

with very low sales volumes, and given other unusual proprietary facts surrounding the sale, has led us to find that it is inappropriate to use the higher of these two margins. Moreover, while the rate we have chosen (65.02 percent) is higher than the single PRC-wide rate that has been applied for the past 16 years (54.21 percent) under this order, it is still more in line with the 54.21 percent PRC-wide rate which was also based on facts available. The higher rate we have excluded is more than double that previous rate, confirming our conclusion that it is the product of circumstances not germane to this analysis. Our analysis of why the high margin and the weighted-average margin are inappropriate relies, in part, on business-proprietary information. Therefore, see "Memorandum Regarding Administrative Review of Petroleum Wax Candles from the People's Republic of China (PRC) (A-570-504): Proprietary Information Regarding Adverse Facts Available Rate," to Barbara E. Tillman, through Sally C. Gannon, from Mark Hoadley (March 10, 2003) (*AFA Memo*) for a full discussion of the issue.¹

We emphasize that we are not establishing a *per se* rule against using rates established in new shipper reviews as adverse facts available (as should be apparent from the fact that we are still using a rate from the new shipper review). We are excluding the high rate from this new shipper review because of the substantial difference between that rate and the other individual rate determined and because the circumstances of this particular new shipper review lead us to conclude that that difference is the result of circumstances not germane to this analysis. See *AFA Memo* and *Decision Memorandum (Comment 4)*.

In addition to examining the adverse facts available margin applied to determine whether it is appropriate, we have also in the past determined to choose margins that are sufficiently adverse to encourage full cooperation in future reviews. See *Japan Hot-Rolled LTFV*, 64 FR at 24369, and *Final Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod From Italy*, 63 FR 40422, 40428 (July 29, 1998). We find the rate we have chosen, 65.02 percent, is sufficiently adverse to encourage compliance in the future. The new shipper review is the

only segment of this proceeding which has resulted in a calculated rate based on information submitted by a respondent. Because the AFA rate we have chosen is a calculated rate from the new shipper review, we conclude that it is an appropriate reflection of the amount by which PRC exporters are dumping in the United States. Therefore, future respondents should not view the AFA rate as preferable to their actual dumping rates, *i.e.*, as an underestimate of their own magnitude of dumping, and should in general find it an inducement to cooperate with the Department in calculating their own rates.

Corroboration

Section 776(c) of the Act provides that when the Department relies on 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. The *Statement of Administrative Action (SAA)*, H.R. Doc. 103-316 (1994), states that "corroborate" means to determine that the information 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. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. The only source for calculated margins is administrative determinations. Thus, in an administrative review, if the Department chooses as total adverse facts available a calculated dumping margin from the current or a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. See, *e.g.*, *Grain-Oriented Electrical Steel From Italy; Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 36551, 36552 (July 11, 1996).

Accordingly, we determine that the 65.02 percent rate is in accord with section 776(c)'s requirement that secondary information is reliable. The information used in the new shipper review to calculate the final margin of 95.22 percent, for which the 65.02 percent margin is an integral part of the underlying calculation, was fully verified and subject to the comments of both respondent and petitioner throughout the review. Thus, the 65.02 percent margin is ultimately based on the verified sales and production data of respondent in that review, as well as on the most appropriate surrogate value

information available to the Department, chosen from submissions by the parties in that review as well as information gathered by the Department itself.

With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal to determine whether a margin continues to have relevance. In this case, as discussed above, the Department has chosen one of the margins weight-averaged in the new shipper review, the rate of 65.02 percent. We chose this margin after concluding that using the highest rate or the weighted-average margin from the new shipper review was inappropriate, due to the wide range of margins weight averaged therein. See *AFA Memo*.

Final Results of Review

We determine that the following percentage margin exists for the period August 1, 2000 through July 31, 2001:

Manufacturer/exporter	Percent margin
Dongguan Fay Candle Co. Ltd. ...	65.02
PRC-Wide Rate	54.21

The Department will disclose calculations performed in connection with these final results of review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Assessment

The Department will determine, and the U.S. Customs Service (Customs) shall assess, antidumping duties on all appropriate entries. For Fay Candle, the assessment rate will be based on the margin noted above. The Department will issue appropriate assessment instructions directly to Customs within 15 days of publication of these final results of review. We will direct Customs to assess the resulting assessment rates against the entered Customs values for the subject merchandise on each of the exporter's entries during the review period.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of these final results for this administrative review for all shipments of petroleum wax candles from the PRC entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for Fay Candle will be 65.02 percent; (2) for previously-reviewed PRC and non-PRC exporters with separate rates, the cash deposit rate will be the company-specific rate established

¹ All relevant calculation documentation from the new shipper review has been placed on the record of this review. See "Memorandum Regarding Final Results of Antidumping Duty Administrative Review of Petroleum Wax Candles from the People's Republic of China (PRC)," to The File, through Sally C. Gannon, from Brett Royce (March 10, 2003).