DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A–570–846]

Brake Rotors From the People's Republic of China: Preliminary Results of the 2005–2006 Administrative and New Shipper Reviews and Partial Rescission of the 2005–2006 Administrative Review

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

SUMMARY: The Department of Commerce (''the Department'') is currently conducting the 2005–2006 administrative and new shipper reviews of the antidumping duty order on brake rotors from the People's Republic of China (''PRC''). We preliminarily determine that sales have been made below normal value (''NV'') with respect to certain exporters who participated fully and are entitled to a separate rate in the administrative or new shipper review. If these preliminary results are adopted in our final results of these reviews, we will instruct U.S. Customs and Border Protection (''CBP'') to assess antidumping duties on entries of subject merchandise during the period of review (''POR'') for which the importer-specific assessment rates are above *de minimis*.

Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the date of publication of this notice.

EFFECTIVE DATE: February 15, 2007.

FOR FURTHER INFORMATION CONTACT: Ann Fornaro or Blanche Ziv, 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) 482–3927 or (202) 482–4207, respectively.

Background

On April 17, 1997, the Department published in the **Federal Register** the antidumping duty order on brake rotors from the PRC. *See Notice of Antidumping Duty Order: Brake Rotors from the People's Republic of China,* 62 FR 18740 (April 17, 1997) (''*the Order*'').

New Shipper Review

On March 16, 2006, Qingdao Golrich Autoparts Co., Ltd. (''Golrich'') requested a new shipper review of the antidumping duty order on brake rotors from the PRC, which has an April anniversary month, in accordance with 19 CFR 351.214(c). In response to the Department's May 4, 2006, request for information, Golrich provided supplemental information on May 16, 2006. On May 30, 2006, the Department initiatd a new shipper review of Golrich covering the period April 1, 2005, through March 31, 2006. *See Brake Rotors From the People's Republic of China: Initiation of New Shipper Antidumping Duty Review,* 71 FR 30655 (May 30, 2006). On May 30, 2006, the Department issued a new shipper antidumping duty questionnaire to Golrich.

On July 11, 2006, the Department received Golrich's Sections A, C and D response. On July 27, 2006, the Department received Golrich's Importer-Specific Questionnaire response. On August 18, October 10, and October 27, 2006, the Department issued supplemental questionnaires to Golrich and received responses to these supplemental questionnaires on September 15, October 24, and November 1, 2006, respectively. On August 22, 2006, the Department placed on the record of the new shipper review copies of CBP documents pertaining to the entry of brake rotors from the PRC exported to the United States by Golrich during the POR.[1]

On August 11, 2006, we requested that the Office of Policy issue a surrogate-country memorandum for the selection of the appropriate surrogate countries for this new shipper review.[2] On August 23, 2006, the Office of Policy provided a list of five countries at a level of economic development comparable to that of the PRC for the POR.[3] On August 24 and September 12, 2006, the Department invited all interested parties to submit comments on surrogate-country selection and to submit publicly available information as surrogate values for purposes of calculating NV.[4] *See* ''Surrogate Country'' section below. On September 14, 2006, Coalition for the Preservation of American Brake Drum and Rotor Aftermarket Manufacturers (''petitioners'') submitted publicly available information for use as surrogate values in the calculation of NV in the 2005–2006 administrative and new shipper reviews. On November 21, 2006, the Department selected India as the most appropriate surrogate country for the purpose of this new shipper review.[5] On October 2, 2006, Golrich submitted rebuttal comments on petitioners' September 14, 2006, surrogate value submission.

On October 2, 2006, Golrich agreed to waive the new shipper review time limits in accordance with 19 CFR 351.214(j)(3), to align the new shipper review with the concurrent 2005–2006 administrative review of brake rotors from the PRC. On October 4, 2006, the Department aligned the new shipper review with the 2005–2006 administrative review of brake rotors from the PRC.[6]

On October 25, 2006, the Department issued a verification agenda to Golrich.[7] On November 14 through 16, 2006, the Department verified the sales and factors-of-production (''FOP'') responses of Golrich at its factory in Qingdao, Shandong, PRC. On January 24, 2007, the Department issued the verification report for Golrich.[8]

[1] *See* Memorandum to the File from Ann Fornaro, International Trade Compliance Analyst, entitled, ''2005–2006 New Shipper Review of Brake Rotors from the People's Republic of China, Results of Request for Assistance from U.S. Customs and Border Protection on U.S. Entry Documents,'' dated August 22, 2006.

[2] *See* Memorandum to Ronald Lorentzen, Director, Office of Policy, from Wendy J. Frankel, Director, Office 8, AD/CVD Operations, entitled, ''Surrogate-Country Selection: 2005–2006 New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China,'' dated August 11, 2006.

[3] *See* Memorandum to Wendy J. Frankel, Director, Office 8, AD/CVD Operations, from Ronald Lorentzen, Director, Office of Policy, entitled, ''New Shipper Review of Brake Rotors from the People's Republic of China (PRC): Request for a List of Surrogate Countries'' (''NSR Surrogate-Country Memo'').

[4] *See* Letter to All Interested Parties from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, requesting parties to provide surrogate factors-of-production values from the potential surrogate countries (i.e., India, Sri Lanka, Indonesia, the Philippines and Egypt), dated August 24, 2006, and Letter to All Interested Parties from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, regarding surrogate-country selection, dated September 12, 2006.

[5] *See* Memorandum to the File from Ryan Douglas, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, Office 8, AD/CVD Operations, through Wendy Frankel, Director, Office 8, AD/CVD Operations, entitled, ''Brake Rotors from the People's Republic of China: Surrogate-Country Selection Memorandum for the 2005–2006 Administrative and New Shipper Reviews,'' dated November 21, 2006 (''Surrogate Country Selection Memo'').

[6] *See* Memorandum to the File from Ryan A. Douglas, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled ''Brake Rotors from the People's Republic of China: Alignment of 2005–2006 Administrative and New Shipper Reviews,'' dated October 4, 2006.

[7] *See* Letter from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, to Qingdao Golrich Autoparts Co., Ltd., dated October 25, 2006.

[8] *See* Memorandum to the File from Ann Fornaro and Jennifer Moats, International Trade Compliance Analysts, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, and Wendy J. Frankel, Director, Office 8, AD/CVD Operations, entitled ''Verification of the Sales and Factors Response of Qingdao Golrich Autoparts Co., Ltd. in

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Administrative Review

On April 3, 2006, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on brake rotors from the PRC. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review,* 71 FR 16549 (April 3, 2006).

On April 28, 2006, the Department received timely requests for an administrative review of this antidumping duty order in accordance with 19 CFR 351.213 from Laizhou Auto Brake Equipment Co., Ltd.[9] (''LABEC''); Yantai Winhere Auto-Part Manufacturing Co., Ltd. (''Winhere''); Longkou Haimeng Machinery Co., Ltd. (''Haimeng''); Laizhou Hongda Auto Replacement Parts Co., Ltd. (''Hongda''); Hongfa Machinery (Dalian) Co., Ltd. (''Hongfa''); Qingdao Meita Automotive Industry Co., Ltd. (''Meita''); and Shandong Huanri Group General Co., Laizhou Huanri Automobile Parts Co., Ltd., and Shandong Huanri Group Co., Ltd. (collectively, ''Huanri''). The Department also received a timely request for an administrative review of 27 companies (or producer/exporter combinations),[10] from petitioners on May 1, 2006. On May 15, 2006, petitioners submitted an amendment to this request for an administrative review, stating that the name China National Machinery Import & Export Company should be corrected to China National Industrial Machinery Import & Export Company and that Laizhou Luqi Machinery Co., Ltd. is the same company as Laizhou Luqi Machinery Co.

On May 31, 2006, the Department initiated an administrative review of the antidumping duty order on brake rotors from the PRC for 27 individually named firms, for the POR of April 1, 2005, through March 31, 2006. *See Notice of Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part,* 71 FR 30864 (May 31, 2006) (''*AR Initiation Notice*''). Of the 27 companies for which the Department initiated a review, we received seven requests for rescission of review between May 31 and July 6, 2006, based on claims of no shipments.[11] *See* ''Preliminary Partial Rescission of 2005–2006 Administrative Review'' section below. Because the Department previously determined that Laizhou Auto Brake Equipment Co., Ltd. is the successor-in-interest to Laizhou Auto Brake Equipments Factory,[12] for purposes of this proceeding, we continue to consider these two companies as the same entity (*i.e.*, Laizhou Auto Brake Equipment Co., Ltd.). Similarly, the Department determined in a changed circumstances review that Shandong Huanri Group Co., Ltd. was the successor-in-interest to Shandong Huanri Group General Company for purposes of determining antidumping duty liability.[13] We also note that in a prior review, the Department treated Laizhou Huanri Automobile Co., Ltd. as part of the Shandong Huanri Group General Company.[14] Thus, for purposes of determining the pool of respondents in the current review, we consider Laizhou Huanri Automobile Co., Ltd. and Shandong Huanri Group General Company to be a single respondent.

Due to the large number of participating firms subject to this administrative review, and the Department's experience regarding the administrative burden of reviewing each company for which a request was made, the Department exercised its authority to limit the number of mandatory respondents selected for individual review pursuant to section 777A(c)(2) of the Tariff Act of 1930, as amended (''the Act''), by selecting exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined. On June 16, 2006, the Department issued letters to all firms named in the *AR Initiation Notice* requesting information on the quantity and value (''Q&V'') of sales of subject merchandise to the United States during the POR. The Department issued letters to two companies (*i.e.*, Laizhou CAPCO Machinery Co., Ltd. and Laizhou Luyuan) to clarify reported Q&V information covered by this administrative review on September 28 and October 12, 2006, respectively. On August 18, 2006, based on reported export volumes of subject merchandise during the POR, the Department selected the three largest companies by volume, *i.e.*, Haimeng, Winhere and Meita, as the three mandatory respondents in this review. The remaining 12 respondents are non-selected respondents.[15] *See* ''Separate Rates'' section below. On August 18, 2006, we issued antidumping duty questionnaires to Haimeng, Meita and Winhere.

On August 24, 2006, the Department placed on the record of this review copies of CBP documents pertaining to entries of brake rotors from the PRC exported to the United States by Hongfa and CAPCO during the POR.[16] On September 19, 2006, Hongfa submitted additional information regarding the CBP documentation. *See* ''Preliminary Partial Rescission of 2005–2006 Administrative Review'' section below.

On August 11, 2006, we requested that the Office of Policy issue a surrogate-country memorandum for the selection of the appropriate surrogate

the 2005–2006 New Shipper Review of Brake Rotors from the People's Republic of China,'' dated January 24, 2007 (''Golrich Verification Report'').

[9] The Department received a request from petitioners to review Laizhou Auto Brake Equipment Company. However, we have determined from the respondent that the correct name for this company is Laizhou Auto Brake Equipment Co., Ltd.

[10] The names of these exporters are as follows: (1) China National Industrial Machinery Import & Export Corporation (''CNIM''); (2) Laizhou Auto Brake Equipment Co., Ltd. (''LABEC''); (3) Qingdao Gren Co. (''Gren''); (4) Winhere; (5) Haimeng; (6) Zibo Luzhou Automobile Parts Co., Ltd. (''ZLAP''); (7) Hongda; (8) Hongfa; (9) Meita; (10) Longkou TLC Machinery Co., Ltd. (''Longkou TLC''); (11) Zibo Golden Harvest Machinery Limited Company (''ZGOLD''); (12) Xianghe Xumingyuan Auto Parts Co. (''Xumingyuan''); (13) Xiangfen Hengtai Brake System Co., Ltd. (''Hengtai''); (14) Laizhou City Luqi Machinery Co., Ltd. (''Luqi''); (15) Qingdao Rotec Auto Parts Co., Ltd. (''Rotec''); (16) Shenyang Yinghao Machinery Co. (''Yinghao''); (17) Longkou Jinzheng Maxhinery (sic) Co. (''Jinzheng''); (18) Laizhou Wally Automobile Co., Ltd. (''Wally''); (19) Shanxi Zhongding Auto Parts Co., Ltd. (''Zhongding''); (20) Laizhou Luqi Machinery Co.; (21) Shandong Huanri Group Co., Ltd. (''Huanri''); (22) China National Automotive Industry Import & Export Corporation (''CAIEC''), excluding entries manufactured by Shandong Laizhou CAPCO Industry (''CAPCO''); (23) CAPCO, excluding entries manufactured by CAPCO; (24) Laizhou Luyuan Automobile Fittings Co. (''Laizhou Luyuan''), excluding entries manufactured by Laizhou Luyuan or Shenyang Honbase Machinery Co., Ltd. (''Honbase''); (25) Honbase, excluding entries manufactured by Laizhou Luyuan or Honbase; (26) Laizhou Auto Brake Equipment Factory; and (27) Shandong Huanri Group General Company.

[11] These seven companies are Hongfa, Wally, Xumingyuan, CAIEC, CAPCO, Luyuan, and Honbase.

[12] *See Brake Rotors From the People's Republic of China: Final Results of Changed-Circumstances Antidumping Duty Administrative Review,* 66 FR 37211 (July 17, 2001).

[13] *See Brake Rotors From the People's Republic of China: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 70 FR 69941 (November 18, 2005) (''*Brake Rotors Changed Circumstances Seventh*''). *See also, Brake Rotors From the People's Republic of China: Preliminary Results and Partial Rescission of Fifth New Shipper Review*, 66 FR 29080 (May 29, 2001).

[14] *See Brake Rotors Changed Circumstances Seventh* at 69942.

[15] *See* Memorandum to Wendy J. Frankel, Director, Office 8, AD/CVD Operations, from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China: Selection of Respondents,'' dated August 18, 2006.

[16] *See* Memorandum to the File from Ann Fornaro, International Trade Compliance Analyst, entitled, ''2005–2006 Administrative Review of Brake Rotors from the People's Republic of China, Results of Request for Assistance from U.S. Customs and Border Protection on U.S. Entry Documents,'' dated August 24, 2006.

countries for this review.[17] On August 23, 2006, the Office of Policy provided a list of five countries at a level of economic development comparable to that of the PRC for the POR of this review.[18] On August 24 and September 12, 2006, the Department invited all interested parties to submit comments on surrogate-country selection and to submit publicly available information as surrogate values for purposes of calculating NV.[19] *See* ''Surrogate Country'' section below. On November 21, 2006, the Department selected India as the most appropriate surrogate country for the purpose of this administrative review.[20]

On September 14, 2006, petitioners submitted publicly available information for use as surrogate values in the calculation of NV in the administrative and new shipper reviews. Also, on September 14, 2006, Haimeng, Meita, Winhere, LABEC, Hongda, and Luqi submitted publicly available information for use as surrogate values in the calculation of NV in the administrative review. On September 25, 2006, petitioners submitted rebuttal comments to the aforementioned respondents' September 14, 2006, filing. On October 5, 2006, Haimeng, Meita, Winhere, LABEC, Hongda, and Luqi submitted rebuttal comments to petitioners'' comments.

On October 3, 2006, we received questionnaire responses from Haimeng, Winhere, and Meita. The Department issued supplemental questionnaires to Haimeng, Meita, and Winhere on October 13, November 30, and December 12, 2006, respectively. We received supplemental questionnaire responses from Haimeng, Meita, and Winhere on October 30, December 14, 2006, and January 8, 2007, respectively.

On October 25, 2006, the Department issued verification outlines to Haimeng and TLC. The Department conducted verification of the responses of Haimeng from November 6 through 10, 2006, and of TLC on November 13, 2006. On January 24 and 26, 2007, the Department released the verification reports for TLC and Haimeng, respectively.[21] For further information, *see* the ''Verification'' section below.

Period of Review

The POR is April 1, 2005, through March 31, 2006.

Scope of the Order

The products covered by this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, ranging in diameter from 8 to 16 inches (20.32 to 40.64 centimeters) and in weight from 8 to 45 pounds (3.63 to 20.41 kilograms). The size parameters (weight and dimension) of the brake rotors limit their use to the following types of motor vehicles: Automobiles, all-terrain vehicles, vans and recreational vehicles under ''one ton and a half,'' and light trucks designated as ''one ton and a half.''

Finished brake rotors are those that are ready for sale and installation without any further operations. Semi-finished rotors are those on which the surface is not entirely smooth, and have undergone some drilling. Unfinished rotors are those which have undergone some grinding or turning.

These brake rotors are for motor vehicles, and do not contain in the casting a logo of an original equipment manufacturer (''OEM'') which produces vehicles sold in the United States. (*e.g.*, General Motors, Ford, Chrysler, Honda, Toyota, Volvo). Brake rotors covered in this order are not certified by OEM producers of vehicles sold in the United States. The scope also includes composite brake rotors that are made of gray cast iron, which contain a steel plate, but otherwise meet the above criteria. Excluded from the scope of this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, with a diameter less than 8 inches or greater than 16 inches (less than 20.32 centimeters or greater than 40.64 centimeters) and a weight less than 8 pounds or greater than 45 pounds (less than 3.63 kilograms or greater than 20.41 kilograms).

Brake rotors are currently classifiable under subheading 8708.39.5010 of the *Harmonized Tariff Schedule of the United States* (''HTSUS'').[22] Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Separate Rates

In proceedings involving non-market economy (''NME'') countries, 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. It is the Department's policy to assign all exporters of subject merchandise subject to review in an NME country a single rate unless an exporter can demonstrate that it is sufficiently independent of government control to be entitled to a separate rate. See, *e.g., Honey from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review,* 70 FR 74764, 74766 (December 16, 2005) (unchanged in the final results).

For the administrative review, in order to demonstrate separate-rate status eligibility, the Department required entities, for whom a review was requested, and that were assigned a separate-rate in the previous segment of this proceeding, to submit a separate-rate certification stating that they continue to meet the criteria for obtaining a separate rate. For entities that were not assigned a separate rate in the previous segment of this proceeding, to demonstrate eligibility for such, the Department required a separate-rate status application. The three mandatory (*i.e.*, Haimeng, Meita, and Winhere) and 12 separate-rate respondents (*i.e.*, non-selected respondents) provided company-specific information and each[23] stated that it meets the criteria for the assignment of a separate-rate.

We considered whether the respondents referenced above were eligible for a separate rate. The Department's separate-rate status test to determine whether the exporters are independent from government control does not consider, in general,

[17] *See* Memorandum to Ronald Lorentzen, Director, Office of Policy, from Wendy J. Frankel, Director, Office 8, AD/CVD Operations, entitled, ''Surrogate-Country Selection: 2005–2006 Administrative Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China,'' dated August 11, 2006 (''AR Surrogate-Country Memo'').

[18] *See* Memorandum to Wendy J. Frankel, Director, Office 8, AD/CVD Operations, from Ronald Lorentzen, Director, Office of Policy, entitled, ''Administrative Review of Brake Rotors from the People's Republic of China (PRC): Request for a List of Surrogate Countries,'' dated August 23, 2006.

[19] *See* Letter to All Interested Parties from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, requesting parties to provide surrogate factors-of-production values from the potential surrogate countries (*i.e.*, India, Sri Lanka, Indonesia, the Philippines and Egypt), dated August 24, 2006, and Letter to All Interested Parties from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, regarding surrogate-country selection, dated September 12, 2006.

[20] *See* Surrogate Country Selection Memo.

[21] *See* ''Verification of the Sales and Factors Response of Longkou Haimeng Machinery Co., Ltd. in the Antidumping Review of Brake Rotors from the People's Republic of China,'' dated January 26, 2007 (''Haimeng Verification Report''), and ''Verification of the Separate Rate Response of Longkou TLC Machinery Co., Ltd. in the Antidumping Review of Brake Rotors from the People's Republic of China,'' dated (January 24, 2007 (''TLC Verification Report'').

[22] 22 As of January 1, 2005, the HTS classification for brake rotors (discs) changed from 8708.39.50.10 to 8708.39.50.30. *See Harmonized Tariff Schedule of the United States (2005),* available at <*www.usitc.gov*>.

[23] The non-selected respondents are as follows: CNIM, LABEC, Gren, ZLAP, Hongda, Longkou TLC, ZGOLD, Luqi, Yinghao, Jinzheng, Zhongding, and Huanri.

macroeconomic/border-type controls (*e.g.*, export licenses, quotas, and minimum export prices), particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level.[24]

To establish whether an exporter is sufficiently independent of government control to be entitled to a separate rate, the Department analyzes the exporter in light of select criteria, discussed below. *See Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China,* 56 FR 20588, 20589 (May 6, 1991) (''*Sparklers*''); and *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China,* 59 FR 22585, 22586, 22587 (May 2, 1994) (''*Silicon Carbide*''). Under this test, exporters in NME countries are entitled to separate, company-specific margins when they can demonstrate an absence of government control over exports, both in law (''*de jure*'') and in fact (''*de facto*'').

1. 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; or (3) any other formal measures by the government decentralizing control of companies. *See Sparklers,* 56 FR 20589. Haimeng, Winhere, Meita, CNIM, LABEC, Gren, ZLAP, Hongda, Longkou TLC, ZGOLD, Luqi, Yinghao, Jinzheng, Zhongding, and Huanri each placed on the administrative record documents to demonstrate an absence of *de jure* control (*e.g.*, the 1994 ''Foreign Trade Law of the People's Republic of China,'' and the 1999 ''Company Law of the People's Republic of China'').

As in prior cases, we analyzed the laws presented to us and found them to establish sufficiently an absence of *de jure* control over joint ventures between the PRC and foreign companies, and limited liability companies in the PRC. *See, e.g., Honey from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review,* 72 FR 102, 105 (January 3, 2007); *Hand Trucks and Certain Parts Thereof from the People's Republic of China; Preliminary Results and Partial Rescission of Administrative Review and Preliminary Results of New Shipper Review,* 72 FR 937, 944 (January 9, 2007). We have no new information in this proceeding which would cause us to reconsider this determination with regard to Haimeng, Winhere, Meita, CNIM, LABEC, Gren, ZLAP, Hongda, Longkou TLC, ZGOLD, Luqi, Yinghao, Jinzheng, Zhongding, and Huanri.

2. Absence of De Facto Control

As stated in previous cases, there is evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. *See Silicon Carbide,* 59 FR at 22586, 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 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 subject to the approval of, a government authority; (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 the disposition of profits or financing of losses. *See Silicon Carbide,* 59 FR at 22586–87; *see also 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).

Haimeng, Winhere, Meita, CNIM, LABEC, Gren, ZLAP, Hongda, Longkou TLC, ZGOLD, Luqi, Yinghao, Jinzheng, Zhongding, and Huanri each asserted the following: (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; and (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. Additionally, each of these companies' questionnaire responses indicates that its pricing during the POR does not suggest coordination among exporters.

Consequently, we preliminarily determine that Haimeng, Winhere, Meita, CNIM, LABEC, Gren, ZLAP, Hongda, Longkou TLC, ZGOLD, Luqi, Yinghao, Jinzheng, Zhongding, and Huanri have each met the criteria for the application of a separate rate based on the documentation each of these respondents has submitted on the record of these reviews.[25]

We note that in previous segments of this proceeding, the Department determined that Huanri was not entitled to a separate rate because it had not demonstrated an absence of *de facto* control by the PRC government.[26] In the instant review, Huanri reported certain changes that have resulted in the Department's determination to preliminarily grant Huanri a separate rate. *See* Separate-Rate Memo for further details and a full discussion of this issue. The Department intends to verify the information provided by Huanri in its separate-rate application following the preliminary results. We will reexamine Huanri's eligibility for a separate rate pending results of verification and will continue to examine this issue for the final results.

Verification

On August 29, 2006, petitioners requested that the Department conduct verification of the data submitted by all of the firms for which the Department initiated an administrative review and the new shipper, Golrich. However, due

[24] *See Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less than Fair Value,* 62 FR 61754, 61758 (November 19, 1997); and *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review,* 62 FR 61276, 61279 (November 17, 1997).

[25] *See* Memorandum to Wendy J. Frankel, Director, Office 8, AD/CVD Operations, from the Team through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled ''Preliminary Results 2005–2006 Antidumping Duty Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China Separate-Rate Analysis for Respondents (Including Exporters Not Being Individually Reviewed,'' dated February 9, 2007 (''Separate-Rate Memo'').

[26] In *Brake Rotors From the People's Republic of China: Preliminary Results and Partial Rescission of the Seventh Administrative Review; Preliminary Results of the Eleventh New Shipper Review,* 70 FR 24382, 24388–89 (May 9, 2005) (''*Brake Rotors Seventh*''), we found in the course of that review that Huanri was not entitled to a separate rate because it did not demonstrate an absence of *de facto* government control. In *Brake Rotors Seventh,* the Department determined that the Panjiacun Village Committee was a form of local government in the PRC and that it was involved in export-related decisions at Huanri. Furthermore, 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, 66305 (November 14, 2006) (*''Brake Rotors 8th Final Results''*), consistent with Department practice, the Department determined that Huanri was not entitled to a separate rate because Huanri cancelled a scheduled verification, and therefore, the Department was unable to verify Huanri's response with respect to its separate-rate claim.

to the Department's resource constraints in conducting these reviews, we only selected Haimeng, TLC, Golrich, and Huanri for verification pursuant to section 782(i) of the Act and 19 CFR 351.307.

On October 25, 2006, the Department issued verification outlines to Haimeng, TLC and Golrich. The Department conducted verification of the responses of Haimeng from November 6 through 10, 2006; of TLC on November 13, 2006; and of Golrich from November 15 through 17, 2006. For the companies we verified, we used standard verification procedures, including on-site inspection of the manufacturers' and exporters' facilities, and examination of relevant sales and financial records. Our verification results are outlined in the verification report for each company. *See* Haimeng Verification Report, TLC Verification Report and Golrich Verification Report.

Preliminary Partial Rescission of 2005–2006 Administrative Review

With respect to Hongfa, Wally, Xumingyuan, CAIEC, CAPCO, Luyuan, and Honbase, each informed the Department that it did not export the subject merchandise to the United States during the POR in the combinations described below, where applicable. Specifically, (1) neither Hongfa nor Wally exported subject merchandise to the United States during the POR; (2) CAIEC did not export brake rotors to the United States that were manufactured by producers other than CAPCO; (3) CAPCO did not export brake rotors to the United States that were manufactured by producers other than CAPCO; (4) Luyuan did not export brake rotors to the United States that were manufactured by producers other than Luyuan or Honbase; and (5) Honbase did not export brake rotors to the United States that were manufactured by producers other than Honbase or Luyuan. In order to corroborate these submissions, we reviewed PRC brake rotor shipment data maintained by CBP. In reviewing the CBP data, we did not find any evidence contradicting Wally, Xumingyuan, CAIEC, Honbase, and Luyuan's claims of no shipments of brake rotors during the POR.

On August 24, 2006, the Department placed on the record of the administrative review CBP entry documents relating to certain shipments of subject merchandise exported by Hongfa and CAPCO. The Department analyzed the CBP documents relating to the CAPCO shipments and determined that these documents did not indicate shipments of subject merchandise during the POR. On September 19, 2006, Hongfa reaffirmed that it did not make any shipments during the POR and submitted additional information relating to its shipments, explaining that all but one shipment were brake drums incorrectly coded by the importer as brake rotors and that the one shipment of brake rotors had been reported to the Department and subject to the previous administrative review. We found no evidence contradicting the statements made by any of the above-mentioned firms.

Based on the record of this review and the results of our customs query, we cannot conclude that Hongfa, Wally, Xumingyuan, CAIEC, CAPCO, Luyuan, or Honbase sold merchandise subject to the order. For the reasons mentioned above, we are preliminarily rescinding the administrative review for these exporters in the following specified exporter/producer combinations: (1) Hongfa; (2) Wally; (3) Xumingyuan; (4) CAIEC/manufactured by any company other than CAPCO; (5) CAPCO/manufactured by any company other than CAPCO; (6) Luyuan/manufactured by any company other than Luyuan or Honbase; and (7) Honbase/manufactured by any company other than Honbase or Luyuan, because we found no evidence that any of these exporter/producer combinations made shipments of the subject merchandise during the POR, in accordance with 19 CFR 351.213(d)(3).

Bona Fide Sale Analysis—Golrich

In evaluating whether or not a single sale is commercially reasonable, and therefore bona fide, the Department has considered, *inter alia*, such factors as: (1) The timing of the sale; (2) the price and quantity of the sale; (3) the expenses arising from the transaction; (4) whether the goods were resold at a profit; and (5) whether the transaction was made on an arm's-length basis. *See Tianjin Tiancheng Pharmaceutical Co., Ltd.* v. *United States,* 366 F. Supp. 2d 1246 (CIT 2005) (''*TTPC*'') at 9, citing *Am. Silicon Techs.* v. *United States,* 110 F. Supp. 2d 992, 995 (CIT 2000). Therefore, the Department examines a number of factors, all of which may speak to the commercial realities surrounding the sale of subject merchandise. While some *bona fides* issues may share commonalities across various cases, each case is company-specific and the analysis may vary with the facts surrounding each sale. *See, e.g.*, *Certain Preserved Mushrooms for the People's Republic of China: Final Results and Partial Rescission of New Shipper Review and Administrative Reviews,* 68 FR 41304 (July 11, 2003). The weight given to each factor investigated will depend on the circumstances surrounding the sale. *See TTPC,* 366 F. Supp at 1263.

For the reasons stated below, we preliminarily find that Golrich's reported U.S. sale during the POR appears to be a *bona fide* sale, as required by 19 CFR 351.214(b)(2)(iv)(c), based on the totality of the facts on the record. Specifically, we do not find that the difference in quantity or average price for Golrich's sale compared to the average quantity and unit value of U.S. imports of comparable brake rotors from the PRC during the POR together with the totality of circumstances surrounding the sale at issue indicate the sale to be aberrational. We also examined information placed on the record by Golrich, Golrich's customer for the POR sale, and information developed independently by the Department regarding Golrich's customer for the POR sale and circumstances surrounding the POR sale. We found no evidence that the POR sale under review is not a *bona fide* sale.[27] Therefore, for the reasons mentioned above, the Department preliminarily finds that Golrich's U.S. sale during the POR was a *bona fide* commercial transaction.

Non-Market Economy Country

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. *See, e.g.*, *Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Final Results of Antidumping Duty Administrative Review,* 71 FR 7013 (February 10, 2006). None of the parties to these proceedings has contested such treatment. Accordingly, we calculated NV in accordance with section 773(c) of the Act, which applies to NME countries.

Surrogate Country

Section 773(c)(1) of the Act directs the Department to base NV on the NME producer's factors of production, valued in a surrogate market economy country or countries considered to be appropriate by the Department. In

[27] For further information, *see* Memorandum from Ann Fornaro, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, to Wendy J. Frankel, Director, Office 8, AD/CVD Operations, entitled ''2005–2006 New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Bona Fide Analysis of Qingdao Golrich Autoparts Co., Ltd.,'' dated February 9, 2007.

accordance with section 773(c)(4) of the Act, in valuing the factors of production, the Department shall use, to the extent possible, the prices or costs of factors of production in one or more market economy countries that (1) Are at a level of economic development comparable to that of the NME country, and (2) are significant producers of comparable merchandise. The Department determined that India, Sri Lanka, Egypt, the Philippines, and Indonesia are countries comparable to the PRC in terms of economic development.[28] Customarily, we select an appropriate surrogate country from the surrogate-country memo based on the availability and reliability of data from the countries that are significant producers of comparable merchandise. In this case, based on publicly available information placed on the record (*e.g.*, export data), we found that India is a significant producer of the subject merchandise.[29] Accordingly, we selected India as the primary surrogate country for purposes of valuing the factors of production in the calculation of NV because it meets the Department's criteria for surrogate-country selection. *See Id.* Where Indian data was not available, the Department calculated the surrogate value using World Trade Atlas (''WTA''), available at *http://www.gtis.com/wta.htm* import statistics from the Philippines. The Philippines import data represents cumulative values for fiscal year 2005.[30] We obtained and relied upon publicly available information wherever possible.

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results in antidumping administrative and new shipper reviews, interested parties may submit publicly available information to value factors of production within 20 days after the date of publication of these preliminary results.

Facts Available—Rotec, Hengtai, and Golrich

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 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.'' *See* Statement of Administrative Action (''SAA'') accompanying the Uruguay Round Agreements Act, H. Doc. No. 316, 103d Cong., 2d Session at 870 (1994). ''Corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value. *See* SAA at 870. To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. The SAA emphasizes, however, that the Department need not prove that the selected facts available are the best alternative information. *See* SAA at 869.

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 Hengtai and Rotec.

Rotec did not respond to our June 16, 2006, Q&V questionnaire.[31] In the *AR Initiation Notice*, the Department stated that if one of the named companies does not qualify for a separate rate, all other exporters of brake rotors from the PRC who have not qualified for a separate rate are deemed to be part of the single PRC-wide entity, of which the named exporter is part. *See AR Initiation Notice* at n.1. Hengtai responded to our June 16, 2006, Q&V questionnaire but did not respond to our August 4, 2006, separate-rate application/certification letter, which provided Hengtai an opportunity to demonstrate its eligibility for a separate rate in this administrative review.[32] Additionally, Hengtai did not respond to the Department's September 19, 2006, letter. Because Rotec and Hengtai did not submit any information to establish their eligibility for a separate rate, we find they are deemed to be part of the PRC-wide entity. *See* ''Separate Rates'' section above. *See also, AR Initiation Notice* at n1.

At verification, Golrich provided minor corrections for the reported weights of 11 of the 18 boxes used to pack the subject merchandise it sold during the POR. For each of these 11

[28] *See* NSR Surrogate-Country Memo and AR Surrogate-Country Memo (collectively, ''Surrogate-Country Memos'').

[29] *See* Surrogate Country Selection Memo.

[30] For further information, *see* Memorandum to the File from the Team through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''2005–2006 Administrative and New Shipper Reviews of Brake Rotors from the People's Republic of China: Factor Valuations for the Preliminary Results,'' dated February 9, 2007 (''Factor Valuation Memo'').

[31] *See* Memorandum from Ann Fornaro, International Trade Compliance Analyst, to Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''2005–2006 Administrative Review of the Antidumping Duty Order on Brake Rotors From the People's Republic of China: Responses to Questionnaire,'' dated August 11, 2006.

[32] In the Department's September 19, 2006, letter to Hengtai, we stated that, due to the lack of cooperation and responsiveness from Hengtai in providing the information we requested, we may resort to the use of facts available with an adverse inference for purposes of this administrative review, pursuant to sections 776(1) and 776(b) of the Act. *See* Letter from Wendy J. Frankel, Director, Office 8, AD/CVD Operations, to Hengtai, dated September 19, 2006.

boxes, we were able to verify the revised weights presented as minor corrections by Golrich. However, we could not verify the reported weights of the remaining seven boxes used because Golrich could not present these boxes to the Department at verification. We were, therefore, unable to verify the reported unit weights of these seven boxes. To value these seven boxes, we adjusted the reported weight amounts of those boxes by the company's largest percentage increase presented at verification for the other boxes.[33]

The PRC-Wide Rate and Use of AFA

Because we have determined that Hengtai and Rotec are not entitled to separate rates and are now part of the PRC-wide entity, the PRC-wide entity (including Hengtai and Rotec) 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 Hengtai and Rotec) 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. *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).

The Court of International Trade (''CIT'') and the Court of Appeals for the Federal Circuit (''Federal Circuit'') have consistently upheld the Department's practice. *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).

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

Due to Hengtai's and Rotec'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 43.32 percent, which is the PRC-wide rate determined in the investigation and the rate currently applicable to the PRC-wide entity. *See Brake Rotors 8th Final Results* at 66307.

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

Corroboration of Facts Available

Section 776(c) of the Act provides that, where the Department selects from among the facts otherwise available and relies on ''secondary information,'' the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. Secondary information is described in the SAA as ''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.'' *See* SAA at 870. The SAA states 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. *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). The SAA also states that 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. *See* SAA at 870. *See also, Notice of Preliminary Determination of Sales at Less Than Fair Value: High and Ultra-High Voltage Ceramic Station Post Insulators from Japan*, 68 FR 35627,

[33] For further information on the valuation of Golrich's boxes, *see* Golrich Verification Report and Memorandum to the File from Ann Fornaro, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Analysis for the Preliminary Results of the 2005–2006 Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China: Qingdao Golrich Autoparts Co., Ltd.'' (''Golrich Calculation Memo'').

35629 (June 16, 2003); and *Notice of Final Determination of Sales at Less Than Fair Value: Live Swine From Canada*, 70 FR 12181, 12183 (March 11, 2005).

With respect to the relevance aspect of corroboration, the Department will consider information reasonably at its disposal to determine whether a margin continues to have relevance. Where circumstances indicate that the selected margin is not appropriate as AFA, the Department will disregard the margin and determine an appropriate margin. For example, the Department disregarded the highest margin as adverse best information available (the predecessor to facts available) because it was based on another company's uncharacteristic business expense that resulted in an unusually high margin. *See Fresh Cut Flowers From Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996). Similarly, the Department does not apply a margin that has been discredited. See *D&L Supply Co.* v. *United States*, 113 F. 3d 1220, 1223–4 (Fed. Cir. 1997) (finding that the Department will not use a margin that has been judicially invalidated).

With regard to the relevance of the rate used, the Department notes that the rate used is the rate currently applicable to the PRC-wide entity and there is no information that indicates this rate is no longer relevant to the PRC-wide entity. In addition, we compared the margin calculations of Haimeng, Winhere, and Meita in this administrative review with the PRC-wide entity margin from the LTFV investigation and used in previous administrative reviews of this case. The Department found that the margin of 43.32 percent was within the range of the highest margins calculated for the respondents on the record of this administrative review, further support that this rate continues to be relevant for use in this administrative review.[34]

As we have determined, to the extent practicable, that the margin selected is both reliable and relevant, we determine that it has probative value. As a result, the Department determines that the margin is corroborated within the meaning of section 776(c) of the Act for the purposes of this administrative review and may reasonably be applied to the PRC-wide entity as AFA. Accordingly, we determine that the highest rate from any segment of this administrative proceeding, 43.32 percent, meets the corroboration criterion established in section 776(c) of the Act that secondary information has probative value.

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

Fair Value Comparisons

To determine whether sales of the subject merchandise by Haimeng, Meita, Winhere, and Golrich to the United States were made at prices below NV, we compared each company's export prices (''EPs'') to NV, as described in the ''Export Price'' and ''Normal Value'' sections of this notice below, pursuant to section 773 of the Act.

Export Price

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 made the following company-specific adjustments:

A. Haimeng, Meita, Winhere, and Golrich

We calculated EP based on the delivery method reported to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight and foreign brokerage and handling charges in the PRC,b and international freight, and air freight, pursuant to section 772(c)(2)(A) of the Act.[35] Where foreign inland freight, foreign brokerage and handling fees, or marine insurance were provided by PRC service providers or paid for in renminbi, we based those charges on surrogate rates from India. For those expenses that were provided by a market-economy provider and paid for in market-economy currency, we used the reported expense. *See* ''Factor Valuation'' section below for further discussion of surrogate rates.

In determining the most appropriate surrogate values to use in a given case, the Department's stated practice is to use review period-wide price averages, prices specific to the input in question, prices that are net of taxes and import duties, prices that are contemporaneous with the period of review, and publicly available data. *See e.g., 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), and accompanying *Issues and Decision Memorandum* at Comment 1. The data we used for brokerage and handling expenses fulfill all of the foregoing criteria except that they are not specific to the subject merchandise. There is no information of that type on the record of these reviews. Therefore, consistent with the most recently completed administrative review,[36] we used ranged brokerage and handling data from the February 28, 2005, public version of the Section C response of Essar Steel Limited in *Certain Hot-Rolled Carbon Steel Flat Products From India: Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 2018 (January 12, 2006), which covers the period December 1, 2003, through November 30, 2004. We also used ranged brokerage and handling data from Agro Dutch Industries Ltd., taken from *Certain Preserved Mushrooms From India: Final Results of Antidumping Duty Administrative Review*, 71 FR 10646 (March 2, 2006), for which the POR was

[34] *See* Memorandum to the File from Ann Fornaro, International Trade Compliance Analyst, through Wendy J. Frankel, Director, Office 8, AD/CVD Operations, entitled ''2005–2006 Antidumping Duty Administrative Review and New Shipper Review of Brake Rotors from the People's Republic of China (''PRC''): Corroboration of the PRC-Wide Adverse Facts-Available Rate.''

[35] *See* Golrich Calculation Memo; Memorandum to the File from Jennifer Moats, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Analysis for the Preliminary Results of the Administrative Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Longkou Haimeng Machinery Co., Ltd.,'' dated February 9, 2007 (''Haimeng Calculation Memo''); Memorandum to the file through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, from Frances Veith, International Trade Compliance Analyst, Subject: Analysis for the Preliminary Results of the 2005–2006 Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China: Yantai Winhere Auto-Part Manufacturing Co., Ltd., dated February 9, 2007 (''Winhere Calculation Memo''); and Memorandum to the file from Frances Veith, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Analysis for the Preliminary Results of the 2005–2006 Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China: Qingdao Meita Automotive Industry Co., Ltd.,'' dated February 9, 2007 (''Meita Calculation Memo'').

[36] *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, 26742 (May 8, 2006).

February 1, 2004, through January 31, 2005. Because these values were not concurrent with the POR of these administrative and new shipper reviews, we adjusted these rates for inflation using the Wholesale Price Indices (''WPI'') for India as published in the International Monetary Fund's *International Financial Statistics*, available at *http://ifs.apdi.net/imf*, and then calculated a simple average of the two companies' brokerage expense data.

Two respondents (*i.e.*, Haimeng and Winhere) reported that their U.S. customers provided ball bearing cups and lug bolts free-of-charge which were incorporated into certain brake rotor models exported to the United States during the POR. Both companies reported that their U.S. customers purchased ball bearing cups and lug bolts from PRC producers that were delivered to Haimeng and Winhere in specific quantities free-of-charge, and that the components were then incorporated into models shipped to U.S. customers during the POR.

Section 773(c)(3) of the Act states that ''factors of production utilized in producing merchandise include, but are not limited to the quantities of raw materials employed.'' *See, e.g., Brake Rotors 8th Final Results* and the accompanying *Issues and Decisions Memorandum* at Comment 9. *See also Certain Preserved Mushrooms From the People's Republic of China: Final Results and Final Rescission, in Part, of Antidumping Duty Administrative Review*, 70 FR 54361 (September 14, 2005), and the accompanying *Issues and Decisions Memorandum* at Comment 13. Therefore, to reflect the U.S. customers' expenditures for these items, we adjusted the U.S. price of applicable sales of these models by adding the Indian surrogate value for each component (*i.e.*, the ball bearing cups and lug bolts) used to the U.S. price of such brake rotors sold to the United States during the POR. For further information, *see* Winhere Calculation Memo and Haimeng Calculation Memo.

At Haimeng's verification, we found there were several unreported price adjustments to certain U.S. sale transactions. We adjusted the appropriate U.S. sales in Haimeng's margin calculations to account for the price deductions granted by Haimeng to its customer. For details of this adjustment, *see* Haimeng Verification Report and Haimeng Calculation Memo.

At verification, we also found instances where Haimeng sent additional brake rotors at zero value in response to claims by the U.S. customer that it had not received the requested merchandise with the original shipment. Additionally, we found that Haimeng erroneously shipped certain brake rotors not ordered by its customer. Haimeng shipped the correct merchandise, but allowed the customer to keep the shipments sent in error at no charge. Because Haimeng provided documentation from its customer at verification demonstrating that such claims were made by its customer, and the *ad valorem* effect on export price is less than one percent, and thus insignificant pursuant to section 777A(a)(2) of the Act and 19 CFR 351.413, we did not correct for these adjustments in Haimeng's margin calculation. *See, e.g., Brake Rotors from the People's Republic of China: Final Results of the Twelfth New Shipper Review*, 71 FR 4112 (January 25, 2006), and the accompanying *Issues and Decision Memorandum* at Comment 3.

Zero-Priced Transactions

During the course of this review, Winhere reported a number of ''sample'' transactions to its U.S. customer that it claimed to be zero-priced transactions. *See* Winhere's October 3, 2006, sections A, C, D, and Reconciliations submission at Exhibit C–2 and Winhere's January 8, 2007, supplemental questionnaire response at Exhibits 8 and 9 (''Winhere Supplemental Response''). On December 12, 2006, we issued a supplemental questionnaire requesting that Winhere provide documentation, (*e.g.*, commercial invoice, packing list, bill of lading, and PRC customs form) to support Winhere's claim that the sample transactions were in fact samples provided for no remuneration to its U.S. customer. On January 8, 2007, Winhere provided a summary of the total quantity and value of the products shipped ''for no remuneration'' and the total amount ''purchased'' by its customer during an approximate three-year period (*i.e.*, January 2003 through March 2006). Winhere also provided a freight carrier shipment bill showing a summary (not itemized) of the cost to ship some of the claimed samples of subject merchandise and non-subject merchandise. Winhere did not, however, provide any of the other documentation requested in the Department's December 12, 2006, supplemental questionnaire nor did it explain why it did not provide the documentation requested. On January 16, 2007, we issued a second supplemental questionnaire to Winhere requesting again that it provide the documentation noted above and the U.S. Customs 7501 entry forms and *pro forma* invoices to demonstrate that the subject merchandise it provided to its U.S. customers were transactions for no remuneration. On January 23, 2007, Winhere provided payment documentation for the freight information reported in its January 8, 2007, supplemental response and limited warehouse withdrawal documentation. Winhere did not provide any of the documentation requested by the Department noted above and stated that it does not generate these types of documents when shipping samples to its U.S. customers, but it also did not provide any other information in the alternative to support its claims.

The Courts have consistently ruled that the burden rests with a respondent to demonstrate that it received no consideration in return for its provision of purported samples. *See, e.g., NTN Bearing Corp. of America* v. *United States*, 248 F. Supp. 2d 1256, 1286 (CIT 2003) and *Zenith Electronics Corp.* v. *United States*, 988 F. 2d 1573, 1583 (Fed. Cir. 1993) (explaining that the burden of evidentiary production belongs ''to the party in possession of the necessary information''). *See also, NTN Bearing Corp. of America* v. *United States*, 248 F. Supp. 2d 1256, 1286 (CIT 2003), and *Tianjin Machinery Import & Export Corp.* v. *United States,* 806 F. Supp. 1008, 1015 (CIT 1992) (''The burden of creating an adequate record lies with respondents and not with {the Department}.'') (citation omitted).

Winhere bears the burden of demonstrating that there was no monetary or non-monetary consideration for the transactions in question. Winhere failed to provide any evidence that no monetary or non-monetary consideration was given for its claimed sample sales. Therefore, based on Winhere's failure to show that no consideration was given for these sales in question, we have not excluded these transactions from the margin calculation for Winhere. Instead, we have treated the transactions at issue as zero-priced sales and, therefore, included them in Winhere's margin calculation for the preliminary results.

Winhere reported its FOPs for materials, labor, and energy based on an allocation formula determined by the weight of the final product. Therefore, to value the claimed sample products for which no FOPs were provided by Winhere, we used the same allocation formula reported by Winhere to assign FOPs for materials, labor, and energy based on the weights of those products. To value packing materials for these products, we applied Winhere's reported packing FOP information submitted for other control numbers of the same type of brake rotor (*i.e.*, solid or vented) with the same weight, where

available, or closest in weight. *See* Winhere's Calculation Memo at Exhibit 4, for more information on the facts-available methodology and values applied.

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine NV using an FOP methodology if the merchandise is exported from an NME country and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department will base NV on the FOPs because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under its normal methodologies.

For purposes of calculating NV, we valued the PRC FOPs in accordance with section 773(c)(1) of the Act. FOPs include, but are not limited to, hours of labor required, quantities of raw materials employed, amounts of energy and other utilities consumed, and representative capital costs, including depreciation. *See* section 773(c)(3) of the Act. In examining surrogate values, we selected, where possible, the publicly available value which was an average non-export value, representative of a range of prices within the POR or most contemporaneous with the POR, product-specific, and tax-exclusive. *See, e.g., Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Chlorinated Isocyanurates from the People's Republic of China,* 69 FR 75294, 75300 (December 16, 2004) (''*Chlorinated Isocyanurates*'') (unchanged in final determination). We used the usage rates reported by the respondents for materials, energy, labor, and packing. For a detailed explanation of the methodology used to calculate surrogate values, *see* Factor Valuation Memo.

Regarding the components supplied free of charge to Haimeng and Winhere noted above, section 773(c)(3) of the Act states that the ''factors of production include but are not limited to the quantities of raw materials employed.'' Therefore, consistent with the corresponding adjustment to U.S. price discussed above, we valued the ball bearing cups and lug bolts usage amounts reported by these two respondents for specific brake rotor models by using an Indian surrogate value for each input. *See* Haimeng Calculation Memorandum and Winhere Calculation Memorandum. *See also* Factor Valuation Memo.

Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on the FOPs reported by the respondents for the POR. We relied on the factor-specific data submitted by the respondents for the above-mentioned inputs in their questionnaire and supplemental questionnaire responses, where applicable, for purposes of selecting surrogate values.

To calculate NV, we multiplied the reported per-unit factor quantities by publicly available Indian surrogate values (except where noted below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. *See, e.g., Folding Metal Tables and Chairs from the People's Republic of China; Final Results of Antidumping Duty Administrative Review,* 71 FR 71509 (December 11, 2006), and accompanying *Issues and Decision Memorandum* at Comment 9. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import surrogate values a 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 accordance with the Federal Circuit's decision in *Sigma Corp.* v. *United States,* 117 F. 3d 1401 (Fed. Cir. 1997). For a detailed description of all surrogate values used for respondents, *see* Factor Valuation Memo.

Except where discussed below, we valued raw material inputs using April 2005, through March 2006 weighted-average unit import values derived from the Monthly Statistics of the Foreign Trade of India (MSFTI) as published by the Directorate General of Commercial Intelligence and Statistics of the Ministry of Commerce and Industry, Government of India and used in the WTA, available at <*http://www.gtis.com/wta.htm*>. The Indian import statistics we obtained from the WTA were reported in rupees. Indian surrogate values denominated in foreign currencies were converted to U.S. dollars using the applicable daily exchange rate for India for the POR. The average exchange rate was based on exchange rate data from the Department's Web site. *See* <*http://www.ia.ita.doc.gov/exchange/index.html*>. Where we could not obtain publicly available information contemporaneous with the POR with which to value factors, we adjusted the surrogate values for inflation using the WPI for India. *See Factor Valuation Memo.*

Furthermore, with regard to the Indian import-based surrogate values, we have disregarded prices from NME countries and those that we have reason to believe or suspect may be subsidized (*i.e.*, Indonesia, South Korea, and Thailand). We have found in other proceedings that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, there is reason to believe or suspect all exports to all markets from these countries may be subsidized. *See Final Determination of Sales at Less Than Fair Value: Certain Helical Spring Lock Washers From The People's Republic of China*, 61 FR 66255 (December 17, 1996), and accompanying *Issues and Decision Memorandum* at Comment 1.

Finally, we excluded imports that were labeled as originating from an ''unspecified'' country from the average value, because we could not be certain that they were not from either an NME or a country with general export subsidies.

To value lubricating oil, we used January through December 2005 WTA weighted-average import values from the Philippines because no data was available for this input from WTA Indian import data. We adjusted the WTA weighted-average value for this input for inflation.

We valued electricity using the 2000 average price per kilowatt hour for ''Electricity for Industry'' as reported in the International Energy Agency's (''IEA's'') publication, *Energy Prices and Taxes, Fourth Quarter, 2003.* Because the value was not contemporaneous with the POR, we adjusted the average cost of electricity for inflation.

Section 351.408(c)(3) of the Department's regulations requires the use of a regression-based wage rate. Therefore, to value the labor input, the Department used the regression-based wage rate for the PRC published by Import Administration on our Web site. The source of the wage rate data is the *Yearbook of Labour Statistics 2004,* published by the International Labour Office (''ILO''), (Geneva: 2004), Chapter 5B: Wages in Manufacturing. *See* the Expected Wages of Selected NME Countries (revised January 2007) available at: *http://ia.ita.doc.gov/wages*. Because the regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we applied the same wage rate to all skill levels and types of labor reported by each respondent.

To value corrugated plastic bags, plastic wrap, cartons, adhesive tape,

particle board, plywood, pallet wood, nails, steel strap, plastic strap and buckles, we used April 2005 through March 2006 weighted-average import values from WTA Indian import data.

At verification, Golrich provided minor corrections for the reported weights of 11 of the 18 boxes used to pack the subject merchandise it sold during the POR. For each of these 11 boxes, we were able to verify the revised weights presented as minor corrections by Golrich. However, we could not verify the reported weights of the remaining seven boxes used because Golrich could not present these boxes to the Department at verification. We were, therefore, unable to verify the reported unit weights of these seven boxes. To value these seven boxes, we adjusted the reported weight amounts of those boxes by the company's largest percentage increase presented at verification for the other boxes. For further information on the valuation of Golrich's boxes, *see* Golrich Verification Report and Golrich Calculation Memo.

The Department valued truck freight using Indian freight rates published by Indian Freight Exchange available at *www.infreight.com*. This source provided daily rates from six major points of origins to six destinations in India for the period April 2005, through October 2005. Since these values are contemporaneous with the POR, we did not need to make an adjustment for inflation. We averaged the monthly rates for each rate observation to obtain a surrogate value.

Because there are no known Indian air freight providers that ship merchandise from the PRC to the United States, we valued air freight, where applicable, using the rates published on the UPS Web site: *http://www.ups.com* and adjusted these rates, as appropriate, for inflation.

Two respondents (*i.e.*, Winhere and Meita) reported transportation expenses from their casting facilities to their finishing workshops. To value PRC freight for the distance between the respondents' casting facility and their finishing workshop, we used the inland freight surrogate value calculated for inputs shipped by truck in which we used Indian freight rates, as discussed above. Meita did not report transportation distances from its casting facility to its finishing workshop. Therefore, for purposes of these preliminary results, as facts available, we are using the surrogate value for inland freight to value this foreign inland transportation expense for Meita using distance information noted in the verification report issued by the Department in the eighth review of brake rotors from the PRC.[37] *See* Winhere Calculation Memorandum and Meita Calculation Memorandum.

Petitioners submitted financial information for two Indian producers of identical and comparable merchandise: Bosch Chassis Systems India Ltd. (''Bosch'') for the year ending March 31, 2006, and Rico Auto Industries Limited (''Rico'') for the year ending March 31, 2005.[38] Because both Bosch's and Rico's financial statements were missing a significant number of pages, and Rico's financial statements were not contemporaneous with the POR, the Department placed on the record of these reviews the public information from the financial statements of Bosch and Rico for the year ending March 31, 2006, to be considered for valuing FOPs.[39]

We preliminarily determine that both Bosch's and Rico's financial statements are the best available information with which to calculate financial ratios because they appear to be complete, are publicly available, and are contemporaneous with the POR. *See 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), and the accompanying *Issues and Decision Memorandum* at Comment 1. Where appropriate, we did not include in the surrogate overhead and selling, general and administrative expenses (''SG&A'') calculations the excise duty amount listed in the financial reports. From these financial statements we were able to determine factory overhead as a percentage of the total raw materials, labor, and energy (''MLE'') costs; SG&A as a percentage of MLE plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. *See* Factors Valuation Memorandum for a full discussion of the calculation of these ratios.

To value coking coal, coke, and firewood we applied surrogate values using Indian import prices by HTS classification for the POR reported in the MSFTI, and available from WTA. *See* Factors Valuation Memo for a full discussion of the calculation of these ratios.

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 Reviews

We preliminarily determine that the following margins exist for the period April 1, 2005, through March 31, 2006:

BRAKE ROTORS FROM THE PRC

	Weighted-average percent margin
Individually Reviewed Exporters 2005–2006 Administrative Review	
Longkou Haimeng Machinery Co., Ltd.	3.43
Yantai Winhere Auto-Part Manufacturing Co., Ltd.	*0.02
Qingdao Meita Automotive Industry Co., Ltd.	0.00
Separate-Rate Applicant Exporters 2005–2006 Administrative Review	
China National Industrial Machinery Import & Export Corporation	3.43
Laizhou Auto Brake Equipment Co., Ltd.	3.43
Qingdao Gren (Group) Co.	3.43

[37] *See* Memorandum to the File from Frances Veith, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Qingdao Meita Automotive Industry Co., Ltd.'s 2004–2005 Verification Report: 2005–2006 Antidumping Duty Administrative Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China,'' dated January 25, 2007.

[38] *See* Petitioners' submission dated September 14, 2006.

[39] *See* Memorandum to the File from Frances Veith, International Trade Compliance Analyst, through Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, entitled, ''Brake Rotors from the People's Republic of China,'' dated December 6, 2006.

BRAKE ROTORS FROM THE PRC—Continued

	Weighted-average percent margin
Zibo Luzhou Automobile Parts Co., Ltd.	3.43
Laizhou Hongda Auto Replacement Parts Co., Ltd.	3.43
Longkou TLC Machinery Co., Ltd.	3.43
Zibo Golden Harvest Machinery Limited Company	3.43
Laizhou City Luqi Machinery Co., Ltd.	3.43
Shenyang Yinghao Machinery Co.	3.43
Longkou Jinzheng Machinery Co., Ltd.	3.43
Shanxi Zhongding Auto Parts Co., Ltd.	3.43
Shandong Huanri Group Co., Ltd.	3.43
2005–2006 New Shipper Review	
Qingdao Golrich Autoparts Co., Ltd.	0.78
PRC-Wide Rate	
PRC-Wide Rate **	43.32

* *De Minimus.*
** This includes Rotec and Hengtai.

Disclosure

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

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments within 30 days of the date of publication of this notice. *See* 19 CFR 351.309(c)(ii). Rebuttal briefs, limited to issues raised in the case briefs, will be due five days later, pursuant to 19 CFR 351.309(d). Parties who submit case or rebuttal briefs in these proceedings are requested to submit with each argument (1) a statement of the issue, and (2) a brief summary of the argument. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. Interested parties who wish to request a hearing or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (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 case and rebuttal briefs. The Department will issue the final results of these reviews, 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.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after the date of publication of the final results of these new shipper and administrative reviews. In accordance with 19 CFR 351.212(b)(1), we have calculated an exporter/importer- or customer-specific assessment rate or value for merchandise subject to these reviews. For these preliminary results, we divided the total dumping margins for the reviewed sales by the total entered quantity of those reviewed sales for each applicable importer. In these reviews, if these preliminary results are adopted in our final results of review, we will direct CBP to assess the resulting rate against the entered customs value or per-unit assessment, as appropriate, for the subject merchandise on each importer's/customer's entries during the POR.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of the new shipper review for all shipments of subject merchandise from Golrich entered or withdrawn from warehouse, for consumption on or after publication date: (1) For subject merchandise manufactured and exported by Golrich, the cash deposit rate will be 2.15 percent; and (2) for subject merchandise exported by Golrich but not manufactured by Golrich, the cash deposit rate will be the PRC-wide rate.

The following cash deposit requirements will be effective upon publication of the final results of the administrative review for all shipments of brake rotors from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rates for CNIM, LABEC, GREN, Winhere, Haimeng, ZLAP, Hongda, Meita, TLC, ZGOLD, Luqi Yinghao, Longkou Jinzheng, Zhongding and Huanri will be the rates determined in the final results of review (except that if a rate is *de minimis*, *i.e.*, less than 0.50 percent, no cash deposit will be required); (2) the cash deposit rate for previously investigated or reviewed PRC and non-PRC exporters who received a separate rate in a prior segment of the proceeding (which were not reviewed in this segment of the proceeding) will continue to be the rate assigned in that segment of the proceeding; (3) the cash deposit rate for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate (including Rotec and Hengtai) will be the PRC-wide rate of 43.32 percent; and (4) the cash deposit rate for all non-PRC exporters of subject merchandise which have not received their own rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Importers

This notice 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.

These administrative and new shipper reviews and notice are in accordance with sections 751(a)(1), 751(a)(2)(B), and 777(i) of the Act and 19 CFR 351.213 and 351.214.

Dated: February 9, 2007.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 07–713 Filed 2–14–07; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

(A–570–886)

Polyethylene Retail Carrier Bags from the People's Republic of China: Notice of Extension of Time Limit for the Final Results of the Antidumping Duty Administrative Review

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

EFFECTIVE DATE: February 15, 2007.

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita or Matthew Quigley, 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) 482–4243 or (202) 482–4551, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 28, 2005, the Department of Commerce (''the Department'') published in the **Federal Register** a notice of initiation of the antidumping duty administrative review of Polyethylene Retail Carrier Bags (''PRCBs'') from the People's Republic of China (''PRC'') for the period January 26, 2004, through July 31, 2005. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 56631 (September 28, 2005). On September 13, 2006, the Department published the preliminary results. *See Polyethylene Retail Carrier Bags from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 54021 (September 13, 2006) (''*Preliminary Results*''). On January 10, 2007, the Department extended the time period for completion of the final results of this review. *See Polyethylene Retail Carrier Bags from the People's Republic of China: Notice of Extension of Time Limit for the Final Results of the Antidumping Duty Administrative Review*, 72 FR 1216 (January 10, 2007). The final results are currently due by February 12, 2007.

Extension of Time Limit for Final Results of Review

Pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (''the Act''), the Department shall make a final determination in an administrative review of an antidumping duty order within 120 days after the date on which the preliminary determination is published. The Act further provides, however, that the Department may extend that 120-day period to 180 days if it determines it is not practicable to complete the review within the foregoing time period.

The Department finds that it is not practicable to complete the final results of the administrative review of PRCBs from the PRC by February 12, 2007, due to the extra time necessary to give parties an opportunity to comment on the Department's revised calculations to expected non–market economy wages. Therefore, in accordance with section 751(a)(3)(A) of the Act, the Department is extending the time period for completion of the final results of this review to 165 days after publication of the *Preliminary Results*. However, because February 25, 2007, falls on a Sunday, the final results will be due on February 26, 2007, the next business day.

This notice is published in accordance with sections 751(a)(3)(A) and 777(i) of the Act.

Dated: February 7, 2007.

Stephen J. Claeys,

Deputy Assistant Secretaryfor Import Administration.

[FR Doc. E7–2684 Filed 2–14–07; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 010307C]

Atlantic Highly Migratory Species (HMS); Pelagic and Bottom Longline Fisheries

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of availability.

SUMMARY: NMFS announces the availability of a revised list of equipment models that NMFS has approved as meeting the minimum design specifications for the careful release of sea turtles caught in hook and line fisheries. The revised list is available at *http://www.nmfs.noaa.gov/sfa/hms/Protected%20Resources/Required__Gear.pdf*. The list is not a list of required gears, but is a list of NMFS approved models of equipment that may be used as options to meet the requirements for gear that must be carried on board vessels participating in the Atlantic pelagic and bottom longline fisheries. Equipment may also be fabricated and used by individuals according to the minimum design specifications. The benefit of using these gears is to maximize safe and efficient gear removal from incidentally captured sea turtles thereby minimizing the potential for serious injury or mortality.

ADDRESSES: For copies of the list of NMFS approved equipment models for the careful release of sea turtles caught in hook and line fisheries, the Final Supplemental Environmental Impact Statement (FSEIS) (issued by NMFS in June 2004) that provides for the approval of new or additional equipment for careful release of sea turtles caught in hook and line fisheries and the Final Environmental Impact Statement that the FSEIS supplements (issued by NMFS in April 1999), contact Margo Schulze-Haugen, Chief, Highly Migratory Species Management Division, 1315 East-West Highway, Silver Spring, MD 20910 or at (301) 713–1917 (fax). These documents are also available at *http://www.nmfs.noaa.gov/sfa/hms/*.

FOR FURTHER INFORMATION CONTACT: Randy Blankinship, Greg Fairclough, Richard A. Pearson or Russell Dunn at 727–570–5447 or 727–570–5656 (fax).

SUPPLEMENTARY INFORMATION: The Atlantic tuna and swordfish fisheries are managed under the authority of the Magnuson-Stevens Act and the Atlantic Tunas Convention Act (ATCA). Atlantic sharks are managed under the authority of the Magnuson-Stevens Act. The Consolidated Atlantic Highly Migratory Species Fishery Management Plan, finalized in 2006, is implemented by regulations at 50 CFR part 635. The Atlantic pelagic and bottom longline fisheries are also subject to the requirements of the Endangered Species