

and the possible impact of the yield ratios at various stages of production. The Department's ability to analyze these issues was particularly constrained given the large number of supplemental questionnaires issued in this case and the lack of sufficient time to fully evaluate the responses to those questionnaires and issue any follow-up requests for information.

In light of these concerns, we have not used the multi-stage factor data for the preliminary determination and have incorporated, instead, the value of the whole fish used at the filleting/processing stage of production. Subsequent to the preliminary determination, we will make every attempt to clarify the factors data for the fish farming stage of production that respondents have reported. If the questions raised can be addressed, we intend to revert to our standard methodology and use the factor information for the various stages. In that case, before the final determination, we will release to interested parties for comment a preliminary calculation sheet and analysis memorandum using that methodology.

The factors of production for the frozen fish fillet processing stage included: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. We calculated NV based on factors of production, reported by each respondent, for materials, energy, labor, and packing. Where applicable, we deducted from each respondent's normal value the value of by-products sold during the POI. For a further discussion, see the analysis memorandum for each respondent. We valued the majority of input factors using publicly available published information as discussed in the "Surrogate Country" and "Factor Valuations" sections of this notice.

Factor Valuations

The Department will normally use publicly available information to value factors of production. However, in accordance with 19 CFR 351.408(c)(1), the Department's regulations also provide that where a producer sources an input from a market economy and pays for it in market economy currency, the Department employs the actual price paid for the input to calculate the factors-based NV. See *Lasko Metal Products v. United States*, 43 F. 3d 1442, 1445–1446 (Fed. Cir. 1994) ("*Lasko*").

In accordance with section 773(c) of the Act, we calculated NV based on factors of production reported by respondents for the POI. To calculate

NV, the reported per-unit factor quantities were multiplied by publicly available Bangladeshi surrogate values (except as noted below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added surrogate freight costs to surrogate values 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 Court of Appeals for 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*.

Certain raw material surrogate values were calculated using data from the 2000 *Statistical Yearbook of Bangladesh* ("Bangladesh government statistics"), published by the Bangladesh Bureau of Statistics, Planning Division, Ministry of Planning. The information represents cumulative values for the period of 2000, for inputs classified according to the Harmonized Commodity Description and Coding System ("HS"). Unit values were initially calculated in takas. Since the values were not contemporaneous with the POI, we adjusted the values for inflation and converted them to U.S. dollars using the Department's exchange rate for Bangladesh.

Where Bangladeshi values were not available or were impracticable to use for raw materials inputs, we relied upon data from India, as adequate valuation data for each of these factors of production is available on the record from Indian sources. We also valued certain raw material inputs using weighted-average unit import values derived from the *Monthly Trade Statistics of Foreign Trade of India—Volume II—Imports* ("Indian Import Statistics") for the time period April 2001–March 2002. As appropriate, we adjusted rupee-denominated values for inflation using wholesale price indices published in the International Monetary Fund's *International Financial Statistics* and excluded taxes.

The Department decided to value live fish using data from the financial statement of a Bangladeshi company that produces *Pangasius* fish, Gachihata Aquaculture Farms Limited ("Gachihata"). The data from Gachihata was specific to the price for sales of *Pangasius* fish, the input in question. In addition, while the financial report was not contemporaneous with the POI, it

was for the fiscal year ending June 30, 2001, which is reasonably close to the POI. To calculate the surrogate value for live fish, the Department adjusted Gachihata's value for *Pangasius* fish in takas for inflation and converted the value to U.S. dollars, to arrive at a value of \$1.23 USD/kg. See *Factor Valuation Memo* Exhibit 1 for CPI data, Exhibit 2 for exchange rate, and Exhibit 3 for the live fish calculation. See petitioners' December 18, 2002 submission, Exhibit 2, for Gachihata's complete financial statement.

In valuing live fish, the Department did not use the data from the financial statements of another Bangladeshi company, Dhaka Fisheries Ltd. ("Dhaka"), because although it appeared to produce *Pangasius* fish as its main fish product, the data represented the company's valuation of its fish inventory. As the Department prefers the use of actual sales data rather than inventory data, use of this source is less than ideal. See petitioners' December 18, 2002 submission, Exhibit 4, for Dhaka's complete financial statement.

The Department also did not use a proposed value for live fish in Bangladesh based on the financial statement of another Bangladeshi company submitted by the respondents, Beximco Fisheries Limited ("Beximco"), because it represented the company's valuation of its fish inventory, and it was not specific to the input in question. The data submitted by the respondents was listed as a value for "fish" in the financial report, without specifying the species. See respondents' December 9, 2002 submission, Exhibit 7. In response to a supplemental questionnaire, respondents stated that "there is insufficient information on Beximco's financial statement to determine precisely whether or not the values for "fish" and "fish feed" are specific to the production of *Pangasius* fish." See respondents' January 7, 2002 submission, page 12.

To value electricity, we used data from Bangladesh government statistics. The unit value was initially calculated in takas. Since the value was not contemporaneous with the POI, we adjusted the rate for inflation and converted the rate to U.S. dollars using the Department's exchange rate for Bangladesh. See *Factor Valuation Memorandum* at page 6.

As Bangladeshi values were not available or were impracticable for use to value water, we relied upon data from India as adequate valuation data for this factor of production is available on the record from Indian sources. To value water, we used data reported as the average water tariff rate for four cities in