

Case History

The petitioner in this investigation is Chemical Products Corporation. This investigation was initiated on October 21, 2002. *See Initiation of Antidumping Duty Investigation: Barium Carbonate from the People's Republic of China*, 67 FR 65534 (October 25, 2002) (*Initiation Notice*). Since the initiation of this investigation, the following events have occurred.

On November 14, 2002, the U.S. International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that an industry in the United States is materially injured by reason of barium carbonate imports from the PRC. *See Barium Carbonate from China*, 67 FR 70092 (November 20, 2002).

On November 18, 2002, the Department issued its antidumping questionnaire¹ to the PRC Bureau of Fair Trade for Imports and Exports (BOFT). The Department requested that BOFT send the questionnaire to all companies that manufacture and export barium carbonate to the United States, as well as manufacturers that produce barium carbonate for companies that were engaged in exporting subject merchandise to the United States during the period of investigation (POI). In addition, we sent the questionnaire to all of the manufacturers and exporters listed in the petition. *See* complete list of 10 manufacturers and 12 exporters in the petition (September 30, 2002) at Exhibit 4. Only Qingdao Red Star Chemical Import & Export Co., Ltd. (Qingdao Red Star) and its suppliers responded to the Department's questionnaire. The Department issued supplemental questionnaires on January 10 and February 3, 2003. We received deficiency comments from the petitioner on January 15 and 30, and March 4, 2003. Due to the statutory deadline, we were unable to take into consideration for purposes of the preliminary determination the petitioner's most recently filed comments. The Department does intend to carefully review the issues raised in that submission, including that of affiliation, and will verify the information provided by the

respondent, as appropriate, prior to the final determination.

On January 31, 2003, we invited interested parties to provide comments on the surrogate country selection and publicly available information for valuing the factors of production. We received comments from Qingdao Red Star on February 10 and 13, 2003. We received comments from the petitioner on February 10, 13 and 19, 2003.

Postponement of Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. The Department's regulations, at 19 CFR 351.210(e)(2) (2002), require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months.

On February 13, 2003, Qingdao Red Star requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until not more than 135 days after the publication of the preliminary determination. The respondent included a request to extend the provisional measures to not more than six months after the publication of the preliminary determination. In accordance with section 351.210(e) of the Department's regulations, because we have made an affirmative preliminary determination, the requesting party accounts for a significant proportion of exports of the subject merchandise, and no compelling reasons exist to deny the request, we have postponed the final determination until not later than 135 days after the date of the publication of the preliminary determination, and are extending the provisional measures accordingly.

Period of Investigation

The POI is January 1, 2002, through June 30, 2002. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, September 2002). *See* 19 CFR 351.204(b)(1).

Scope of Investigation

The merchandise covered by this investigation is barium carbonate, regardless of form or grade. The product under investigation is currently classifiable under subheading 2836.60.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

Non-Market Economy Country Status

The Department has treated the PRC as a non-market economy (NME) country in all its past antidumping investigations. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China*, 68 FR 7765 (February 18, 2003); and *Notice of Final Determination of Sales at Less Than Fair Value Ferrovandium from the People's Republic of China*, 67 FR 71137 (November 29, 2002). In accordance with section 771(18)(C) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked. No party in this investigation has sought revocation of the NME status of the PRC. Therefore, pursuant to section 771(18)(C) of the Act, the Department will continue to treat the PRC as an NME country.

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs the Department to base normal value (NV) on the NME producer's factors of production, valued in a market economy at a comparable level of development that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the "Normal Value" section, below.

Separate Rates

In an NME proceeding, the Department presumes that all companies within the country are subject to governmental control and should be assigned a single antidumping duty rate unless the respondent demonstrates the absence of both *de jure* and *de facto* governmental control over its export activities. *See Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People's Republic of China*, 61 FR 19026, 19027 (April 30, 1996). Qingdao Red Star has provided the requested company-specific separate rate information and has indicated that there is no element of government ownership or control over its operations. We have

¹ Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under this investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section C requests a complete listing of U.S. sales. Section D requests information on the factors of production of the merchandise under investigation. Section E requests information on further manufacturing.