

Manufacturers/producers/exporters	Margin (percent)
PRC-Wide Rate	53.65

¹ In the original order and subsequent administrative reviews, China First Pencil Co. Ltd. ("China First") and Shanghai Three Star Stationery Industry Co., Ltd. ("Three Star") were treated as separate entities. In the 1999–2000 administrative review, the Department determined that China First and Three Star should henceforth be treated as a single entity. See *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002) ("99–00 Pencils Final") and accompanying Issues and Decision Memorandum at Comment 12, amended at *Notice of Amended Final Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Cased Pencils from the People's Republic of China*, 67 FR 59049 (September 19, 2002). The Department continued to treat China First and Three Star as a single entity in the four successive administrative reviews. In the 2006–2007 administrative review, the Department determined that due to new evidence regarding the relationship between China First and Three Star there was no longer a sufficient basis to combine the two companies. See *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 33406 (July 13, 2009) and accompanying Issues and Decision Memorandum at Comment 1, amended at *Certain Cased Pencils from the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review*, 74 FR 45177 (September 1, 2009). The Department continues to view China First and Three Star as separate and distinct entities as a result of the 2006–2007 administrative review determination. See *Certain Cased Pencils From the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 75 FR 38980 (July 7, 2010).

² The Department originally excluded from the order exports made by Guangdong Provincial Stationery & Sporting Goods Import & Export Corp. ("Guangdong") and produced by Three Star. However, the Department determined in the 1999–2000 administrative review that the Guangdong/Three Star sales chain was no longer excluded from the order, and that all merchandise exported by Guangdong was subject to the cash deposit requirements at the PRC-Wide Rate. See *99–00 Pencils Final* and accompanying Issues and Decision Memorandum at Comment 1, amended at 67 FR 59049.

This notice also serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act.

Dated: March 1, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–929]

Small Diameter Graphite Electrodes From the People's Republic of China: Preliminary Results of the First Administrative Review of the Antidumping Duty Order; Partial Rescission of Administrative Review; and Intent To Rescind Administrative Review, in Part

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

SUMMARY: In response to requests from interested parties, the Department of Commerce. ("Department") is conducting the first administrative

review of the antidumping duty order on small diameter graphite electrodes ("SDGE") from the People's Republic of China ("PRC"), covering the period August 21, 2008, through January 31, 2010. The Department has preliminarily determined that during the period of review ("POR") respondents in this proceeding have made sales of subject merchandise at less than normal value ("NV"). If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. The Department is also rescinding this review for those exporters for which requests for review were timely withdrawn.¹ For the companies for which this review is rescinded, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption. Furthermore, we determine that four companies for which a review was requested have not been responsive, and thus have not demonstrated entitlement to a separate rate.² As a result, we have preliminarily determined that they are part of the PRC-wide entity, and continue to be subject to the PRC-wide entity rate.³ Further, the Department intends to rescind this administrative review with respect to UK Carbon & Graphite ("UKCG") if the Department concludes that there were no entries, exports, or sales of the subject merchandise to the

United States during the POR.⁴ Interested parties are invited to comment on these preliminary results. We will issue final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act").

DATES: *Effective Date:* March 7, 2011.

FOR FURTHER INFORMATION CONTACT: Lindsey Novom or Frances Veith, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington DC 20230; telephone: (202) 482–5256 or (202) 482–4295, respectively.

Background

On February 26, 2009, the Department published in the **Federal Register** the antidumping duty order on SDGE from the PRC.⁵ On February 1, 2010, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on SDGE from the PRC.⁶ On February 23, February 25, and February 26, 2010, the Department received timely requests for an administrative review of this antidumping duty order in accordance with 19 CFR 351.213(b) from Fushun Jinly Petrochemical Carbon Co., Ltd. ("Fushun Jinly"), Xinghe County Muzi Carbon Co., Ltd. ("Muzi Carbon"), and Beijing Fangda Carbon Tech Co., Ltd. ("Beijing Fangda"), Chengdu Rongguang

⁴ See "Intent to Rescind, in Part, the Administrative Review" section below.

⁵ See *Antidumping Duty Order: Small Diameter Graphite Electrodes from the People's Republic of China*, 74 FR 8775 (February 26, 2009).

⁶ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Reviews*, 75 FR 5037 (February 1, 2010).

¹ See "Partial Rescission of the Administrative Review" section below.

² See "Separate Rates" section below.

³ See "The PRC-Wide Entity, PRC-Wide Rate, and Use of Adverse Facts Available" section below.

Carbon Co., Ltd. (“Rongguang”), Fangda Carbon New Material Co., Ltd. (“Fangda Carbon”), Fushun Carbon Co., Ltd. (“Fushun Carbon”), and Hefei Carbon Co., Ltd. (“Hefei”) (collectively “the Fangda Group”).⁷ On February 26, 2010, the Department also received a timely request for an administrative review of 112 companies from SGL Carbon LLC and Superior Graphite Co. (“Petitioners”).⁸

On March 26, 2010, Petitioners submitted pre-initiation comments regarding respondent selection. On March 30, 2010, the Department released to interested parties CBP data covering POR imports of SDGE from the PRC, and invited these parties to comment on the Department’s respondent selection process.⁹

On March 30, 2010, the Department initiated an administrative review of the antidumping duty order on SDGE from the PRC for 112 individually named firms.¹⁰ On April 29, 2010, the Department received four separate-rate certifications, two separate-rate applications, of which one company also filed a no-shipment certification and a request for rescission of this administrative review.¹¹ On May 6, 2010, the Department issued the respondent selection memorandum in which it selected the Fangda Group and Fushun Jinly as respondents for individual review.¹²

On May 26, 2010, the Department sent the antidumping duty questionnaires to the Fangda Group and Fushun Jinly. On June 28, 2010, we received from

⁷ In the *Initiation Notice*, the firm names for these named companies were listed as follows: (1) “Fushun Jinli Petrochemical Carbon Co., Ltd. (aka Fushun Jinly Petrochemical Carbon Co., Ltd.),” (2) “Xinghe County Muzi Carbon Co., Ltd. (aka Xinghe County Muzi Carbon Plant),” (3) Beijing Fangda was listed as shown above, (4) “Chengdu Rongguang Carbon Co., Ltd. (subsidiary of Liaoning Fangda Group Industrial Co., Ltd.),” (5) “Fangda Carbon New Material Co., Ltd. (subsidiary of Liaoning Fangda Group Industrial Co., Ltd. and formerly Lanzhou Hailong New Material Co.),” (6) “Fushun Carbon Co., Ltd. (subsidiary of Liaoning Fangda Group Industrial Co., Ltd. and formerly Fushun Carbon Plant),” and (7) “Hefei Carbon Co., Ltd. (subsidiary of Liaoning Fangda Group Industrial Co., Ltd.).” See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 75 FR 15679, 15681–15683 (March 30, 2010) (“*Initiation Notice*”).

⁸ See *id.*

⁹ See the Department’s March 30, 2010, Memorandum to “All Interested Parties,” in which we requested comments regarding respondent selection based on the released CBP data.

¹⁰ See *Initiation Notice*.

¹¹ See “Separate Rates,” “Partial Rescission of the Administrative Review,” and “Intent to Rescind, in Part, the Administrative Review” sections below.

¹² See the Department’s memorandum regarding, “Respondent Selection in the Antidumping Duty Administrative Review of Small Diameter Graphite Electrodes from the People’s Republic of China,” dated May 6, 2010.

Petitioners a timely request for rescission of review for 100 of the 112 companies for which the Department initiated a review.¹³ Between June 4, 2010, and December 30, 2010, the Fangda Group and Fushun Jinly responded to the Department’s original and supplemental questionnaires.

On October 19, 2010, the Department published a notice in the **Federal Register** extending the time limit for the preliminary results of review by the full 120 days allowed under section 751(a)(3)(A) of the Act to February 28, 2011.¹⁴

Between January 10 and January 21, 2011, the Department conducted verifications of two of the Fangda Group entities (Beijing Fangda and Fushun Carbon), as well as, Fushun Jinly and one of its tollers, Fushun Hexie Carbon Product Co., Ltd (“Hexie”).¹⁵

Period of Review

The POR is August 21, 2008, through January 31, 2010.

Scope of the Order

The merchandise covered by this order includes all small diameter graphite electrodes of any length, whether or not finished, of a kind used in furnaces, with a nominal or actual diameter of 400 millimeters (16 inches) or less, and whether or not attached to a graphite pin joining system or any other type of joining system or hardware. The merchandise covered by this order also includes graphite pin joining systems for small diameter graphite electrodes, of any length, whether or not finished, of a kind used in furnaces, and whether or not the graphite pin joining system is attached to, sold with, or sold separately from, the small diameter graphite electrode. Small diameter graphite electrodes and graphite pin joining systems for small diameter graphite electrodes are most commonly used in primary melting, ladle metallurgy, and specialty furnace applications in industries including foundries, smelters, and steel refining operations. Small diameter graphite electrodes and graphite pin joining systems for small diameter graphite electrodes that are subject to this order are currently classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheading

¹³ See “Partial Rescission of the Administrative Review” section below.

¹⁴ See *Small Diameter Graphite Electrodes From the People’s Republic of China: Extension of Time Limit for the Preliminary Results of the First Administrative Review of the Antidumping Duty Order*, 75 FR 64250 (October 19, 2010).

¹⁵ See the “Verification” section below for additional information.

8545.11.0000. The HTSUS number is provided for convenience and customs purposes, but the written description of the scope is dispositive.

Connecting Pins—Model Match Methodology

On August 13, 2010, the Department determined that all connecting pins for SDGE, whether or not they are attached to, sold with, or sold separately from the SDGE are covered by the scope of this proceeding. We invited parties to submit comments regarding the appropriate methodology for reporting normal value for sales where connecting pins are sold with SDGEs at one price per metric ton. On August 19, 2010, both Petitioners and the Fangda Group submitted comments on reporting and model match methodology where connecting pins are sold with SDGEs as one finished product.

We have previously determined that graphite connecting pins produced by respondents are covered by the description in the “Scope of the Order” section, above, and are subject merchandise for purposes of determining appropriate fair value comparisons to U.S. sales.¹⁶ We compared respondent’s U.S. sales of SDGEs, including connecting pins, to its corresponding NV. In making the fair value comparisons, we compared NV to respondents’ individual export price (“EP”) based on the physical characteristics of the SDGE control number, or CONNUM, reported by respondents. For more information, see Fangda Carbon and Fushun Jinly’s respective analysis memoranda.¹⁷

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the Fangda Group for Beijing Fangda and Fushun Carbon, and information submitted by Fushun Jinly for itself and its toller Hexie for use in our preliminary results. See the

¹⁶ See *Final Determination of Sales at Less Than Fair Value and Affirmative Determination of Critical Circumstances: Small Diameter Graphite Electrodes from the People’s Republic of China*, 74 FR 2049, 2051 (January 14, 2009) (“*SDGE Final LTFV Determination*”), and accompanying Issues and Decision Memorandum at Comment 2.

¹⁷ See the Department’s memorandums entitled, “1st Administrative Review of the Antidumping Duty Order on Small Diameter Graphite Electrodes from the People’s Republic of China: Analysis of the Preliminary Determination Margin Calculation for the Fangda Group Companies,” (“Fangda Group’s Preliminary Analysis Memo”) and “1st Administrative Review of the Antidumping Duty Order on Small Diameter Graphite Electrodes from the People’s Republic of China: Analysis of the Preliminary Determination Margin Calculation for Fushun Jinly Petrochemical Carbon Co., Ltd.” (“Fushun Jinly’s Preliminary Analysis Memo”), dated concurrently with this notice.

Department's verification reports on the record of this investigation, available in the Central Records Unit, Room 7046 of the main Department building, with respect to these entities.¹⁸ For all verified companies, we used standard verification procedures, including the examination of relevant accounting and production records, as well as original source documents provided by respondents.

Partial Rescission of the Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Secretary will rescind an administrative review, in whole or in part, if a party that requested the review withdraws the request within 90 days of the date of publication of the initiation notice of the requested review. Further, pursuant to 19 CFR 351.213(d)(1), the Department is permitted to extend this time if it is reasonable to do so.

For all but seven of the 112 companies for which the Department

initiated an administrative review, Petitioners were the only party that requested the review. On June 28, 2010, Petitioners timely withdrew their review requests for 100 of the 105 companies in which the Petitioners were the only party that had requested an administrative review. Therefore, in accordance with 19 CFR 351.213(d)(1), we are rescinding this administrative review with respect to the companies named as follows in the *Initiation Notice*:

PARTIAL RESCISSION OF THE ADMINISTRATIVE REVIEW

	Firm Name
1	5-Continent Imp. & Exp. Co., Ltd. (aka Sichuan 5-Continent Imp. & Exp. Co., Ltd.).
2	Acclcarbon Co., Ltd.
3	Allied Carbon (China) Co., Limited.
4	Anssen Metallurgy Group Co., Ltd. (aka AMGL).
5	Beijing Xincheng Sci-Tech. Development Inc. (formerly Beijing Xinchengze Inc.) (subsidiary of XC Carbon Group).
6	Brilliant Charter Limited.
7	Chengdelh Carbonaceous Elements Factory.
8	Chengdu Jia Tang Corp.
9	China Shaanxi Richbond Imp. & Exp. Industrial Corp. Ltd.
10	China Xingyong Carbon Co., Ltd. (aka Xinghe Xingyong Carbon Co., Ltd.).
11	CIMM Group Co., Ltd. (formerly China Industrial Mineral & Metals Group).
12	Dalian Carbon & Graphite Corporation.
13	Dalian Hongrui Carbon Co., Ltd.
14	Dalian Horton International Trading Co., Ltd.
15	Dalian LST Metallurgy Co., Ltd.
16	Dalian Shuangji Co., Ltd.
17	Dalian Thrive Metallurgy Imp. & Exp. Co., Ltd.
18	Datong Xincheng Carbon Co., Ltd.
19	Dechang Shida Carbon Co., Ltd. (aka Sichuan Dechang Shida Co., Ltd.; and subsidiary of Shida Carbon Group).
20	Dignity Success Investment Trading Co., Ltd.
21	Double Dragon Metals and Mineral Tools Co., Ltd.
22	Foset Co., Ltd. (aka Shanxi Foset Carbon Co. Ltd.).
23	GES (China) Co., Ltd. (aka Shanghai GC Co., Ltd.).
24	Guangdong Highsun Yongye (Group) Co., Ltd. (formerly Moaming Yongye (Group) Co., Ltd.).
25	Guanghan Shida Carbon Co., Ltd. (aka Sichuan Guanghan Shida Carbon Co., Ltd.; a subsidiary of Shida Carbon Group).
26	Haimen Shuguang Carbon Industry Co., Ltd.
27	Handan Hanbo Material Co., Ltd.
28	Hebei Long Great Wall Electrode Co., Ltd. (aka Chang Cheng Chang Electrode Co., Ltd. and Laishui Long Great Wall Electrode Co. Ltd.).
29	Heilongjiang Xinyuan Metacarbon Company, Ltd. (Heilongjiang Xinyuan Carbon Products Co., Ltd.).
30	Henan Sanli Carbon Products Co., Ltd.
31	Hopes (Beijing) International Co., Ltd.
32	Hunan Mec Machinery and Electronics Imp. & Exp. Corp.
33	Hunan Yinguang Carbon Factory Co., Ltd.
34	Inner Mongolia Xinghe County Hongyuan Electrical Carbon Factory.
35	Jiang Long Carbon.
36	Jiangsu Yafei Carbon Co., Ltd.
37	Jiaozuo Zhongzhou Carbon Products Co., Ltd.
38	Jichun International Trade Co., Ltd. of Jilin Province.
39	Jiexiu Juyuan Carbon Co., Ltd./Jiexiu Ju-Yuan & Coaly Co., Ltd.
40	Jilin Songjiang Carbon Co Ltd.
41	Jinyu Thermo-Electric Material Co., Ltd.
42	Kaifeng Carbon Company Ltd.
43	Kingstone Industrial Group Ltd.
44	L & T Group Co., Ltd.
45	Lanzhou Carbon Co., Ltd./Lanzhou Carbon Import & Export Corp. (aka Fangda Lanzhou Carbon Joint Stock Company Co. Ltd.; Lanzhou Hailong Technology; Lanzhou Hailong New Material Co.).
46	Lanzhou Ruixin Industrial Material Co., Ltd.
47	LH Carbon Factory of Chengde.
48	Lianyungang Jinli Carbon Co., Ltd. (aka Lianyungang Jianglida Co., Ltd.).
49	Liaoyang Carbon Co. Ltd.

¹⁸ See the Department's memorandums entitled, "Verification of the Sales and Factors Response of the Fangda Group Companies in the Antidumping Review of Small Diameter Graphite Electrodes from

the People's Republic of China," ("Fangda Group's Verification Report") and "Verification of the Sales and Factors Response of Fushun Jinly Petrochemical Carbon Co., Ltd in the Antidumping

Review of Small Diameter Graphite Electrodes from the People's Republic of China" ("Fushun Jinly's Verification Report"), dated concurrently with this notice.

PARTIAL RESCISSION OF THE ADMINISTRATIVE REVIEW—Continued

	Firm Name
50	Linghai Hongfeng Carbon Products Co., Ltd.
51	Linyi County Lubei Carbon Co., Ltd.
52	Nantong Falter New Energy Co., Ltd.
53	Nantong River-East Carbon Joint Stock Co., Ltd. (aka Nantong River-East Carbon Co., Ltd.).
54	Nantong Yangtze Carbon Corp. Ltd.
55	Orient (Dalian) Carbon Resources Developing Co., Ltd.
56	Peixian Longxiang Foreign Trade Co. Ltd.
57	Qingdao Grand Graphite Products Co., Ltd.
58	Qingdao Haosheng Metals Imp. & Exp. Co., Ltd. (aka Qingdao Haosheng Metals & Minerals Imp. & Exp. Co., Ltd.).
59	Qingdao Liyikun Carbon Development Co., Ltd. (aka Qingdao Likun Graphite Co., Ltd.).
60	Qingdao Ruizhen Carbon Co., Ltd.
61	Rt Carbon Co., Ltd.
62	Ruitong Carbon Co., Ltd.
63	Shandong Basan Carbon Plant.
64	Shanghai Carbon International Trade Co., Ltd. (affiliate of Xuzhou Jianglong Carbon Manufacture Co., Ltd.).
65	Shanghai GC Co., Ltd. (affiliated with GES (China) Co., Ltd.).
66	Shanghai Jinneng International Trade Co., Ltd. (affiliated with Jinneng Group).
67	Shanghai P.W. International Ltd.
68	Shanghai Topstate International Trading Co., Ltd.
69	Shanxi Datong Energy Development Co., Ltd. (aka Datong Carbon; subsidiary of Shanxi Jinneng Group Co., Ltd.).
70	Shanxi Jiexiu Import and Export Co., Ltd.
71	Shanxi Jinneng Group Co., Ltd.
72	Shanxi Yunheng Graphite Electrode Co., Ltd. (affiliated with Datong Carbon Plant).
73	Shenyang Jinli Metals & Minerals Imp. & Exp. Co., Ltd.
74	Shida Carbon Group.
75	Shijaizhuang Carbon Co., Ltd.
76	Sichuan Shida Trading Co., Ltd. (subsidiary of Shida Carbon Group).
77	Sichuan GMT International Inc.
78	Sinosteel Anhui Co., Ltd. (subsidiary of Sinosteel Corp.).
79	Sinosteel Sichuan Co., Ltd. (subsidiary of Sinosteel Corp.).
80	SMMC Group Co., Ltd.
81	Tangshan Kimwan Special Carbon & Graphite Co., Ltd.
82	Tengchong Carbon Co., Ltd.
83	Tianjin (Teda) Iron & Steel Trade Co., Ltd.
84	Tianjin Yue Yang Industrial & Trading Co., Ltd.
85	Tianzhen Jintian Graphite Electrodes Co., Ltd.
86	Tielong (Chengdu) Carbon Co., Ltd.
87	United Carbon Ltd.
88	World Trade Metals & Minerals Co., Ltd.
89	Xinghe Xinyuan Carbon Products Co., Ltd.
90	Xinyuan Carbon Co., Ltd.
91	Xuanhua Hongli Refractory and Mineral Company.
92	Xuchang Minmetals & Industry Co., Ltd.
93	Xuzhou Jianglong Carbon Manufacture Co., Ltd. (aka Xuzhou Carbon Co., Ltd.; formerly Xuzhou Electrode Factory).
94	Yangzhou Qionghua Carbon Trading Ltd.
95	Yixing Huaxin Imp & Exp Co. Ltd.
96	Youth Industry Co., Ltd.
97	Zhengzhou Jinyu Thermo-Electric Material Co., Ltd.
98	Zibo Continent Carbon Factory (aka Shandong Zibo Continent Carbon Factory, aka Zibo Wuzhou Tanshun Carbon Co., Ltd.).
99	Zibo DuoCheng Trading Co., Ltd.
100	Zibo Lianxing Carbon Co., Ltd. (affiliated with Lianxing Carbon (Shandong) Co., Ltd., Weifang Lianxing Carbon Co., Ltd., Lianxing Carbon Qinghai Co., Ltd., and Lianxing Carbon Science Institute).

Intent To Rescind, in Part, the Administrative Review

Petitioners' timely request for administrative reviews included a request to conduct an administrative review of UKCG. After initiating an administrative review of UKCG,¹⁹ the Department on April 29, 2010, received a certification of no shipments from UKCG and a request to rescind the administrative review of UKCG. On May 18, 2010, the Department sent a supplemental questionnaire to UKCG

requesting information pertaining to its input suppliers and its manufacturing operations in the United Kingdom. On June 1, 2010, UKCG responded to the Department's supplemental questionnaire. On May 5, and May 21, 2010, Petitioners submitted to the Department requests to keep UKCG in this administrative review and to seek further information and clarification from the company to ascertain the merit of its claim for rescission. On July 19, 2010, UKCG submitted factual information, and on July 29, 2010, Petitioners submitted rebuttal comments

on UKCG's factual information. On August 9, 2010, UKCG submitted additional information and rebuttal comments on Petitioners July 29, 2010, submission.

We made inquiries with CBP as to whether there were any entries of subject merchandise from the PRC exported by UKCG during the POR. See message number 1039304, dated February 8, 2011. We received no responses to those inquiries indicating that any shipments of subject merchandise from UKCG from the PRC entered during the POR. Further, in our

¹⁹ See *Initiation Notice*, 75 FR at 15683.

respondent selection process, we released CBP data covering POR imports of SDGE from the PRC to interested parties. Upon examination of this data, we found no entries of subject merchandise from the PRC exported by UKCG during the POR.²⁰ Based on the above, we preliminarily find that UKCG had no shipments of SDGE from the PRC during the POR, and we intend to rescind the review with respect to UKCG pursuant to 19 CFR 351.213(d)(3).

Interested parties may submit comments on the Department's intent to rescind this review with respect to UKCG no later than 30 days after the date of publication of these preliminary results of review. The Department will issue the final rescission (if appropriate), which will include the results of its analysis of issues raised in any comments received, in the final results of review.

Non-Market-Economy Country Status

In every case conducted by the Department involving the PRC, the PRC has been treated as a non-market economy ("NME") country.²¹ In accordance with section 771(18)(C)(i) of the Act, any determination that a country is an NME country shall remain in effect until revoked by the administering authority. None of the parties to this proceeding has contested such treatment. Accordingly, the Department calculated NV in accordance with section 773(c) of the Act, which applies to NME countries.

Surrogate Country

When the Department conducts an antidumping duty administrative review of imports from an NME country, section 773(c)(1) of the Act directs the Department to base NV, in most cases, on the NME producer's factors of production ("FOP"), valued in a surrogate market-economy ("ME") country or countries considered appropriate by the Department. In accordance with section 773(c)(4) of the Act, the Department will value FOPs using "to the extent possible, the prices or costs of the FOPs in one or more market-economy countries that are: (A) At a level of economic development comparable to that of the NME country,

and (B) significant producers of comparable merchandise."

With respect to the Department's selection of surrogate country, Petitioners argue that the Ukraine is the most appropriate surrogate country from which to derive surrogate factor values for the PRC because Ukraine's per capita gross national income ("GNI") is economically comparable to the PRC and is also a significant producer of SDGE.²² Petitioners also state that in the alternative, the Department should rely on India to derive surrogate factor values for the PRC, as it did in the investigation. Although Petitioners suggested we use Ukrainian financial statements as a source for valuing financial ratios and placed one such financial statement on the record, Petitioners additionally placed on the record financial ratio calculations of an Indian producer.

On November 8, 2010, respondents Fangda Group and Fushun Jinly submitted rebuttal comments to Petitioners' surrogate country submission, in which respondents argue that India is both economically comparable to the PRC and a significant producer of identical merchandise (*i.e.*, SDGE) and the administrative record establishes that India is a superior data source as compared to Ukraine. Respondents maintain that the record contains complete and audited Indian financial statements from two companies that produce identical merchandise to SDGE while the financial statement from the Ukraine is incomplete and not fully translated. Respondents also contend that Petitioners' reliance on Ukraine's GNI as the basis for replacing India because Ukraine's GNI is closer to the PRC's than that of India's GNI, is unavailing. Respondents argue that it is the Department's practice to select surrogate values from a country that is at a level of economic development "comparable" to the NME country, not on the basis of the country that is most comparable in terms of GNI. Further, the Department's August 30, 2010, memorandum which set forth a non-exhaustive list of six countries determined to be at a level of economic development comparable to the PRC (inclusive of both the India and Ukraine), specifically noted that all of the listed countries "are economically comparable to the PRC" and "{t}he surrogate countries on the list are not ranked and should be considered equivalent in terms of economic

comparability."²³ Additionally, respondents maintain that the availability of two companies in India from which to calculate surrogate financial ratios further establishes that India is a superior data source compared to the Ukraine. Thus, respondents argue that the Department should continue to use India as the primary surrogate country in this proceeding.

In the instant review, the Department has identified India, Indonesia, the Philippines, Ukraine, Thailand, and Peru as a non-exhaustive list of countries that are at a level of economic development comparable to the PRC and for which good quality data are most likely available.²⁴ The Department uses per capita GNI as the primary basis for determining economic comparability.²⁵ Once the countries that are economically comparable to the PRC have been identified, the Department selects an appropriate surrogate country by determining whether an economically comparable country is a significant producer of comparable merchandise and whether data for valuing FOPs are both available and reliable. Like the PRC, India has a broad and diverse production base, and the Department has reliable data from India that it can use to value the FOPs, while for Ukraine there are not reliable Ukrainian surrogate financial statements on the record with which to calculate the financial ratios.²⁶ Therefore, the Department has determined that it is appropriate to use India as a surrogate country for the purposes of this administrative review, pursuant to section 773(c)(4) of the Act, based on the following: (1) It is at a similar level of economic development to the PRC; (2) it is a significant producer of comparable merchandise, and (3) the Department has reliable data from India that it can use to value the FOPs. Accordingly, we have calculated NV using Indian prices when available and

²³ See the Department's letter to all interested parties regarding the "Administrative Review of the Antidumping Duty Order on Small Diameter Graphite Electrodes ("SDGE") from the People's Republic of China ("PRC")," dated September 29, 2010 ("Surrogate Countries Memorandum"), at 2.

²⁴ See Attachment to the Surrogate Countries Memorandum.

²⁵ See the Department's Policy Bulletin No. 04.1, regarding, "Non-Market Economy Surrogate Country Selection Process," (March 1, 2004) ("Policy Bulletin 04.1"), available on the Department's Web site at <http://ia.ita.doc.gov/policy/bull04-1.html>.

²⁶ See the Department's memorandum to the file regarding the preliminary factor values used in this administrative review, dated concurrently with this notice ("Factor Valuation Memorandum").

²⁰ See the Department's March 30, 2010 Memorandum to "All Interested Parties."

²¹ See, e.g., *Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 30758, 30760 (June 4, 2007), unchanged in *Final Determination of Sales at Less Than Fair Value: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 60632 (October 25, 2007).

²² See Petitioners' submission regarding the appropriate surrogate country to be used for purposes of valuing FOPs in this administrative review, dated October 14, 2010.

appropriate to value each respondent's FOPs.²⁷

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results of an administrative review, interested parties may submit publicly available information to value the FOPs within 20 days after the date of publication of these preliminary results.²⁸

Separate Rates

In proceedings involving NME countries, the Department has a rebuttable presumption that all companies within the country are subject to government control and thus should be assigned a single antidumping duty rate.²⁹ It is the Department's policy to assign all exporters of merchandise subject to review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Exporters can demonstrate this independence through the absence of both *de jure* and *de facto* government control over export activities. The Department analyzes each entity exporting the subject merchandise under a test arising from 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 further developed in 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*"). However, if the Department determines that a company is wholly foreign-owned or located in a market

economy, then a separate-rate analysis is not necessary to determine whether it is independent from government control.

In order to demonstrate separate-rate status eligibility, the Department normally requires entities, for whom a review was requested, and who were assigned a separate rate in a previous segment of this proceeding, to submit a separate-rate certification stating that they continue to meet the criteria for obtaining a separate rate.³⁰ For entities that were not assigned a separate rate in the previous segment of a proceeding, to demonstrate eligibility for such, the Department requires a separate-rate application.³¹ On April 29, 2010, Shanghai Jinneng International Trade Co., Ltd. ("Jinneng"), Sichuan Guanghan Shida Carbon Co., Ltd. ("Shida"), and Muzi Carbon each submitted separate rate certifications. On June 1, 2010, Qingdao Hao Sheng Metals & Minerals Import & Exports Co., Ltd. ("Hao Sheng Metals") and UKCG submitted a separate rate application. On June 28, 2010, Petitioners withdrew their review requests for Jinneng, Shida, and Hao Sheng Metals. For further information, see the "Partial Rescission of the Administrative Review" section above. The Department also intends to rescind the administrative review with respect to UKCG. For further information, see the "Intent to Rescind, in Part, the Administrative Review" section above.

In this administrative review, of the five entities not selected for individual review (*i.e.*, (1) Muzi Carbon, (2) Shijiazhuang Huanan Carbon Factory ("Huanan Carbon"), (3) Sinosteel Jilin Carbon Co., Ltd./Sinosteel Jilin Carbon Import & Export Co., Ltd. ("Sinosteel Jilin"), (4) Jilin Carbon Graphite Material Co., Ltd. ("Jilin Carbon"), and (5) Jilin Carbon Import and Export Company ("Jilin Carbon I&E")) for which the review has not been rescinded or for which the Department does not intend to rescind the review, only one company, Muzi Carbon, submitted separate-rate information. The remaining four companies (Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E) did not provide either a separate rate application or separate rate certification, as applicable, and will be considered part of the PRC-wide entity. See "The PRC-Wide Rate, PRC-Wide Entity, and Use of Adverse Facts Available" section below.

The two mandatory respondents (*i.e.*, the Fangda Group and Fushun Jinly) and Muzi Carbon have provided company-specific information and each

stated that it meets the criteria for the assignment of a separate rate.

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; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies.³²

The evidence provided by the Fangda Group, Fushun Jinly, and Muzi Carbon supports a preliminary finding of *de jure* absence of government control based on the following: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) there are applicable legislative enactments decentralizing control of the companies; and (3) there are formal measures by the government decentralizing control of the companies.³³

b. Absence of *De Facto* Control

Typically the Department considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a government agency; (2) whether the respondent has 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 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.³⁴

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 over export activities which would preclude the Department from assigning separate rates. For the Fangda Group, Fushun Jinly, and Muzi Carbon, we determine that the evidence on the record supports

²⁷ See Surrogate Value Memorandum; see also "Factor Valuations" section, below.

²⁸ In accordance with 19 CFR 351.301(c)(1), for the final results of this administrative review, interested parties may submit factual information to rebut, clarify, or correct factual information submitted by an interested party less than ten days before, on, or after, the applicable deadline for submission of such factual information. However, the Department notes that 19 CFR 351.301(c)(1) permits new information only insofar as it rebuts, clarifies, or corrects information recently placed on the record. The Department generally will not accept the submission of additional, previously absent-from-the-record, alternative surrogate value information pursuant to 19 CFR 351.301(c)(1). See *Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part*, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

²⁹ See, e.g., *Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 75 FR 24892, 24899 (May 6, 2010), unchanged in *Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 59217 (September 27, 2010).

³⁰ See *Initiation Notice*, 75 FR at 15680.

³¹ *Id.*

³² See *Sparklers*, 56 FR at 20589.

³³ See Beijing Fangda's, Fushun Carbon's, Fangda Carbon's, Rongguang's, and Heifei's Section A Questionnaire Responses, dated June 4, 2010; Fushun Jinly's Section A Questionnaire Response, dated June 7, 2010; and Muzi Carbon's Separate Rate Certification, dated April 29, 2010.

³⁴ See *Silicon Carbide*, 59 FR at 22586-87; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

a preliminary finding of *de facto* absence of government control based on record statements and supporting documentation showing the following: (1) Each respondent sets its own export prices independent of the government and without the approval of a government authority; (2) each respondent retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) each respondent has the authority to negotiate and sign contracts and other agreements; and (4) each respondent has autonomy from the government regarding the selection of management.³⁵ Additionally, each of these companies' questionnaire responses indicate that its pricing during the POR does not involve coordination among exporters.

The evidence placed on the record of this review by the Fangda Group, Fushun Jinly, and Muzi Carbon demonstrates an absence of *de jure* and *de facto* government control with respect each company's respective exports of the merchandise under review, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Therefore, we are preliminarily granting the Fangda Group, Fushun Jinly, and Muzi Carbon each a separate rate.

Margin for Separate Rate Company

The statute and the Department's regulations do not address the establishment of a rate to be applied to individual companies not selected for examination where the Department limited its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, we have looked to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents we did not examine in an administrative review. For the exporters subject to a review that were determined to be eligible for separate rate status, but were not selected as mandatory respondents, the Department generally weight-averages the rates calculated for the mandatory respondents, excluding any rates that are zero, *de minimis*, or based entirely on adverse facts available ("AFA").³⁶

³⁵ See Beijing Fangda's, Fushun Carbon's, Fangda Carbon's, Rongguang's, and Heifei's Section A Questionnaire Responses, dated June 4, 2010; Fushun Jinly's Section A Questionnaire Response, dated June 7, 2010; and Muzi Carbon's Separate Rate Certification Response, dated April 29, 2010.

³⁶ See, e.g., *Wooden Bedroom Furniture From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*,

As discussed above, the Department received a timely and complete separate rate certification from Muzi Carbon, who is an exporter of SDGE from the PRC during the POR and who was not selected as a mandatory respondent in this review. In this segment, this company has demonstrated its eligibility for a separate rate, as discussed above. Consistent with the Department's practice, as the separate rate, we have established a margin for Muzi Carbon based on the weighted-average of the rates we calculated for the mandatory respondents, the Fangda Group and Fushun Jinly, excluding, where appropriate, any rates that were zero, *de minimis*, or based entirely on AFA.³⁷

The PRC-Wide Entity, PRC-Wide Rate, and Use of Adverse Facts Available

Sections 776(a)(1) and (2) of the Act provide 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.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits, subject to section 782(e) of the Act, the Department may disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the

Preliminary Results of New Shipper Review and Partial Rescission of Administrative Review, 73 FR 8273, 8279 (February 13, 2008), unchanged in *Wooden Bedroom Furniture from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review*, 73 FR 49162 (August 20, 2008).

³⁷ See, e.g., *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007).

Department "shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all applicable requirements established by the administering authority" if the information is timely, can be verified, is not so incomplete that it cannot serve as a reliable basis, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, the statute requires the Department to use the information if it can do so without undue difficulties.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Section 776(b) of the Act also authorizes the Department to use as adverse facts available ("AFA") information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as "information 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."³⁸ "Corroborate" means that the Department will satisfy itself that the secondary information to be used has probative value.³⁹ To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. The SAA explains, however, that the Department need not prove that the selected facts available are the best alternative information.⁴⁰

For the reasons discussed below, we determine that, in accordance with sections 776(a)(2) and 776(b) of the Act, the use of AFA is warranted for the preliminary results for the PRC-wide entity, including Huanan Carbon,

³⁸ See Statement of Administrative Action ("SAA") accompanying the Uruguay Round Agreements Act, H. Doc. No. 316, 103d Cong., 2d Session at 870 (1994).

³⁹ See SAA at 870.

⁴⁰ See SAA at 869.

Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E.

In the *Initiation Notice*, the Department stated that the named companies that wish to qualify for separate-rate status in this proceeding must complete, as appropriate, either a separate rate application or certification.⁴¹ In proceedings involving the PRC, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate.⁴² It is the Department's policy to assign all exporters of merchandise subject to an administrative review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.⁴³ Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E did not file with the Department either a separate rate application or a certification, a requirement for qualifying for separate-rate status in this proceeding as stipulated in the *Initiation Notice*.⁴⁴

Because Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E did not submit any information to establish their eligibility for separate-rate status, we find they are deemed to be part of the PRC-wide entity.⁴⁵

Because we have determined that Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E are not entitled to separate rates and are now part of the PRC-wide entity, the PRC-wide entity (including Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E) is now under review. The PRC-wide entity did not respond to our requests for information. Because the PRC-wide entity did not respond to our requests for information, we find it necessary under section 776(a)(2) of the Act to use facts available as the basis for these preliminary results. Because the PRC-wide entity provided no information, we determine that sections 782(d) and (e) of the Act are not relevant to our analysis. We further find that the PRC-wide entity (including Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E) failed to respond to the Department's requests for information and, therefore, did not cooperate to the best of its ability. Therefore, because the PRC-wide entity did not cooperate to the best of its ability in the proceeding,

the Department finds it necessary to use an adverse inference in making its determination, pursuant to section 776(b) of the Act.

Selection of the Adverse Facts Available Rate

In deciding which facts to use as AFA, section 776(b) of the Act and 19 CFR 351.308(c)(1) authorize the Department to rely on information derived from (1) the petition, (2) a final determination in the investigation, (3) any previous review or determination, or (4) any other information placed on the record. It is the Department's practice to select, as AFA, the highest calculated rate in any segment of the proceeding.⁴⁶

The Court of International Trade ("CIT") and the Court of Appeals for the Federal Circuit ("Federal Circuit") have consistently upheld the Department's practice.⁴⁷ 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 role to induce respondents to provide the Department with complete and accurate information in a timely manner."⁴⁸ The Department's practice also ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully."⁴⁹ In choosing the appropriate balance between providing respondents with an

incentive to respond accurately and imposing a rate that is reasonably related to the respondents' prior commercial activity, selecting the highest prior margin in this instance "reflects a common sense inference that the highest prior margin is the most probative evidence of current margins because, if it were not so, the importer, knowing of the rule, would have produced current information showing the margin to be less."⁵⁰

Because of Huanan Carbon's, Sinosteel Jilin's, Jilin Carbon's, and Jilin Carbon I&E's failure to cooperate in this administrative review, we have preliminarily assigned the PRC-wide entity, of which they are deemed to be a part, an AFA rate of 159.64 percent, which is the PRC-wide rate determined in the investigation and the rate currently applicable to the PRC-wide entity.⁵¹

The Department preliminarily determines that this information is the most appropriate from the available sources to effectuate the purposes of AFA. The Department's reliance on the PRC-wide rate from the original investigation to determine an AFA rate is subject to the requirement to corroborate secondary information.⁵²

Corroboration of Facts Available

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, it shall to the extent practicable, corroborate that information from independent sources that are reasonably at the Department's disposal. Secondary information is described in the SAA as "information 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."⁵³ The SAA explains that "corroborate" means to determine that the information used has probative value. The Department has determined that to have probative value, information must be reliable and relevant.⁵⁴ The SAA also explains that

⁵⁰ See *Rhone Poulenc*, 899 F. 2d at 1190.

⁵¹ See *SDGE Final LTFV Determination*, 74 FR at 2054–55.

⁵² See Section 776(c) of the Act and the "Corroboration of Facts Available" section below.

⁵³ See SAA at 870.

⁵⁴ See *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), unchanged in *Tapered Roller*

⁴¹ See *Initiation Notice*, 75 FR at 15680.

⁴² See *id.*

⁴³ See *id.*

⁴⁴ See *id.*

⁴⁵ See "Separate Rates" section above; see also *Initiation Notice*, 75 FR at 15680.

⁴⁶ See, e.g., *Certain Cased Pencils from the People's Republic of China; Notice of Preliminary Results of Antidumping Duty Administrative Review and Intent to Rescind in Part*, 70 FR 76755, 76761 (December 28, 2005), unchanged in *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006).

⁴⁷ See *Rhone Poulenc, Inc. v. United States*, 899 F. 2d 1185, 1190 (Fed. Cir. 1990) (upholding the Department's presumption that the highest margin was the best information of current margins) (*"Rhone Poulenc"*); *NSK Ltd. v. United States*, 346 F. Supp. 2d 1312, 1335 (CIT 2004) (upholding a 73.55 percent total AFA rate, the highest available dumping margin from a different respondent in a less than fair value ("LTFV") investigation); *Kompass Food Trading International v. United States*, 24 CIT 678, 683 (2000) (upholding a 51.16 percent total AFA rate, the highest available dumping margin from a different, fully cooperative respondent); and *Shanghai Taoen International Trading Co., Ltd. v. United States*, 360 F. Supp. 2d 1339, 1348 (CIT 2005) (upholding a 223.01 percent total AFA rate, the highest available dumping margin from a different respondent in a previous administrative review).

⁴⁸ See *Notice of Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors From Taiwan*, 63 FR 8909, 8932 (February 23, 1998).

⁴⁹ See SAA at 870; see also *Brake Rotors From the People's Republic of China: Final Results and Partial Rescission of the Seventh Administrative Review; Final Results of the Eleventh New Shipper Review*, 70 FR 69937, 69939 (November 18, 2005).

independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation.⁵⁵

As stated above, we are applying as AFA the highest rate from any segment of this administrative proceeding, which is the PRC-wide rate of 159.64 percent. The 159.64 percent is the highest rate on the record of any segment of this antidumping duty order. In the investigation, the Department relied upon our pre-initiation analysis of the adequacy and accuracy of the information in the Petition.⁵⁶ During our pre-initiation analysis, we examined the information used as the basis of EP and NV in the Petition, and the calculations used to derive the alleged margins. Also, during our pre-initiation analysis, we examined information from various independent sources provided either in the Petition or, based on our requests, in supplements to the Petition, which corroborated key elements of the export price and NV calculations.⁵⁷ Since the investigation, the Department has found no other corroborating information available in this case, and received no comments from interested parties as to the relevance or reliability of this secondary information. Based upon the above, for these preliminary results, the Department finds that the rates derived from the Petition are corroborated to the extent practicable for purposes of the AFA rate assigned to the PRC-wide entity, including Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E.

Because these are the preliminary results of review, the Department will consider all margins on the record at the time of the final results of review for the

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; Final Results of Antidumping Duty Administrative Reviews and Termination in Part, 62 FR 11825 (March 13, 1997).

⁵⁵ See SAA at 870; see also *Notice of Final Determination of Sales at Less Than Fair Value: Live Swine From Canada*, 70 FR 12181, 12183 (March 11, 2005).

⁵⁶ See *Small Diameter Graphite Electrodes from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 73 FR 8287 (February 13, 2008) ("SDGE Investigation Initiation"); see also *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, 73 FR 31970, 31972 (June 5, 2008) (where the Department relied upon pre-initiation analysis to corroborate the highest margin alleged in the petition).

⁵⁷ See *SDGE Investigation Initiation*, 73 FR at 8288–8290.

purpose of determining the most appropriate final margin for the PRC-wide entity.⁵⁸

Fair-Value Comparisons

To determine whether the Fangda Group's and Fushun Jinly's sales of subject merchandise were made at less than NV, we compared the NV to individual EP transactions in accordance with section 777A(d)(2) of the Act. See "Export Price" and "Normal Value" sections of this notice, below.

Export Price

In accordance with section 772(a) of the Act, EP is "the price at which subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States," as adjusted under section 772(c) of the Act. For each respondent, we used EP methodology, in accordance with section 772(a) of the Act, for sales in which the subject merchandise was first sold prior to importation by the exporter outside the United States directly to an unaffiliated purchaser in the United States and for sales in which constructed export price was not otherwise indicated.

We based EP on the price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight and foreign brokerage and handling. We valued brokerage and handling using a price list of export procedures necessary to export a standardized cargo of goods in India. The price list is compiled based on a survey case study of the procedural requirements for trading a standard shipment of goods by ocean transport in India as reported in "Doing Business 2010: India" published by the World Bank.⁵⁹

Normal Value

We compared NV to individual EP transactions in accordance with section 777A(d)(2) of the Act, as appropriate. Section 773(c)(1) of the Act provides that the Department shall determine NV using an FOP methodology if: (1) The

⁵⁸ See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation*, 65 FR 1139, 1141 (January 7, 2000), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation*, 65 FR 42669 (July 11, 2000).

⁵⁹ See Factor Valuation Memorandum.

merchandise is exported from an NME country; and (2) 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. When determining NV in an NME context, the Department will base NV on FOPs because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under our normal methodologies. Under section 773(c)(3) of the Act, FOPs include but are not limited to: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. The Department used FOPs reported by the respondents for materials, energy, labor, packing and by-products.

Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOPs reported by respondents for the POR. In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate surrogate value ("SV") to value FOPs, but when a producer sources an input from a market economy and pays for it in market economy currency, the Department normally will value the factor using the actual price paid for the input if the quantities were meaningful and where the prices have not been distorted by dumping or subsidies.⁶⁰ To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available SVs (except as discussed below). In selecting SVs, we considered the quality, specificity, and contemporaneity of the data.⁶¹ As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to import SVs surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory, where appropriate. This adjustment is in

⁶⁰ See 19 CFR 351.408(c)(1); see also *Shakeproof Assembly Components Div of Ill Tool Works v. United States*, 268 F. 3d 1376, 1382–1383 (Fed. Cir. 2001) (affirming the Department's use of market-based prices to value certain FOPs).

⁶¹ See, e.g., *Fresh Garlic From the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 67 FR 72139 (December 4, 2002), and accompanying Issues and Decision Memorandum at Comment 6; and *Final Results of First New Shipper Review and First Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 31204 (June 11, 2001), and accompanying Issues and Decision Memorandum at Comment 5.

accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F.3d 1401, 1407–08 (Fed. Cir. 1997).

On September 29, 2010, the Department invited all interested parties to submit publicly available information to value FOPs for consideration in the Department's preliminary results of review.⁶² On October 28, 2010, Petitioners, the Fangda Group, and Fushun Jinly each submitted publicly available information to value FOPs for the preliminary results and each submitted rebuttal comments on November 8, 2010. A detailed description of all SVs used for the Fangda Group and Fushun Jinly can be found in the Factor Valuation Memorandum.

For the preliminary results, in accordance with the Department's practice, except where noted below, we used data from the Indian import Statistics in the Global Trade Atlas ("GTA") and other publicly available Indian sources in order to calculate SVs for the Fangda Group's and Fushun Jinly's FOPs (*i.e.*, direct materials, energy, and packing materials) and certain movement expenses. In selecting the best available information for valuing FOPs in accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, SVs which are non-export average values, most contemporaneous with the POR, product-specific, and tax-exclusive.⁶³ The record shows that data in the Indian Import Statistics, as well as those from the other Indian sources, are contemporaneous with the POI, product-specific, and tax-exclusive.⁶⁴ In those instances where we could not obtain publicly available information contemporaneous to the POR with which to value factors, we adjusted the SVs using, where appropriate, the Indian Wholesale Price Index ("WPI") as published in the IMF's *International Financial Statistics*.⁶⁵

⁶² See Surrogate Countries Memorandum.

⁶³ See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004).

⁶⁴ See Factor Valuation Memorandum.

⁶⁵ See, e.g., *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 74 FR 9591, 9600 (March 5, 2009) ("*Kitchen Racks Prelim*"), unchanged in *Certain*

As explained in the legislative history of the Omnibus Trade and Competitiveness Act of 1988, the Department continues to apply its longstanding practice of disregarding SVs if it has a reason to believe or suspect the source data may be subsidized.⁶⁶ In this regard, the Department has previously found that it is appropriate to disregard such prices from India, Indonesia, South Korea and Thailand because we have determined that these countries maintain broadly available, non-industry specific export subsidies.⁶⁷ Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, the Department finds that it is reasonable to infer that all exporters from India, Indonesia, South Korea and Thailand may have benefitted from these subsidies. Additionally, we disregarded prices from NME countries.⁶⁸ Finally, imports that were labeled as originating from an "unspecified" country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.⁶⁹

The Fangda Group and Fushun Jinly claim that certain of their reported raw material inputs were sourced from an ME country and paid for in ME currencies. When a respondent sources inputs from an ME supplier in meaningful quantities, we use the actual price paid by respondent for those inputs, except when prices may have been distorted by dumping or

Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 74 FR 36656 (July 24, 2009) ("*Kitchen Racks Final*").

⁶⁶ Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) ("*OTCA 1988*") at 590, reprinted in 1988 U.S.C.C.A.N. 1547, 1623–24.

⁶⁷ See, e.g., *Expedited Sunset Review of the Countervailing Duty Order on Carbazole Violet Pigment 23 from India*, 75 FR 13257 (March 19, 2010), and accompanying Issues and Decision Memorandum at 4–5; *Expedited Sunset Review of the Countervailing Duty Order on Certain Cut-to-Length Carbon Quality Steel Plate from Indonesia*, 70 FR 45692 (August 8, 2005), and accompanying Issues and Decision Memorandum at 4; *Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009), and accompanying Issues and Decision Memorandum at 17, 19–20; *Final Results of Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products from Thailand*, 66 FR 50410 (October 3, 2001), and accompanying Issues and Decision Memorandum at 23.

⁶⁸ See, e.g., *Kitchen Racks Prelim*, 74 FR at 9600, unchanged in *Kitchen Racks Final*.

⁶⁹ See *id.*

subsidies.⁷⁰ Where we found ME purchases to be of significant quantities (*i.e.*, 33 percent or more), in accordance with our statement of policy as outlined in *Antidumping Methodologies: Market Economy Inputs*,⁷¹ we used the actual purchases of these inputs to value the inputs.

Accordingly, we valued certain of respondents' inputs using the ME prices paid for in ME currencies for the inputs where the total volume of the input purchased from all ME sources during the POR exceeds or is equal to 33 percent of the total volume of the input purchased from all sources during the period. Where the quantity of the reported input purchased from ME suppliers was below 33 percent of the total volume of the input purchased from all sources during the POR, and were otherwise valid, we weight-averaged the ME input's purchase price with the appropriate surrogate value for the input according to their respective shares of the reported total volume of purchases.⁷² Where appropriate, we added freight to the ME prices of inputs. For a detailed description of the actual values used for the ME inputs reported, see the Fangda Group's and Fushun Jinly's analysis memoranda, dated concurrently with this notice.

We valued truck freight expenses using a per-unit average rate calculated from data on the infobanc Web site: <http://www.infobanc.com/logistics/logtruck.htm>. The logistics section of this Web site contains inland freight truck rates between many large Indian cities.⁷³ We valued rail freight using freight rate information from the publicly accessible Indian Ministry of Railways Web site <http://www.Indianrailways.gov.in/> to derive, where appropriate, input-specific train rates on a rupees-per-kilogram per-kilometer basis ("Rs/kg/km"). These rates are contemporaneous with the POR. We valued inland water freight using price data for barge freight reported in a March 19, 2007, article published in *The Hindu Business Line*.⁷⁴ Since the inland water transportation rates are not contemporaneous with the POR, we

⁷⁰ See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27366 (May 19, 1997).

⁷¹ See *Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments*, 71 FR 61716, 61717 (October 19, 2006) ("*Antidumping Methodologies: Market Economy Inputs*").

⁷² See *Antidumping Methodologies: Market Economy Inputs*, 71 FR at 61718.

⁷³ See Factor Valuation Memorandum.

⁷⁴ See *id.*

inflated the rates using the Indian WPI inflator.

We valued electricity using the updated electricity price data for small, medium, and large industries, as published by the Central Electricity Authority, an administrative body of the Government of India, in its publication titled "Electricity Tariff & Duty and Average Rates of Electricity Supply in India," dated March 2008. These electricity rates represent actual country-wide, publicly-available information on tax-exclusive electricity rates charged to small, medium, and large industries in India.⁷⁵ Because the rates listed in this source became effective on a variety of different dates, we are not adjusting the average value for inflation. In other words, the Department did not inflate this value to the POR because the utility rates represent current rates, as indicated by the effective date listed for each of the rates provided.⁷⁶

We valued steam coal using data obtained for grade C long flame and non-long flame non-coking coal reported on the 2007 Coal India Data website ("Coal India").⁷⁷

We valued water using the revised Maharashtra Industrial Development Corporation water rates available at <http://www.midcindia.com/water-supply>.⁷⁸

On May 14, 2010, the Federal Circuit in *Dorbest Ltd. v. United States*, 604 F.3d 1363, 1372 (Fed. Cir. 2010), found that the "{regression-based} method for calculating wage rates {as stipulated by 19 CFR 351.408(c)(3)} uses data not permitted by {the statutory requirements laid out in section 773 of the Act (i.e., 19 U.S.C. 1677b(c))}." The Department is continuing to evaluate options for determining labor values in light of the recent CAFC decision. However, for these preliminary results, we have calculated an hourly wage rate to use in valuing respondents' reported labor input by averaging industry-specific earnings and/or wages in countries that are economically comparable to the PRC and that are significant producers of comparable merchandise.

For the preliminary results of this administrative review, the Department is valuing labor using a simple average industry-specific wage rate using earnings and/or wage data reported

under Chapter 5B by the International Labor Organization ("ILO"). To achieve an industry-specific labor value, we relied on industry-specific labor data from the countries we determined to be both economically comparable to the PRC and significant producers of comparable merchandise. A full description of the industry-specific wage rate calculation methodology is provided in the Factor Valuation Memorandum. The Department calculated a simple average industry-specific wage rate of \$1.47 for these preliminary results. Specifically, for this review, the Department has calculated the wage rate using a simple average of the data provided to the ILO under Sub-Classification 31 of the ISIC-Revision 3 standard by countries determined to be both economically comparable to the PRC and significant producers of comparable merchandise. The Department finds the two-digit description under ISIC-Revision 3 ("Manufacture of Electrical Machinery and Apparatus NEC") to be the best available wage rate surrogate value on the record because it is specific and derived from industries that produce merchandise comparable to the subject merchandise. Consequently, we averaged the ILO industry-specific wage rate data or earnings data available from the following countries found to be economically comparable to the PRC and are significant producers of comparable merchandise: Ecuador, Egypt, Indonesia, Jordan, Peru, the Philippines, Thailand, and the Ukraine.⁷⁹ For further information on the calculation of the wage rate, see Factor Valuation Memorandum.

To value factory overhead, selling, general and administrative expenses and profit, the Department used the average of the ratios derived from the financial statements of two Indian producers: Graphite India Limited and HEG Limited (for the year ending on March 31, 2010).⁸⁰

The Fangda Group and Fushun Jinly reported that they have recovered by-products in their production of subject merchandise and successfully demonstrated that all of them have commercial value, therefore, we have granted a by-product offset for the quantities of each respondent's reported by-products, valued using Indian GTA data.⁸¹

⁷⁹ Because India (the primary surrogate country) did not report wage data in ISIC-Revision 3, which was relied upon for industry-specific wage rates in these preliminary results, it is not among the countries that the Department considered for inclusion in the average.

⁸⁰ See *id.*

⁸¹ See *id.*

Use of Facts Available and Adverse Facts Available

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Section 776(b) of the Act also authorizes the Department to use as AFA information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

Fangda Group

At verification, we were unable to verify the supplier distances for a significant percentage of Fushun Carbon's suppliers. As a result, pursuant to section 776(a)(2)(A), (B), and (D) of the Act, we find that the use of facts available ("FA") is appropriate to determine Fushun Carbon's supplier distances, as discussed below.

Fushun Carbon at verification initially provided four maps from the Chinese internet search engine "Baidu maps" as support for its reported suppliers distance (i.e., the distance from each supplier's location to Fushun Carbon's factory during the POR). In our review of these maps, we found that the Baidu map distances differed from the reported distance for these suppliers. For the preliminary results, as partial facts available, pursuant to section 776(a) of the Act, for those supplier distances where we verified that the distance Fushun Carbon reported in its FOP database differed from the Baidu maps presented to us at verification, we have applied FA and set Fushun Carbon's distance for these suppliers equal to the distances found at verification.⁸²

In addition, we requested that Fushun Carbon provide maps from the same source for the remaining suppliers. However, Fushun Carbon was unable to provide the requested maps during the remaining time at verification. We were, therefore, unable to verify the supplier distance for a significant percent of Fushun Carbon's suppliers, and for the preliminary results, we determine that Fushun Carbon did not cooperate to the best of its ability by not providing the supporting documentation needed to verify its reported supplier distances.⁸³ Accordingly, an adverse inference in using facts available under section 776(b) of the Act is warranted for

⁸² See Fangda Group's Verification Report; see also the Fangda Group's Preliminary Analysis Memo.

⁸³ See Fangda Group's Verification Report.

⁷⁵ See *id.*

⁷⁶ See, e.g., *Wire Decking from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 32905 (June 10, 2010), and accompanying Issues and Decision Memorandum at Comment 3.

⁷⁷ See Factor Valuation Memorandum.

⁷⁸ See *id.*

Fushun Carbon with regard to this specific information. As partial adverse facts available, pursuant to section 776(a) and 776(b) of the Act, for those suppliers where we were not presented with Baidu maps at verification, we have set Fushun Carbon's distance for these suppliers equal to the reported supplier distance plus a percent adjustment equal to the highest percent difference found at verification. Because of the business proprietary nature of this information, please see the Fangda Group's Verification Report and the Fangda Group's Preliminary Analysis Memo.

Fushun Jinly

We provided Fushun Jinly with two opportunities during the administrative review to accurately report its tollers' consumption data.⁸⁴ However, Fushun Jinly did not report these data for one of its tollers and did not adequately explain why there were missing consumption data with respect to that

toller.⁸⁵ As a result, we find pursuant to section 776(a)(A) and (B) of the Act that use of partial FA is appropriate to determine the consumption data with respect to this particular toller. We further find that Fushan Jinly did not cooperate to the best of its ability in responding to the Department's requests for information. Therefore, pursuant to section 776(a) and 776(b) of the Act, because Fushun Jinly did not cooperate to the best of its ability in responding to the Department's requests for information, we are applying partial adverse facts available to the missing consumption data for this particular toller. As partial adverse facts available, we are applying the highest monthly material input consumption of this toller to the relevant missing consumption data. See Fushun Jinly's analysis memo for further discussion.

Additionally, Fushun Jinly confirmed that one of its tollers' consumption of electricity was understated because of the toller's affiliation with an electric

company.⁸⁶ As a result, as partial facts available, pursuant to section 776(a) of the Act, the Department for the preliminary results has used the electricity usage of the toller we verified (which provides the same tolling services) in lieu of the other toller's understated electricity consumption data. Due to the proprietary nature of this discussion, see Fushun Jinly's Preliminary Analysis Memo for further discussion.

Currency Conversion

Where appropriate, we made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Preliminary Results of Review

The Department has determined that the following preliminary dumping margins exist for the period August 21, 2008, through January 31, 2010:

Individually reviewed exporters	Weighted-average percent margin
SDGE from the PRC	
Beijing Fangda Carbon Tech Co., Ltd., Fangda Carbon New Material Co., Ltd., Fushun Carbon Co., Ltd., Hefei Carbon Co., Ltd., (collectively, The Fangda Group)	60.16
Fushun Jinly Petrochemical Carbon Co., Ltd	64.38
SDGE from the PRC	
Non-reviewed exporters	Weighted-average percent margin
Xinghe Country Muzi Carbon Co., Ltd	61.78
PRC-wide rate	Percent margin
PRC-wide Entity*	159.64

* This includes Huanan Carbon, Sinosteel Jilin, Jilin Carbon, and Jilin Carbon I&E.

Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit written comments no later than 30 days after the date of publication of these preliminary results of review.⁸⁷ Rebuttals to written comments may be filed no later than five days after the written comments are filed.⁸⁸ Further, parties submitting written comments and rebuttal comments are requested to provide the Department with an

additional copy of those comments on a CD.

Any interested party may request a hearing within 30 days of publication of this notice.⁸⁹ Hearing requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street

and Constitution Avenue, NW., Washington, DC 20230.⁹⁰

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

The Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The

⁸⁴ See the Department's Initial Questionnaire, dated May 26, 2010, at section D.I.D "Reporting Requirements;" the Department's Collective A, C, and D Supplemental Questionnaire, dated November 18, 2010, at 8.

⁸⁵ See Fushun Jinly's fourth supplemental questionnaire response, dated December 10, 2010, at 15.

⁸⁶ See *id.*

⁸⁷ See 19 CFR 351.309(c).

⁸⁸ See 19 CFR 351.309(d).

⁸⁹ See 19 CFR 351.310(c).

⁹⁰ See 19 CFR 351.310(d).

Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of these reviews. For assessment purposes, we calculated exporter/importer- (or customer) specific assessment rates for merchandise subject to this review.⁹¹ Where appropriate, we calculated an *ad valorem* rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting *ad valorem* rate against the entered customs values for the subject merchandise. Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise. Where an importer- (or customer) specific assessment rate is *de minimis* (i.e., less than 0.50 percent), the Department will instruct CBP to assess that importer (or customer's) entries of subject merchandise without regard to antidumping duties. We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate we determine in the final results of this review.

For Muzi Carbon, a company receiving a separate rate that was not selected for individual review, we will calculate an assessment rate based on the weighted average of the cash deposit rates calculated for the companies selected for individual review consistent with section 735(c)(5)(B) of the Act. Where the weighted average *ad valorem* rate is zero or *de minimis*, we will instruct CBP to liquidate appropriate entries without regard to antidumping duties. See 19 CFR 351.106(c)(2).

Cash-Deposit Requirements

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 from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the Fangda Group, Fushun Jinly, and Muzi Carbon the cash deposit rate will be

their respective rates established in the final results of this review, except if the rate is zero or *de minimis* no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 159.64 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification of Interested Parties

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

This administrative review and this notice are in accordance with sections 751(a)(1) and 777(i) of the Act, and sections 351.213 and 351.221(b)(4) of the Department's regulations.

Dated: February 28, 2011.

Paul Piquado,

Acting Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Request for Applicants for Appointment to the United States-Brazil CEO Forum

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice.

SUMMARY: In March 2007, the Governments of the United States and Brazil established the U.S.-Brazil CEO Forum. This notice announces membership opportunities for

appointment as American representatives to the U.S. Section of the Forum. The current U.S. Section term will expire on June 11, 2011.

DATES: Applications should be received no later than April 29, 2011.

ADDRESSES: Please send requests for consideration to Ashley Rosen, Office of South America, U.S. Department of Commerce, either by e-mail at ashley.rosen@trade.gov or by mail to U.S. Department of Commerce, 1401 Constitution Avenue, NW., Room 3203, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Ashley Rosen, Office of South America, U.S. Department of Commerce, telephone: (202) 482-6311.

SUPPLEMENTARY INFORMATION: The Secretary of Commerce and the Deputy Assistant to the President and Deputy National Security Advisor for International Economic Affairs, together with the Planalto Casa Civil Minister (Presidential Chief of Staff) and the Brazilian Minister of Development, Industry and Foreign Trade, co-chair the U.S.-Brazil CEO Forum, pursuant to the Terms of Reference signed in March 2007 by the U.S. and Brazilian governments, which set forth the objectives and structure of the Forum. The Terms of Reference may be viewed at: http://trade.gov/press/press_releases/2007/brazilceo_02.asp. The Forum, consisting of both private and public sector members, brings together leaders of the respective business communities of the United States and Brazil to discuss issues of mutual interest, particularly ways to strengthen the economic and commercial ties between the two countries. The Forum consists of the U.S. and Brazilian co-chairs and a Committee comprised of private sector members. The Committee will be composed of two Sections, each consisting of eight to ten members from the private sector, representing the views and interests of the private sector business community in the United States and Brazil. Each government will appoint the members to its respective Section. The Committee will provide recommendations to the two governments that reflect private sector views, needs and concerns regarding the creation of an economic environment in which their respective private sectors can partner, thrive, and enhance bilateral commercial ties to expand trade between the United States and Brazil.

Candidates are currently sought for membership on the U.S. Section of the Committee. Each candidate must be the Chief Executive Officer or President (or have a comparable level of

⁹¹ See 19 CFR 351.212(b)(1).