the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediary involved in the transaction. For a full discussion of this clarification, see id.

Cash Deposit Requirements

To calculate the cash deposit rates for Navneet and Riddhi, we divided their total dumping margins by the total net value of each of their sales during the review period. For the companies which were not selected for individual review, we have calculated a cash deposit weighted-average rate based on the publicly ranged U.S. quantities of Navneet’s and Riddhi’s affirmative dumping margins for the period September 1, 2009, through August 31, 2010.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of CLPP from India entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, de minimis, no cash deposit will be required; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results for a review in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 3.91 percent, the all-others rate established in the LTFV investigation. See Lined Paper Orders.13

These cash deposit requirements, when imposed, shall remain in effect until further notice.


Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(i) to file a certificate regarding the reimbursement of antidumping and/or countervailing 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 and/or countervailing duties occurred and the subsequent increase in antidumping duties by the amount of antidumping and/or countervailing duties reimbursed. These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: September 30, 2011.

Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011–26065 Filed 10–6–11; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–848]

Preliminary Results Freshwater Crawfish Tail Meat From the People’s Republic of China: Of Antidumping Duty Administrative Review and Intent To Rescind Review in Part

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

SUMMARY: In response to timely requests, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on freshwater crawfish tail meat from the People’s Republic of China (PRC). The period of review (POR) is September 1, 2009, through August 31, 2010.

Although we have preliminarily determined that sales have not been made below normal value by Xiping Opeck Food Co., Ltd. (Xiping Opeck), Xuzhou Jijiang Foodstuffs Co., Ltd. (Xuzhou Jijiang), Yancheng Hi-King Agriculture Developing Co., Ltd. (Yancheng Hi-King), and Nanjing Gensen International Co., Ltd (Nanjing Gensen). On November 18, 2010, we selected Xiping Opeck and Yancheng Hi-King for individual examination. See memorandum entitled “Freshwater Crawfish Tail Meat from the People’s Republic of China—Respondent Selection,” dated November 18, 2010.

The Department rescinded the review with respect to Yancheng Hi-King in Freshwater Crawfish Tail Meat From the People’s Republic of China: Rescission of Antidumping Duty Administrative Review.

DATES: Effective Date: October 7, 2011.

FOR FURTHER INFORMATION CONTACT: Dmitry Владимиров or Minoo Hatten, AD/CVD Operations, Office 5, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0665 and (202) 482–1690, respectively.

Background

On September 15, 1997, the Department published in the Federal Register an amended final determination and antidumping duty order on freshwater crawfish tail meat from the PRC. See Notice of Amendment to Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Freshwater Crawfish Tail Meat From the People’s Republic of China, 62 FR 48218 (September 15, 1997). On September 1, 2010, the Department published in the Federal Register a notice of opportunity to request an administrative review of the order. See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review, 75 FR 53635 (September 1, 2010).

On October 28, 2010, based on timely requests for an administrative review, the Department published in the Federal Register a notice of initiation of an administrative review of the antidumping duty order on freshwater crawfish tail meat from the PRC. See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 75 FR 66349 (October 28, 2010) (Initiation). The review was initiated with respect to China Kingdom (Beijing) Import & Export Co., Ltd. (China Kingdom), Shanghai Ocean Flavor International Trading Co., Ltd. (Shanghai Ocean Flavor), Xiping Opeck Food Co., Ltd. (Xiping Opeck), Xuzhou Jijiang Foodstuffs Co., Ltd. (Xuzhou Jijiang), Yancheng Hi-King Agriculture Developing Co., Ltd. (Yancheng Hi-King), and Nanjing Gensen International Co., Ltd (Nanjing Gensen).

We extended the due date for the preliminary results of review by 120 days to September 30, 2011. See Freshwater Crawfish Tail Meat From the People’s Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review, 76 FR 32357 (June 6, 2011), and Freshwater Crawfish Tail Meat From the People’s Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review, 76 FR 43260 (July 20, 2011).

We are conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The product covered by the order is freshwater crawfish tail meat, in all its forms (whether washed or with fat on, whether purged or unpurged), grades, and sizes; whether frozen, fresh, or chilled; and regardless of how it is packed, preserved, or prepared. Excluded from the scope of the order are live crawfish and other whole crawfish, whether boiled, frozen, fresh, or chilled. Also excluded are saltwater crawfish of any type and parts thereof. Freshwater crawfish tail meat is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 1605.40.10 and 1605.40.90, which are the HTSUS numbers for prepared foodstuffs, indicating peeled crawfish tail meat and other, as introduced by U.S. Customs and Border Protection (CBP) in 2000, and HTSUS numbers 0306.10.00.10 and 0306.20.00.00, which are reserved for fish and crustaceans in general. The HTSUS subheadings are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.

Intent To Rescind Review in Part

In accordance with 19 CFR 351.213(d)(3), the Department may rescind an administrative review, “in whole or only with respect to a particular exporter or producer, if the Department concludes that, during the period covered by the review, there were no entries, exports, or sales of the subject merchandise * * *.” Record evidence indicates that Shanghai Ocean Flavor, Xuzhou Jinjiang, and Nanjing Gensden did not have any exports of subject merchandise during the POR. See the November 1, 2010, submissions from Shanghai Ocean Flavor and Nanjing Gensden and the December 22, 2010, submission from Xuzhou Jinjiang. Moreover, we have reviewed the CBP entry data for the POR and found no evidence of exports from these three entities. See Memorandum to File entitled “Freshwater Crawfish Tail Meat from the People’s Republic of China—placing CBP data on the record of this review,” dated November 3, 2010. Additionally, on January 10, 2011, we requested that CBP report any contrary information. To date, CBP has not responded to our inquiry and we have not received any evidence that these three entities had any shipments to the United States of subject merchandise during the POR. Therefore, pursuant to 19 CFR 351.213(d)(3), the Department intends to rescind this review in part with respect to Shanghai Ocean Flavor, Xuzhou Jinjiang, and Nanjing Gensden.

Allegation of Middleman Dumping

On June 7, 2011, the Crawfish Processors Alliance (CPA) made an allegation of middleman dumping. Between June 20, 2011, and August 19, 2011, we received comments from Xiping Opeck and CPA concerning the allegation. As we explain in detail in the memorandum entitled “Freshwater Crawfish Tail Meat From the People’s Republic of China—Evaluation of an Allegation of Middleman Dumping and Nature of Transactions Pertaining to the Entries Under Review,” dated concurrently with this notice, at this time we do not find a middleman dumping inquiry as such to be the appropriate vehicle by which to examine the transactions relevant to the entries subject to this review. The record evidence suggests, however, a lack of commercial soundness in the transactions reported by Xiping Opeck in this review and that another entity in the distribution channel plays a role in the pricing associated with the entries of subject merchandise in this review. Further inquiry and a determination on this issue is key in establishing whether another company in the distribution channel and/or Xiping Opeck is the entity properly subject to a dumping inquiry as an exporter of subject merchandise and ultimately responsible for the pricing of entries of crawfish tail meat into the United States at issue in this review. Consequently, we intend to issue a questionnaire to the entity alleged to be involved with entries subject to this review. After these preliminary results are published, we will issue our determination regarding the findings of our inquiry.

Non-Market-Economy Country Status

The Department considers the PRC to be a non-market-economy (NME) country. 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. See Brake Rotors From the People’s Republic of China: Preliminary Results and Partial Rescission of the 2004/2005 Administrative Review and Preliminary Notice of Intent To Rescind the 2004/2005 New Shipper Review, 71 FR 26736 (May 8, 2006) (unchanged in Brake Rotors From the People’s Republic of China: Final Results and Partial Rescission of the 2004/2005 Administrative Review and Notice of Rescission of 2004/2005 New Shipper Review, 71 FR 66304 (November 14, 2006)). None of the parties to this proceeding has contested NME treatment for the PRC. Therefore, for these preliminary results of administrative review we have treated the PRC as an NME country and applied our current NME methodology in accordance with section 773(c) of the Act.

Surrogate Country

In antidumping proceedings involving NME countries, pursuant to section 773(c)(1) of the Act, the Department generally bases normal value on the value of the NME producer’s factors of production (FOP). In accordance with section 773(c)(4) of the Act, in valuing the FOP the Department uses, to the extent possible, the prices or costs of the FOP in one or more market-economy countries that are at a level of economic development comparable to that of the NME country which are significant producers of merchandise comparable to the subject merchandise. The Department has determined that India, Indonesia, the Philippines, Peru, Ukraine, and Thailand are countries that are at a level of economic development comparable to that of the NME country which are significant producers of merchandise comparable to the subject merchandise. The Department’s practice to select an appropriate surrogate country based on the availability and reliability of data from these countries. See Department Policy Bulletin No. 04.1: Non-Market Economy Surrogate Country Selection Process, dated March 1, 2004. While none of the

1 CBP only responds to the Department’s inquiry when there are records of shipments from the company in question. See, e.g., Certain Hot-Rolled Flat-Rolled Carbon Quality Steel Flat Products From Brazil: Notice of Rescission of Antidumping Duty Administrative Review, 75 FR 65453, 65454 (October 25, 2010).

2 We are withholding the identity of the alleged middleman because Xiping Opeck’s customer claimed business-proprietary treatment of this information.

countries the Department selected is a significant producer of freshwater crawfish tail meat,\(^4\) India has a seafood-processing industry that is comparable to the crawfish industry with respect to factory overhead, selling, general, and administrative (SG&A) expenses, and profit.\(^5\) Therefore, we have selected India as the primary surrogate country in which to value all inputs with the exception of live crawfish, the primary input, and the by-product, crawfish-shell scrap.

As noted, India does not have a freshwater crawfish industry (although it has a seafood industry) and we have determined that other forms of seafood are not sufficiently comparable to crawfish to serve as surrogates for live crawfish. Accordingly, we have valued live crawfish using the only information available on the record with which to value live crawfish, data which was obtained from the same source that was used to value live crawfish in several previous segments of this proceeding, i.e., imports of live crawfish from Portugal into Spain as reported by Agencia Tributaria, the Spanish government agency responsible for trade statistics.\(^6\) Spain is a significant producer of comparable merchandise, i.e., whole processed crawfish,\(^7\) and there are publicly available import statistics for Spain.

We have selected Indonesia as a secondary surrogate country for purposes of valuing the crawfish shell by-product because there are no appropriate Indian surrogate values for crawfish shell by-product on the record of this review and because the Indonesian pricing data are the only information available on the record with which to value crawfish shells. In addition, we find that Indonesia is appropriate to use for the following reasons: (a) It is at a level of economic development comparable to the PRC; (b) it produces wet crab and shrimp shells which are merchandise comparable to the shell by-product; (c) it has publicly available data, i.e., a public price quote from an Indonesian company that has been used in prior segments of this proceeding.\(^8\)

**Separate Rates**

A designation of a country as an NME remains in effect until it is revoked by the Department. See section 771(18)(C) of the Act. 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. See, e.g., Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products From the People’s Republic of China, 71 FR 53079 (September 8, 2006), and Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof From the People’s Republic of China, 71 FR 29303 (May 22, 2006).

In the Initiation, the Department notified parties of the application process by which exporters and producers may obtain separate rate status in NME proceedings. See Initiation, 75 FR at 66350. It is the Department’s policy to assign all exporters of merchandise subject to a proceeding involving 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. The Department assigns separate rates in NME proceedings only if respondents can demonstrate the absence of both de jure and de facto government control over export activities under a test developed by the Department and described in 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 Notice of 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).

In this administrative review, Xiping Opeck and China Kingdom are the only companies that submitted a separate rate certification. Additionally, the Department received a complete response to the antidumping questionnaire from Xiping Opeck which contained additional information pertaining to the company’s eligibility for a separate rate.

**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; (3) any government measures by the government decentralizing control of companies. See Sparklers, 56 FR at 20589.

Xiping Opeck and China Kingdom both certified the following concerning the companies during the POR: (1) As with the previous segment of the proceeding in which each firm was granted a separate rate (previous Granting Period), there were no government laws or regulations that controlled each firm’s export activities; (2) the ownership under which the firm registered itself with the official government business license issuing authority remains the same as for the previous Granting Period; (3) the firm had a valid PRC Export Certificate of Approval, now referred to and labeled as a Registration Form for Foreign Trade Operator; (4) as in the previous Granting Period, in order to conduct export activities, the firm was not required by law or regulation at any level of government to possess additional certificates or other documents related to the legal status and/or operation of its business beyond those discussed above; (5) PRC government laws and legislative enactments applicable to Xiping Opeck and China Kingdom remained the same as in the previous Granting Period. In prior cases, we have found an absence of de jure control absent proof on the record to the contrary. See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People’s Republic of China, 60 FR 22544 (May 8, 1995) (Furfuryl Alcohol). We have no information in this review that would cause us to reconsider this determination.

Further, prior verifications have confirmed that there are no commodity-specific export licenses required and no quotas for the seafood category “Other.”

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\(^5\) Id.

\(^6\) For an example of a previous segment of the proceeding where this source was used, see Freshwater Crawfish Tail Meat From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative and New-Shipper Reviews, 75 FR 34100 (June 16, 2010) (unchanged in Freshwater Crawfish Tail Meat From the People’s Republic of China: Final Results of Antidumping Duty Administrative and New-Shipper Reviews, 75 FR 79337 (December 20, 2010)).

\(^7\) See Surrogate-Country Memo.

\(^8\) See Memorandum entitled “Surrogate Valuation of Shell Scrap: Freshwater Crawfish Tail Meat From the People’s Republic of China: Administrative Review 9/1/00–8/31/01 and New Shipper Reviews 9/1/00–8/31/01 and 9/1/00–10/15/01” dated August 5, 2002, which has been placed on the record of this review.

We have confirmed previously that freshwater crawfish tail meat is not on the list of commodities with planned quotas in the 1992 PRC Ministry of Foreign Trade and Economic Cooperation document entitled Temporary Provisions for Administration of Export Commodities. See 1999 Crawfish NSR Preliminary Results, 64 FR at 8544.


Additionally, the Foreign Trade Law of the People’s Republic of China also includes a lack of de jure government control. Specifically, this document identifies the broad responsibilities of organizations engaging in foreign trade, grants autonomy to foreign-trade operators in management decisions, and establishes the foreign-trade operator’s accountability for profits and losses. Based on the foregoing, the Department has preliminarily determined that there is an absence of de jure governmental control over the export activities of Xiping Opeck and China Kingdom.

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 Silicon Carbide, 59 FR at 22587. Therefore, the Department has determined that an analysis of de facto control is critical in determining whether the respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates. The Department typically considers the following four factors in evaluating whether a respondent is subject to de facto governmental control of its export functions: (1) Whether the export prices are set by, or subject to the approval of, a government agency; (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 management; (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding the disposition of profits or financing of losses. See Silicon Carbide, 59 FR at 22586–87, and Furfuryl Alcohol, 60 FR at 22545.

Xiping Opeck and China Kingdom have each made the following assertions: (1) It establishes its own export prices; (2) it negotiates contracts without guidance from any government entities or organizations; (3) it makes its own personnel decisions; (4) it retains the proceeds of its export sales, uses profits according to its business needs, and has the authority to sell its assets and to obtain loans.

Based on the information on the record of this review, the Department has preliminarily determined that there is an absence of de facto governmental control over the export activities of Xiping Opeck and China Kingdom. Given that the Department has found that Xiping Opeck and China Kingdom operate free of de jure and de facto governmental control, we have preliminarily determined that Xiping Opeck and China Kingdom have satisfied the criteria for a separate rate.

Separate Rate for a Non-Selected Company

In accordance with section 777A(c)(2)(B) of the Act, we selected Xiping Opeck and Yancheng Hi-King for individual examination because we did not have the resources to examine all companies for which a review was requested. See Memorandum entitled “Freshwater Crawfish Tail Meat From the People’s Republic of China—Respondent Selection” dated November 18, 2010. China Kingdom is the only exporter of crawfish tail meat from the PRC that demonstrated its eligibility for a separate rate which was not selected for individual examination in this review.

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 when the Department limits 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. Section 735(c)(5)(A) of the Act articulates a preference that we are not to calculate an all-others rate using any zero or de minimis margins or any margins based entirely on facts available. Accordingly, the Department’s usual practice has been to average the rates for the selected companies, excluding zero, de minimis, and rates based entirely on facts available. See Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews and Rescission of Reviews in Part, 73 FR 52823, 52824 (September 11, 2008), and accompanying Issues and Decision (I&D) Memorandum at Comment 16. Section 735(c)(5)(B) of the Act also provides that, where all margins are zero, de minimis, or based entirely on facts available, we may use “any reasonable method” for assigning the rate to non-selected respondents, including “averaging the estimated weighted-average dumping margins determined for the exporters and producers individually investigated.”

In previous cases, the Department has determined that a “reasonable method” to use when, as here, the rates of the respondents selected for individual examination are zero and de minimis is to apply to those companies not selected for individual examination (but eligible for a separate rate in NME cases) the average of the most recently determined rates that are not zero, de minimis, or based entirely on facts available (which may be from a prior administrative review or a new shipper review). If any
such non-selected company had its own calculated rate that is contemporaneous with or more recent than such prior determined rates, however, the Department has applied such individual rate to the non-selected company in the review in question, including when that rate is zero or de minimis. In this case, there is only one non-selected company under review that is eligible for a separate rate and this company received its own calculated rate that is contemporaneous with or more recent than the most recent rates determined for other companies that are not zero, de minimis, or based entirely on facts available. Accordingly, we have concluded that in this case a reasonable method for determining the rate for the non-selected company, China Kingdom, is to apply its most recent individually calculated rate. Pursuant to this method, we are preliminarily assigning a rate of 18.87 percent to China Kingdom, its calculated rate in the previous administrative review. See Freshwater Crawfish Tail Meat From the People's Republic of China: Final Results of Antidumping Duty Administrative and New-Shipper Reviews, 75 FR 79337 (December 20, 2010). In assigning this separate rate, we did not impute the actions of any other companies to the behavior of the company not individually examined but based this determination on record evidence that may be deemed reasonably reflective of the potential dumping margin for the non-individually examined company, China Kingdom, in this administrative review.

U.S. Price

In accordance with section 772(a) of the Act, we based Xiping Opeck’s U.S. price on export price because the first sales to unaffiliated purchasers were made prior to importation and constructed export price was not otherwise warranted by the facts on the record. We calculated export price based on the packed Cost and Freight price to the first unaffiliated purchaser in the United States. In accordance with section 772(c) of the Act, we calculated net export price by deducting foreign inland-freight expenses, foreign brokerage and handling expenses, ocean-freight expenses, and cold-storage expenses from the starting price (gross unit price) charged to the first unaffiliated customer in the United States. We based all movement expenses on surrogate values because a PRC company provided the movement services for Xiping Opeck (see the “Normal Value” section of this notice for further details).

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine normal value using an FOP methodology if the merchandise is exported from an NME country and the available information does not permit the calculation of normal value using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department uses an FOP methodology because the presence of government controls on various aspects of NMEs renders price comparisons and the calculation of production costs invalid under its normal methodologies. See Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent to Rescind in Part, 70 FR 39744, 39754 (July 11, 2005) (unchanged in Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and Partial Rescission of Review, 71 FR 2517 (January 17, 2006)).

In accordance with section 773(c) of the Act, we relied on the FOP data reported by Xiping Opeck for the POR. We calculated normal value by adding together the value of the FOP, general expenses, profit, and packing costs. Specifically, we valued material, labor, energy, and packing by multiplying the reported per-unit rates for the factors consumed in producing the subject merchandise by the average per-unit surrogate value of the factor. In addition, we added freight costs to the surrogate costs that we calculated for material inputs. We calculated freight costs by multiplying surrogate freight rates by the shorter of the reported distance from the domestic supplier to the factory that produced the subject merchandise or the distance from the nearest seaport to the factory that produced the subject merchandise, as appropriate. This adjustment is in accordance with the decision by the United States Court of Appeals for the Federal Circuit in Sigma Corp. v. United States, 117 F.3d 1401, 1407–1408 (Fed. Cir. 1997). We increased the calculated costs of the FOP for surrogate general expenses and profit. See Memorandum to the File entitled “Fresh Crawfish Tail Meat from the People’s Republic of China: Surrogate-Value Memorandum,” dated September 30, 2011 (Surrogate-Value Memo).

Surrogate Values

In selecting surrogate values, we considered the quality, specificity, and contemporaneity of the data. For these preliminary results, in selecting the best available data for valuing FOPs in accordance with section 773(c)(1) of the Act, we followed our practice of choosing publicly available values which are non-export average values, most contemporaneous with the POR, product-specific, and tax-exclusive. 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)). We also considered the quality of the source of surrogate information in selecting surrogate values. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cased Pencils From the People’s Republic of China, 59 FR 55625, 55633 (November 8, 1994). Where we could only obtain surrogate values that were not contemporaneous with the POR, we inflated the surrogate values using, where appropriate, the Indian Wholesale Price Index (Indian WPI), the Indonesian Wholesale Price Index (Indonesian WPI), or Spanish Wholesale Price Index (Spanish WPI), as

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11 We based the values of the FOPs on surrogate values (see “Surrogate Values” section).

As explained in the legislative history of the Omnibus Trade and Competitiveness Act of 1988, the Department continues to apply its long-standing practice of disregarding surrogate values if it has a reason to believe or suspect the source data may be subsidized. In this regard, we have found previously 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. 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 benefited from these subsidies. Additionally, we disregarded prices from NME countries. 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.

We used the following surrogate values in our margin calculations for these preliminary results of review. We valued coal and packing materials using September 2009–August 2010 weighted-average Indian import values derived from the Global Trade Atlas online (GTA). The Indian import statistics that we obtained from the GTA were published by the Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce of India, and are contemporaneous with the POR. We valued whole live crawfish using the publicly available data for Spanish imports of whole live crawfish from Portugal during the 2008–2009 POR and inflated this value using the Spanish WPI to make it contemporaneous with the POR. We valued the crawfish shell by-product using a 2001 price quote from Indonesia for wet crab and shrimp shells and inflated this value using the Indonesian WPI to make it contemporaneous with the POR.

We valued water using data from the Maharashtra Industrial Development Corporation (http://www.midcindia.org) because this source includes a wide range of industrial water tariffs. Specifically, this source provides numerous industrial water rates within the Maharashtra province for December 2009 (for the “industrial areas” usage category and for the “outside industrial areas” usage category). We excluded industrial areas where either no data were reported or a “0” was reported. We inflated the surrogate value for water using the Indian WPI to make it contemporaneous with the POR.

To value electricity, we used March 2008 electricity price rates from Electricity Tariff & Duty and Average Rates of Electricity Supply in India, published by the Central Electricity Authority of the Government of India. As the rates listed in this source became effective on a variety of different dates, we are not adjusting the average value for inflation.

We valued non-refrigerated truck-freight expenses using an average of the per-unit average rates for September 2009, December 2009, March 2010, and June 2010 which we calculated from data at http://www.infobanc.com/logistics/logtruck.htm. The logistics sector of this Web site contains rates for inland-freight trucking between many large Indian cities. We inflated (or deflated, depending on the month) the per-unit average truck-freight rates for the selected months of the POR using the Indian WPI to make it contemporaneous with the POR. We valued refrigerated-truck freight expenses based on price quotations for April 2004 from CTC Freight Carriers of Delhi, India, placed originally on the record of the antidumping investigation of certain frozen warmwater shrimp from the PRC. We inflated this surrogate value using the Indian WPI.

We valued brokerage and handling expenses 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 that is published in *Doing Business 2011: India*, published by the World Bank. Because these data were current throughout the POR, we did not inflate the value for brokerage and handling. See Surrogate-Value Memo for further details.

We valued international freight using the data obtained from the Descartes Carrier Rate Retrieval Database (Descartes) which is available at http://descartes.com/. The Descartes database is a Web-based service which publishes the ocean freight rates of numerous carriers. In prior administrative reviews the Department did not use the Descartes database as an ocean freight surrogate value source because the data did not appear to be publicly available. See, e.g., *Fresh Garlic from the People’s Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review and Final Results of New Shipper Reviews*, 71 FR 26329 (May 4, 2006), and accompanying I&D Memorandum at Comment 7. Upon reexamination, however, we have found that this database is accessible to government agencies without charge in compliance with Federal Maritime Commission regulations and, thus, we now find that this is a publicly available source.

In addition to being publicly available, the Descartes data reflect rates for multiple carriers, the Web site reports rates on a daily basis, the price data are based on routes that correspond closely to those used by the respondent, and they reflect merchandise similar to subject merchandise. Therefore, the Descartes data are product-specific, publicly available, a broad-market average, and contemporaneous with the POR. Accordingly, we find that the Descartes database is the most appropriate surrogate source for valuing international freight on the record of this review because it...
provides rates that are representative of the entire POR and a broader representation of product-specificity. We find that the Descartes database is the superior source on the record of the reviews for valuing international freight, to make the source less impractical, we had to define certain parameters in our selection of data. For example, we calculated the period-average international freight rate by obtaining rates from multiple carriers for a single day in each quarter of the POR. Further, we did not include rates in the period-average international freight calculation that we determined were from NME carriers. Additionally, we excluded from any individual rate calculation any charges that are covered by the brokerage and handling expenses that the respondent incurred and which are valued by the appropriate surrogate value. See Surrogate-Value Memo for further details.

For Xiping Opeck, we valued cold storage using a 2010–2011 long-term lease price quote obtained from Snowman Frozen Foods Ltd., an Indian national company involved in the distribution and storage of frozen and chilled foods. Because data reported in this source were not contemporaneous with the POR, we deflated the surrogate value for cold storage using the Indian WPI. See Surrogate-Value Memo. This source was used in the 2008–2009 Crawfish Review. When the product is fully processed, packed, and then placed into a cold-storage facility not located at the production/processing facility prior to the date of shipment from the exporting country, our practice is to treat cold storage as a movement expense and deduct it from the U.S. price. See, e.g., Fresh Garlic From the People’s Republic of China: Final Results of Antidumping Duty New Shipper Reviews, 69 FR 46498, 46500 (August 3, 2004).

Previously, with respect to valuation of labor inputs, the Department used regression-based wages that captured the worldwide relationship between per capita Gross National Income (GNI) and hourly manufacturing wages, pursuant to 19 CFR 351.408(c)(3), to value the respondent’s cost of labor. On May 14, 2010, the Court of Appeals for the Federal Circuit (CAFC) in Dorbest Ltd. v. United States, 604 F.3d 1363, 1372 (Fed. Cir. 2010) (Dorbest), invalidated 19 CFR 351.408(c)(3). As a consequence of the CAFC’s ruling in Dorbest, the Department no longer relies on the regression-based wage rate methodology described in its regulations. On February 18, the Department published in the Federal Register a request for public comment on the interim methodology and the data sources. See Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor; Request for Comment, 76 FR 9544 (February 18, 2011).

On June 21, 2011, the Department revised its methodology for valuing the labor input in NME antidumping proceedings. See Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor, 76 FR 36092 (June 21, 2011) (Labor Methodologies). In Labor Methodologies, the Department determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country. Additionally, the Department determined that the best data source for industry-specific labor rates is Chapter 6A: Labor Cost in Manufacturing, from the International Labor Organization (ILO) Yearbook of Labor Statistics (Yearbook).

For these preliminary results, we have calculated the labor input using the method described in Labor Methodologies. To value Xiping Opeck’s labor inputs, we relied on data reported by India to the ILO in Chapter 6A of the Yearbook. We find further that the two-digit description under ISIC—Revision 3 (i.e., 15—“Manufacture of Food Products and Beverages”) is the best available information on the record because it is specific to the industry being examined and is therefore derived from industries that produce comparable merchandise. Specifically, this category captures class 1512—“Processing and Preserving of Fish and Fish Products.” Accordingly, relying on Chapter 6A of the Yearbook, we calculated the labor inputs using labor data reported by India to the ILO under Sub-Classification 15 of the ISIC—Revision 3 standard in accordance with section 773(c)(4) of the Act. The ILO data reported under Chapter 6A of the Yearbook reflects all costs related to labor, including wages, benefits, housing, training, etc. A more detailed description of the wage-rate calculation methodology is provided in the Surrogate-Value Memo.

We valued SG&A, factory overhead costs, and profit using the 2007–2008 financial statements of Nekkanti Sea Foods Ltd., an Indian seafood processor. See Surrogate-Value Memo. Because the financial statements used to calculate the surrogate financial ratios do not include all detail of labor costs, we did not make adjustments to certain labor costs in the surrogate financial ratios. See Labor Methodologies, 76 FR at 36093.

Currency Conversion
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. These exchange rates are available on the IA Web site at http://ia.ita.doc.gov/exchange/index.html.

Preliminary Results of Review
As a result of the administrative review, we preliminarily determine that the following weighted-average percentage dumping margins exist for the period September 1, 2009, through August 31, 2010:

<table>
<thead>
<tr>
<th>Company</th>
<th>Margin (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xiping Opeck Food Co., Ltd.</td>
<td>18.87</td>
</tr>
<tr>
<td>China Kingdom (Beijing) Import &amp; Export Co., Ltd.</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Comments
We will disclose the calculations used in our analysis to interested parties to this review within five days of the date of publication of this notice. See 19 CFR 351.224(b).

Case briefs from interested parties may be submitted not later than seven (7) days after the date on which we issue our determination regarding the findings of our inquiry into the selling practices of the entity alleged to be involved with entries subject to this review. See 19 CFR 351.309(c)(1)(ii). Rebuttal briefs from interested parties, limited to the issues raised in the case briefs, may be submitted not later than five days after the time limit for filing the case briefs or comments. See 19 CFR 351.309(b)(1).

Any interested party may request a hearing no later than the date on which the case briefs are due. See 19 CFR 351.310. Interested parties who wish to request a hearing or to participate in a hearing if a hearing is requested must submit a written request to the Assistant Secretary for Import Administration. Requests should contain the following information: (1) The party’s name, address, and telephone number; (2) the number of participants; (3) a list of issues to be discussed. See 19 CFR 351.310(c). Issues raised in the hearing will be limited to those raised in the case briefs. See 19 CFR 351.310(c).

If requested, any hearing will be held two days after the scheduled date for submission of rebuttal briefs. See 19
CFR 351.310(d). Parties who submit case briefs or rebuttal briefs in this review are requested to submit with each argument a statement of the issue, a summary of the arguments not exceeding five pages, and a table of statutes, regulations, and cases cited. See 19 CFR 351.309(c)(2).

The Department intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or at the hearing, if held, not later than 120 days after the date of publication of this notice. See section 751(a)(3)(A) of the Act.

Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated importer-specific (or customer-specific) assessment rates for merchandise subject to this review. Based on these preliminary results, we will direct CBP to assess no dumping duties on each entry made by the sole importer Xiping Opeck reported as its customer.

For China Kingdom, we will instruct CBP to apply the rate listed above to all entries of subject merchandise exported by this company.

We intend to issue assessment instructions to CBP 15 days after the date of publication of the final results of review.

Cash-Deposit Requirements

The following cash-deposit requirements will be effective upon publication of the final results of review for all shipments of the subject merchandise 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 subject merchandise exported by Xiping Opeck and China Kingdom, the cash-deposit rate will be that established in the final results of review; (2) for previously reviewed or investigated companies not listed above that have separate rates, the cash-deposit rate will continue to be the company-specific rate published for the most recent period; (3) for all other PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash-deposit rate will be PRC-wide rate of 223.01 percent; (4) for all non-PRC exporters of subject merchandise the cash-deposit rate will be the rate applicable to the PRC entity that supplied that exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 review and notice are in accordance with sections 751(a)(1), 751(a)(2)(B)(iv), 751(a)(3), and 777(i) of the Act.

Dated: September 30, 2011.

Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE
International Trade Administration

[A–570–912]


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

SUMMARY: The Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain new pneumatic off-the-road tires ("OTR tires") from the People's Republic of China ("PRC") covering the period September 1, 2009, through August 31, 2010. We have preliminarily determined that the mandatory respondent, Tianjin United Tire & Rubber International Co., Ltd. ("TUTRIC"), made sales of subject merchandise to the United States at prices below normal value ("NV"). Additionally, we also preliminarily determine that Weihai Zhongwei Rubber Co., Ltd. ("Weihai") had no shipments during the POR, and therefore we intend to rescind the review with respect to Weihai. 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 entries of subject merchandise during the POR for which the importer-specific assessment rates are above de minimis.

We invite interested parties to comment on these preliminary results. We intend to issue the 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: October 7, 2011.

FOR FURTHER INFORMATION CONTACT: Raquel Silva or Erin Begnal, 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) 482–6475 or (202) 482–1442, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 4, 2008, the Department published the antidumping duty order on OTR tires from the PRC.1 On September 1, 2010, the Department published a notice of opportunity to request an administrative review of the order for the period of review ("POR") September 1, 2009, through August 31, 2010.2 Interested parties made requests for review between September 17, 2010, and September 30, 2010, on certain exporters. On October 28, 2010, the Department initiated the administrative review of the antidumping duty order on OTR tires from the PRC for the 2009—2010 POR.3 On January 18, 2011, the Department exercised its authority to limit the number of respondents selected for individual examination pursuant to section 777A(c)(2) of the Act. The Department selected the three largest exporters by volume as our mandatory respondents for this review: Qingdao Free Trade Zone Full World International Trading Co., Ltd. ("Full World"), Hebei Starbright Tire Co., Ltd. ("Starbright"), and TUTRIC. On January 19, 2011, the Department issued its antidumping duty questionnaire to the three mandatory respondents. On March 18, 2011, the Department published in the Federal Register a partial rescission of review for eight exporters, including Full World and Starbright.4 Two

2 See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 75 FR 53635 (September 1, 2010).
4 The other companies for which the review was rescinded include Full World and Starbright.