairman of Pannext is also the president of the U.S. affiliate and has the power to contractually bind Pannext to U.S. sales. Based on this information and the fact that Pannext has not demonstrated sufficiently why the Department should not continue to treat these sales as CEP transactions in the current review, we find that the sales made through Pannext's U.S. affiliate should be treated as CEP transactions consistent with the Department's treatment of such sales in the LTFV investigation.

For Pannext's CEP transactions, we made adjustments to the gross unit price for discounts, foreign inland freight, foreign brokerage and handling, international ocean freight, marine insurance, freight surcharges, U.S. brokerage and handling expenses, and U.S. import duties. In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States, including credit expenses and indirect selling expenses. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act.

Where movement expenses were provided by PRC service providers or paid for in Chinese renminbi, we valued these services using Indian surrogate values. See *Surrogate Values* section below. Where applicable, we used the actual reported expense for those movement expenses provided by market economy ("ME") suppliers and paid for in an ME currency.

#### Normal Value

Section 773(c)(1) of the Act provides that, in the case of an NME, the Department shall determine normal value ("NV") using a FOP methodology if the merchandise is exported from an NME and the 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. Because information on the record does not permit the calculation of NV using home-market prices, third-country prices, or constructed value and

no party has argued otherwise, we calculated NV based on FOP in accordance with sections 773(c)(3) and (4) of the Act and 19 CFR 351.408(c).

Because we are using surrogate-country FOP prices to determine NV, section 773(c)(4) of the Act requires that the Department use values from an ME (surrogate) country that is at a level of economic development comparable to that of the PRC and that is a significant producer of comparable merchandise. We find that India, Indonesia, Sri Lanka, the Philippines, and Egypt are ME countries at a level of economic development comparable to that of the PRC. For a further discussion of our surrogate selection, see the February 14, 2005, memorandum from Ron Lorentzen to Wendy Frankel regarding Request for a List of Surrogate Countries, which is available in the Department's Central Records Unit ("CRU"), room B099 of the main Commerce building. In addition, according to the *Monthly Statistics of the Foreign Trade of India ("MSFTI")* as published by the Directorate General of Commercial Intelligence and Statistics of the Ministry of Commerce and Industry, Government of India, and available from World Trade Atlas, we found that India exported 12,073,802 kilograms of comparable merchandise (*i.e.*, cast iron pipe fittings NESOI or steel based on HTS number 7307.19) during the POR valued at USD 24,535,575. See *World Trade Atlas* at <http://www.gtis.com/wta.htm>. Therefore, we find that India is a significant producer of comparable merchandise. Additionally, we are able to access Indian data that are contemporaneous with this POR. As in the LTFV investigation, we have chosen India as the primary surrogate country and are using Indian prices to value the FOPs. See the December 16, 2005, memorandum from Ryan A. Douglas to the File regarding Preliminary Valuation of Factors of Production ("FOP Memo"). We selected, where possible, publicly available values from India that were average non-export values, representative of a range of prices within the POR or most contemporaneous with the POR, product-specific, and tax-exclusive. Also, where we have relied upon import values, we have excluded imports from NME countries as well as from South Korea, Thailand, and Indonesia. The Department has found that South Korea, Thailand, and Indonesia maintain broadly available, non-industry-specific export subsidies. The existence of these subsidies provides sufficient reason to believe or suspect that export prices from these countries may be subsidized. See *Final Determination of Sales at Less*

*Than Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China*, 67 FR 6482 (February 12, 2002), and accompanying Issues and Decision Memorandum at Comment 1. Our practice of excluding subsidized prices has been upheld in *China National Machinery Import and Export Corporation v. United States*, 293 F. Supp. 2d 1334, 1136 (CIT 2003).

While it is our preferred methodology to use a producer's actual FOPs in the calculation of NV, the Department has found it necessary to depart from that practice in instances where the actual FOP is a process provided by a subcontractor. In such cases, where we have had difficulty obtaining reliable surrogate values for the subcontracted production processes, we have resorted to using the subcontractor's FOPs as the producer's own. See *Certain Helical Spring Lock Washers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Determination Not to Revoke the Antidumping Duty Order, in Part*, 69 FR 12119 (March 15, 2004), and accompanying Issues and Decision Memorandum at comment 4. In the instant review, one of SLK's suppliers subcontracted its galvanizing process to another company. SLK has provided the FOPs for these processes along with the supplier's own FOPs. Due to the difficulty in obtaining reliable surrogate values for galvanizing, we have instead applied values to the subcontractors' FOPs.

#### Surrogate Values

To value all material inputs, by-products, and packing materials, we used per-kilogram import values obtained from *MSFTI*. As appropriate, we adjusted these values to account for freight costs incurred between the suppliers and the factory. We calculated these freight costs based on the shorter of the reported distance from the domestic supplier to the factory or distance from the port in accordance with the decision in *Sigma Corporation v. United States*, 117 F. 3d 1401, 1407–8 (Fed. Cir. 1997). We made currency conversions into U.S. dollars, in accordance with section 773A of the Act, based on the exchange rates in effect on the dates of the U.S. sale(s) as certified by the U.S. Federal Reserve Bank.

To value electricity, we used the 2000 electricity price data from *International Energy Agency, Energy Prices and Taxes - Quarterly Statistics (Second Quarter 2003)*. To value water, we used the Revised Maharashtra Industrial Development Corporation water rates

for June 1, 2003, available at [http://www.midcindia.com/water\\_supply](http://www.midcindia.com/water_supply). To value coke and firewood, we used the per-kilogram values obtained from *MSFTI* and made adjustments to account for freight costs incurred between the suppliers and the factory. To value coal we used the *Teri Energy Data Directory & Yearbook* (2004).

For labor, we used the most recent regression-based wage rate for the PRC in "Expected Wages of Selected NME Countries," available at <http://ia.ita.doc.gov>.

For factory overhead, selling, general, and administrative expenses ("SG&A"), and profit values, we used the 2002–2003 financial statements of Vishal Malleables Limited ("Vishal") and the 2003–2004 financial statements of Ennore Foundries Limited ("Ennore") and Bhagwati Autocast Limited ("Bhagwati"), all of which are Indian producers of comparable merchandise. From this information, we were able to determine factory overhead as a percentage of the total raw materials, labor and energy ("ML&E") costs; SG&A as a percentage of ML&E plus overhead (i.e., cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. The Department used the 2001–2002 financial statements of Vishal in the final determination of the LTFV investigation. See *Final Determination* at comment 3. Although the petitioner claimed in its September 2, 2005, submission, that both Ennore and Bhagwati were primarily producers of merchandise for the automotive industry and, therefore, not producers of comparable merchandise, we observe that both companies produce primarily cast iron products utilizing substantially the same raw materials and production processes as the respondents in the current review. We also observe that Vishal manufactures products for the automotive industry as well. Furthermore, it is the Department's preference to use multiple financial statements when they are not distortive or otherwise unreliable, in order to eliminate potential distortions that may arise from using those of a single producer. See, e.g., *Final Results of New Shipper Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 45006 (August 27, 2001), and accompanying Issues and Decision Memorandum at Comment 1 and *Brake Rotors From the People's Republic of China: Preliminary Results of Third New Shipper Review and Preliminary Results and Partial Rescission of Second Antidumping Duty Administrative Review*, 64 FR 73007 (December 29, 1999). We find it

appropriate, therefore, for these preliminary results, to average the financial ratios derived from the financial statements of Vishal, Ennore, and Bhagwati to calculate factory overhead and SG&A expenses for the respondents and, as Bhagwati did not earn a profit in 2003–2004, to average the profit ratios of only Vishal and Ennore.

SLK and Pannext have also placed on the record of the current review the 2002–2003 financial statements of Rajesh Malleables Limited ("Rajesh"), an Indian producer of identical merchandise. We have declined to include Rajesh's financial data in our calculation of surrogate financial ratios because we have determined that this company is a "sick company" under India's Sick Industrial Companies (Special Provisions) Act of 1985, amended 1993. It is the Department's policy not to use the financial statements of "sick" companies in its calculations of surrogate financial ratios. See, e.g., *Persulfates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 70 FR 6836 (February 9, 2005), and accompanying Issues and Decision Memorandum at Comment 3.

In calculating the surrogate ratios for Vishal, Ennore, and Bhagwati for purposes of this review, we deviated from the methodology used in the LTFV investigation in two respects. First, regarding the treatment of job and process charges, although such charges are treated as overhead expenses in the financial statements, we are categorizing these expenses as ML&E in order to mirror the respondents' experience, explained below, as much as possible and avoid double counting. One of the respondents is an independent producer and the FOPs we are using for the second respondent are from its supplier, which is also an integrated producer. The third respondent, SLK, purchases MPF from several producers, two of which are not fully integrated. These two producers out-source certain processes to sub-contractors. As explained below in the *Facts Otherwise Available* section, however, we are valuing the actual inputs used in these processes, rather than valuing the processes themselves, and including them in ML&E in the respondent's build-up of NV. Therefore, it is appropriate to apply the surrogate financial ratios to these producers' costs as if they were also integrated producers in order to avoid double counting the expenses associated with the out-sourced processes.

Second, regarding the treatment of changes in inventory, it is the

Department's practice to exclude from our calculation of surrogate financial ratios increases or decreases in finished-goods inventory, as well as increases or decreases in the broader categories of stock or inventory where there is insufficient detail regarding the content of these categories. We find that each of the financial statements we are analyzing here, however, provides sufficient detail that enables us to discriminate between inventory changes in finished goods and inventory changes in work-in-process and raw materials. As the latter two items are properly categorized as production expenses, we are including them in our calculation as ML&E. Consistent with the LTFV investigation, we continue to exclude changes in finished-goods inventory.

We used two sources to calculate a surrogate value for domestic brokerage expenses. We averaged December 2003–November 2004 data contained in Essar Steel's February 28, 2005, public version response submitted in the antidumping duty administrative review of Hot-Rolled Carbon Steel Flat Products from India with October 2002–September 2003 data contained in Pidilite Industries' March 9, 2004, public version response submitted in the antidumping duty investigation of Carbazole Violet Pigment 23 from India. The brokerage expense data reported by Essar Steel and Pidilite Industries in their public versions is ranged data. We first derived an average per-unit amount from each source. We then adjusted each average rate for inflation and, finally, averaged the two per-unit amounts to derive an overall average rate for the POR.

To value truck freight, we used the freight rates published by Indian Freight Exchange available at <http://www.infreight.com>. To value domestic warehousing, we used a rate obtained from the Board of Jawaharlal Nehru Port Trust, available at [http://www.jnport.com/new\\_site/itariff\\_crc.asp](http://www.jnport.com/new_site/itariff_crc.asp). To value international ocean freight and U.S. inland freight, we used price quotes obtained from Maersk Sealand available at <http://www.maersksealand.com>. To value marine insurance, we used a price quote obtained from RJG Consultants and available at <http://www.rjgconsultants.com>. Where necessary, we adjusted the surrogate values to reflect inflation/deflation using the Indian Wholesale Price Index as published on the Reserve Bank of India Web site, available at <http://www.rbi.org.in>.

For further detail regarding all of the above surrogate values, see the FOP Memo.

### Facts Otherwise Available

Section 776(a)(1) and (2) of the Act provides that the Department shall apply "facts otherwise available" if, *inter alia*, necessary information is not on the record or an interested party or any other person: (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

In addition, 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 that party as facts otherwise available. The purpose of applying an adverse inference is "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. 316, 103d Cong., 2d Session at 870 (1994).

### SLK

SLK purchased MPF from several unaffiliated suppliers in the PRC. For one supplier, SLK was able to provide the Department with FOPs based only on a standard production formula. Because this information is not based on the supplier's actual production experience and it cannot be verified, the Department has declined to use the reported FOPs. SLK also suggested an alternative methodology; however, we do not have sufficient information at this time to apply that alternative. Due to the totality of the circumstances, however, we have determined that SLK has acted to the best of its ability to provide the Department with the requested information and, in the absence of the actual FOPs, for the purposes of these preliminary results, an adverse inference is not warranted. As facts otherwise available for those products that SLK also purchased from other suppliers, we are using the weighted-average FOPs (weighted by purchased quantity) of the other suppliers. For those U.S. sales of products not purchased from other suppliers (*i.e.*, unique products provided only by this supplier), we are applying SLK's weighted-average

margin calculated for its other reported U.S. sales.

For another of SLK's suppliers, SLK was unable to provide complete FOPs for galvanized MPF. During the POR, this supplier subcontracted the galvanizing process to two different subcontractors: one for the first nine months of the POR and the other for the last three months of the POR. Because the first subcontractor did not maintain production records, SLK was able to provide the Department with complete FOPs for only those products produced during the last three months of the POR. Because of the small percentage of NV attributable to galvanizing, and because SLK has cooperated with the Department's request for information to the best of its ability, for the purposes of the preliminary results, we are applying neutral facts available by using the three months of data representing the FOPs for galvanizing MPF provided by the second subcontractor for the full POR.

SLK reported that certain products it sold to the U.S. during the POR were sold out of its own inventory and not purchased from any of its suppliers during the POR. Thus, for these products, SLK was unable to provide the Department with purchased quantities to use as a weighting factor to average each supplier's reported FOPs.<sup>2</sup> Additionally, SLK was unable to provide FOP data for approximately one half of those products because none of SLK's suppliers produced these products during the POR. The percentage of sales, by volume, that these products represent is less than three percent of its U.S. sales during the POR. Because of this, and because the Department did not request SLK to provide FOPs for these products based on a prior period, we find that an adverse inference is not warranted for the preliminary results. As neutral facts available, where we are unable to weight average the product-specific FOPs of each supplier by SLK's purchased quantities, we are using a simple average of the reported product-specific FOPs provided by the suppliers of that product. For the remaining products sold out of inventory, none of SLK's suppliers reported FOPs. For sales of these products, for the purpose of the preliminary results, we are applying SLK's weighted-average margin calculated using its other

<sup>2</sup> The Department requested that SLK report the quantities of each product it purchased from each supplier during the POR. This information is being used to weight the product-specific FOPs of each supplier during the POR.

reported U.S. sales as neutral facts available.

Finally, SLK did not report FOPs for a small number of unique products purchased from all but one of its suppliers. Due to the small number of sales affected by these missing FOPs, for the purpose of the preliminary results, we are applying neutral facts available to these sales. As neutral facts available, we are applying the average of the FOPs for the same products purchased from other suppliers, if available. If unavailable, we are applying SLK's weighted-average margin.

We will provide SLK with an opportunity to cure the deficiencies discussed above and will revisit the facts-available calls for SLK for the final results of review in light of the adequacy of SLK's response to this opportunity. If appropriate, we may resort to the use of adverse facts available ("AFA") for SLK for the final results of review.

For further detail, see the December 16, 2005, memorandum from Jennifer Moats to the File regarding the 2003–2004 Administrative Review of the Antidumping Duty Order on Certain Malleable Iron Pipe Fittings from the People's Republic of China: Analysis Memorandum for Preliminary Results for Beijing Sai Lin Ke Hardware Co., Ltd.

#### *Pannext*

Pannext did not report FOPs for less than one percent of its U.S. sales made during the POR. Pannext has stated that it was not able to supply FOPs for these sales because the products were sold out of inventory and were not produced during the POR. Pannext has suggested that the Department use the FOPs of the most similar products that were produced during the POR and identified the most similar products in its December 1, 2005, submission to the Department. However, Pannext did not provide any supporting information on the criteria used to identify the products on this list as "most similar" to those products without reported FOP data. Therefore, we are unable to use Pannext's suggested methodology for these preliminary results. Because the sales in question constitute a small percentage of Pannext's sales of MPF to the United States during the POR and Pannext has cooperated to the best of its ability, we find that an adverse inference is not warranted in this case. As neutral facts available, for purposes of the preliminary results, we are applying Pannext's calculated weighted-average margin of its other reported U.S. sales during the POR to those U.S. sales that were sold out of

inventory. We will provide Pannext with an additional opportunity to explain the methodology it used to identify the "most similar" products reported to the Department following these preliminary results, and will revisit this issue for the final results of this proceeding. If appropriate, we may resort to the use of AFA for Pannext for the final results of review.

For further detail, see the December 16, 2005, memorandum from Sochieta Moth to the File regarding the 2003–2004 Administrative Review of the Antidumping Duty Order on Certain Malleable Iron Pipe Fittings from the People's Republic of China: Analysis Memorandum for Preliminary Results for Pannext Fittings Corporation.

#### *Chengde*

In the current proceeding, Chengde significantly impeded both our ability to complete the review of the MPF order which we are conducting pursuant to section 751 of the Act, and to impose the correct antidumping duties, as mandated by section 731 of the Act. As discussed below, we preliminarily find that its failure to cooperate with the Department to the best of its ability in responding to the Department's request for information warrants the use of adverse facts available in determining dumping margins for its sales of merchandise subject to the order.

Chengde has had extensive difficulty complying with the Department's filing and service requirements during the course of this proceeding. On April 29, 2005, the Department rejected Chengde's sections A, C, and D questionnaire responses due to filing format and service deficiencies, offering Chengde the opportunity to correct the deficiencies and resubmit its responses. Chengde resubmitted its responses on May 18, 2005. The Department subsequently discovered that the submissions contained inconsistencies regarding bracketed information. After giving Chengde multiple opportunities to re-bracket the proprietary information and resubmit its responses correctly, which Chengde did not do, the Department notified Chengde on July 7, 2005, that Chengde's improperly bracketed information would be treated as public information by the Department. On July 21, 2005, after improperly filing a request for an extension and failing to serve it on the other parties to the proceeding, the Department again reminded Chengde of the filing requirements and helped it meet those requirements.

In addition to filing problems, Chengde had difficulty complying with the Department's requests for

information. Thus far we have issued two supplemental questionnaires to Chengde. The first supplemental questionnaire was issued on July 20, 2005. Chengde's response was received on August 10, 2005. On November 23, 2005, we issued a second supplemental questionnaire to Chengde requesting, among other things, revised U.S. sales and FOP databases and reconciliations for Chengde's reported FOPs. Chengde requested an extension until December 23, 2005, to respond to the supplemental questionnaire. The Department granted Chengde the full extension requested, on the condition that Chengde provide the Department with a specified minimal amount of information necessary for the Department to perform its calculation analysis of Chengde's sales of subject merchandise during the POR. Chengde provided revised databases on December 5, 2005. However, we find that the databases are so deficient they cannot be used for the purpose of performing a calculation for Chengde. Our review of the data revealed several major inconsistencies and omissions in Chengde's most recent U.S. sales and FOP databases. For example, Chengde did not provide FOP data for 26 of its sales (representing 23 different products), and it provided different per-piece weights for the same products in its FOP and U.S. sales databases. Because Chengde has not provided complete or usable data to the Department despite the multiple opportunities provided, pursuant to section 776(a)(1) of the Act, the Department will apply facts available to Chengde because it did not provide the necessary information to calculate a dumping margin. Because Chengde has not cooperated to the best of its ability pursuant to section 776(b) of the Act, it is appropriate to use AFA for Chengde for purposes of the preliminary results of review. Furthermore, we find that because Chengde's information is unreliable it does not merit a separate rate and will be subject to the PRC-wide rate.

As AFA for the PRC-wide entity (including Chengde), for the preliminary results, we are applying the highest weighted-average margin calculated in this proceeding (*i.e.*, 200.24 percent). In this case, the rate is the margin calculated for another respondent (*i.e.*, SCE) in the instant segment of the proceeding.

For further detail, see the December 16, 2005, memorandum from Tisha Loeper-Viti to Wendy J. Frankel regarding the 2003–2004 Administrative Review of the Antidumping Duty Order on Certain Malleable Iron Pipe Fittings

from the People's Republic of China: Adverse Facts Available Analysis Memorandum for Preliminary Results for Chengde Malleable Iron General Factory.

We intend to issue Chengde one more supplemental questionnaire outlining the deficiencies we are able to identify in its current submissions. Should Chengde's forthcoming response to the Department's second and third (to be issued following the preliminary results) supplemental questionnaires be incomplete or unusable, or should Chengde fail to provide additional data requested by the Department within the requested time frame, we may continue to use AFA for Chengde for the final results of review.

### Corroboration of Secondary Information

Section 776(c) of the Act provides that when the Department relies on the facts otherwise available and relies on "secondary information," the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. Secondary information is defined in the SAA as "information derived from the petition that gave rise to the investigation or review, the final determination concerning subject merchandise, or any previous review under section 751 concerning the subject merchandise." See SAA at 870. The SAA provides that to "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. See *id.* The SAA also states that independent sources used to corroborate may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. See *id.* As noted in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996) ("TRBs"), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. While the Department need not prove that the selected facts available are the best alternative information (SAA at 869), where circumstances indicate that the selected margin is not appropriate as AFA, the Department will disregard the margin and determine an appropriate

margin." See *TRBs*, 61 FR at 57392. See also *Fresh Cut Flowers from Mexico; Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996) (disregarding the highest margin in the case as best information available because the margin was based on another company's uncharacteristic business expense resulting in an extremely high margin).

In this review, we are using as AFA the margin calculated for a respondent in the instant review, which constitutes secondary information within the meaning of the SAA. See SAA at 870.

Unlike other types of information such as input costs or selling expenses, however, there are no independent sources for calculated dumping margins. Thus, in an administrative review, if the Department chooses as facts available a calculated dumping margin from the current or from a prior segment of the proceeding, it is not necessary to question the reliability of the margin if it was calculated from sales and cost data. The 200.24 percent rate is based on information provided by SCE in the instant review of this proceeding. Therefore, we consider this rate to be reliable.

With respect to the relevance aspect of corroboration, the Department will consider information reasonably at its disposal to determine whether a margin continues to have relevance. Nothing in the record of this review calls into question the relevance of the margin we have selected as AFA. Moreover, the selected margin will be applied as the PRC-wide rate and will be applicable to exporters who do not have a separate rate. Thus, it is appropriate to use the selected rate as adverse facts available in the instant review. Accordingly, we have corroborated the AFA rate identified above, as required, by section 776(c) of the Act (i.e., established its probative value).

Because this is a preliminary margin, the Department will consider all margins on the record at the time of the final results for the purpose of determining the most appropriate final margin based on total AFA. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation*, 65 FR 1139 (January 7, 2000).

### Preliminary Results of Review

We preliminarily determine that the following dumping margins exist:

Manufacturer/exporter	Margin (percent)
Beijing Sai Lin Ke Hardware Co., Ltd. ....	23.44
Langfang Pannext Pipe Fitting Co., Ltd. ....	5.25
SCE Co., Ltd. ....	200.24
PRC-Wide Entity (including Chengde) .....	200.24

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. See 19 CFR § 351.224(b). Interested parties are invited to comment on the preliminary results. Interested parties may submit case briefs and rebuttal briefs, limited to issues raised in the case briefs. The Department will notify all parties of the briefing and hearing request schedule at a later date. Parties who submit arguments are requested to submit with each argument a statement of the issue, a brief summary of the argument, and a table of authorities. Further, we would appreciate if parties submitting written comments provide an additional copy of the public version of any such comments on a diskette. Any interested party may request a hearing. See 19 CFR 351.310(c). The Department will publish a notice of the final results of this review, which will include the results of its analysis of issues raised in any written comments or hearing, within 120 days from publication of this notice.

### Assessment

Pursuant to 19 CFR 351.212(b), the Department calculated an exporter/importer (or customer)-specific assessment rate for merchandise subject to this review. To determine whether the duty assessment rates covering the period were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculate importer (or customer)-specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to that importer (or customer) and dividing this amount by the total value of the sales to that importer (or customer). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis* and the respondent has reported reliable entered values, we apply the assessment rate to the entered value of the importer's/customer's entries during the review period. Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis* and we do not have entered values for all U.S. sales, we calculate a per-unit assessment rate by aggregating the dumping duties due for all U.S. sales to each importer (or customer) and dividing this amount by

the total quantity sold to that importer (or customer). The Department will issue assessment instructions directly to CBP within 15 days of publication of the final results of review.

#### Cash Deposit Requirements

The following cash deposit rates will be effective upon publication of the final results for all shipments of MPF from the PRC 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 above listed respondents, which each have a separate rate, the cash deposit rate will be the company-specific rate established in the final results of the review; (2) the cash deposit rates for any other companies that have separate rates established in the investigation, but were not reviewed in this proceeding, will not change; (3) for all other PRC exporters, the cash deposit rate will be 200.24 percent, the PRC-wide rate established in the LTFV; and (4) for non-PRC exporters of MPF 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) 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 determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 16, 2005.

**Stephen J. Claeys,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. E5-7785 Filed 12-22-05; 8:45 am]

**BILLING CODE 3510-DS-S**

## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Environmental Technologies Trade Advisory Committee (ETTAC)

**AGENCY:** International Trade Administration, U.S. Department of Commerce.

**ACTION:** Notice of open meeting.

*Date:* January 13, 2006.

*Time:* 9 a.m. to 4 p.m.

*Place:* Department of Commerce, 14th and Constitution NW., Washington, DC 20230, Room 4830.

**SUMMARY:** The Environmental Technologies Trade Advisory Committee (ETTAC) will hold a plenary meeting on January 13, 2006, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, in Room 4830. The ETTAC will discuss global climate change mitigation initiatives, the European Union's electronic and other waste initiatives, updated negotiations in the World Trade Organization's environmental goods and services trade liberalization, the Export-Import Bank's environmental exports program, U.S. EPA's Environmental Technologies Verification (ETV) Program, the USG role in the Asia-Pacific Partnership, and an overview of the U.S. International Trade Commission's environmental services sector market analysis. The meeting is open to the public and time will be permitted for public comment.

Written comments concerning ETTAC affairs are welcome anytime before or after the meeting. Minutes will be available within 30 days of this meeting.

The ETTAC is mandated by Public Law 103-392. It was created to advise the U.S. government on environmental trade policies and programs, and to help it to focus its resources on increasing the exports of the U.S. environmental industry. ETTAC operates as an advisory committee to the Secretary of Commerce and the Trade Promotion Coordinating Committee (TPCC). ETTAC was originally chartered in May of 1994. It was most recently rechartered until May 30, 2006.

For further information phone Ellen Bohon, Office of Energy and Environmental Technologies Industries (OEEI), International Trade Administration, U.S. Department of Commerce at (202) 482-0359. This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to OEEI at (202) 482-5225.

Dated: December 15, 2005.

**Joe O. Neuhoff,**

*Director, Office of Energy and Environmental Industries.*

[FR Doc. E5-7767 Filed 12-22-05; 8:45 am]

**BILLING CODE 3510-DR-P**

## DEPARTMENT OF COMMERCE

### National Institute of Standards and Technology

[Docket No.: 051202321-5335-02]

#### Small Grants Programs and Precision Measurement Grants Program; Availability of Funds

**AGENCY:** National Institute of Standards and Technology, Commerce.

**ACTION:** Notice.

**SUMMARY:** The National Institute of Standards and Technology (NIST) announces that the following programs are soliciting applications for financial assistance for FY 2006: (1) The Electronics and Electrical Engineering Laboratory Grants Program; (2) the Manufacturing Engineering Laboratory Grants Program; (3) the Chemical Science and Technology Laboratory Grants Program; (4) the Physics Laboratory Grants Program; (5) the Materials Science and Engineering Laboratory Grants Program; (6) the Building Research Grants and Cooperative Agreements Program; (7) the Fire Research Grants Program; (8) the Information Technology Laboratory Grants Program; and (9) the Precision Measurement Grants Program. Each program will only consider applications that are within the scientific scope of the program as described in this notice and in the detailed program descriptions found in the Federal Funding Opportunity (FFO) announcement for these programs. Prior to preparation of a proposal, it is strongly suggested that potential applicants contact the Program Manager for the appropriate field of research, as specified in the FFO announcement found at <http://www.grants.gov>, for clarification of the program objectives and to determine whether their proposal is responsive to this notice.

**DATES:** See below.

**ADDRESSES:** See below.

#### SUPPLEMENTARY INFORMATION:

*Catalog of Federal Domestic Assistance Name and Number:* Measurement and Engineering Research and Standards—11.609

#### Electronics and Electrical Engineering Laboratory (EEEL) Grants Program

*Program Description:* The Electronics and Electrical Engineering Laboratory (EEEL) Grants Program will provide grants and cooperative agreements for the development of fundamental electrical metrology and of metrology supporting industry and government agencies in the broad areas of