

examined internal company memoranda, such as appointment notices and election results, which demonstrated that each of these three companies selected its own management. See pages five through seven of the Department's verification report for Golden Harvest; pages 10 through 12 of the Department's verification report for GREN; and pages six and seven of the Department's verification report for Shanxi Fengkun. This information, taken in its entirety, supports a finding that there is a *de facto* absence of governmental control of each of these companies' export functions.

With regard to CNIM, Haimeng, Hongda, Huanri General, LABEC, and ZLAP (*i.e.*, the other six respondents subject to the separate rates test in this review), the Department elected not to verify these companies' responses in accordance with section 351.307(b)(3). Based on documentation contained in each company's response, the Department also finds that each of these six respondents (1) negotiated its contracts and set its own sales prices with its customers; (2) received payment from its U.S. customers via bank wire transfer, which was deposited into its own bank account without government intervention; (3) retained its profits and, where applicable, arranged its own financing; and (4) selected its own management (see each respondent's questionnaire responses).

Consequently, we have determined that CNIM, Golden Harvest, GREN, Haimeng, Hongda, Huanri General, LABEC, Shanxi Fengkun and ZLAP have each met the criteria for the application of separate rates either through documentation submitted on the record subject to verification or through actual verification. See *Notice of Final Determination at Less Than Fair Value: Persulfates from the People's Republic of China*, 62 FR 27222 (May 19, 1997).

Normal Value Comparisons

To determine whether sales of the subject merchandise by CNIM, Golden Harvest, GREN, Haimeng, Huanri General, Hongda, Hongfa, LABEC, Meita, Shanxi Fengkun, Winhere, and ZLAP to the United States were made at prices below normal value ("NV"), we compared each company's export prices to NV, as described in the "Export Price," "Constructed Export Price," and "Normal Value" sections of this notice, below.

Export Price

For 11 of the 12 respondents (*i.e.*, CNIM, Golden Harvest, Haimeng,

Huanri General, Hongda, Hongfa, LABEC, Meita, Shanxi Fengkun, Winhere, and ZLAP), we used export price methodology in accordance with section 772(a) of the Act because 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 constructed export price was not otherwise indicated.

1. CNIM, Golden Harvest, Hongfa, Meita, Shanxi Fengkun, Winhere, and ZLAP

We calculated EP based on packed, FOB foreign port prices 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, in accordance with section 772(c) of the Act. Because foreign inland freight and foreign brokerage and handling fees were provided by NME service providers or paid for in an NME currency, we based those charges on surrogate rates from India (see "Surrogate Country" section below). To value foreign inland trucking charges, we used a November 1999 average truck freight value based on price quotes from Indian trucking companies. Based on our verification findings, we revised the reported distance from Golden Harvest to the port of exportation (see page 13 of the Golden Harvest verification report). To value foreign brokerage and handling expenses, we relied on public information reported in the 1997-1998 new shipper review of the antidumping duty order on stainless steel wire rod from India.

2. Haimeng, Hongda, Huanri General, and LABEC

We calculated EP based on packed, CIF, CFR or FOB foreign port prices 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, marine insurance and international freight, in accordance with section 772(c) of the Act. As all foreign inland freight and foreign brokerage and handling fees were provided by NME service providers or paid for in an NME currency, we valued these services using the Indian surrogate values discussed above. For marine insurance, we used public information that was used in the 2000-2001 administrative review of the antidumping duty order on tapered roller bearings and parts thereof, finished and unfinished, from

the People's Republic of China. For international freight (*i.e.*, ocean freight and U.S. inland freight expenses from the U.S. port to the warehouse (where applicable)), we used the reported expense because each of these four respondents used market-economy freight carriers and paid for those expenses in a market-economy currency (see, *e.g.*, *Brake Rotors from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 64 FR 9972, 9974 (March 1, 1999)).

Constructed Export Price

For GREN, we calculated constructed export price ("CEP") in accordance with section 772(b) of the Act. We found that GREN made CEP sales during the POR because the sales were made for the account of GREN by the respondent's subsidiary in the United States to unaffiliated purchasers. We based CEP on packed, delivered or ex-warehouse prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included, where appropriate, foreign inland freight and foreign brokerage and handling charges in the PRC, international freight (*i.e.*, ocean freight and U.S. inland freight from the U.S. port to the warehouse), marine insurance, U.S. customs duties and fees (including harbor maintenance fees, merchandise processing fees, and brokerage and handling), and U.S. inland freight expenses (*i.e.*, freight from the plant to the customer). As all foreign inland freight, foreign brokerage and handling, and marine insurance expenses were provided by NME service providers or paid for in an NME currency, we valued these services using the Indian surrogate values discussed above. For international freight (*i.e.*, ocean freight and U.S. inland freight expenses from the U.S. port to the warehouse (where applicable)), we used the reported expense because the respondent used a market-economy freight carrier and paid for those expenses in a market-economy currency.

In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States, including direct selling expenses (commissions and credit expenses), and indirect selling expenses (including inventory carrying costs) incurred in the United States. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act.