

the Department received responses to Sections C and D of the antidumping duty questionnaire from Zhejiang and Wuhan. Henan did not respond to its questionnaire.³

On April 22, 2003, petitioners withdrew their request for review of Shanghai Eswell. On May 6, 2003, the Department rescinded, in part, the administrative review of the antidumping duty order on honey with respect to Shanghai Eswell. *See Honey from the People's Republic of China: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 23963 (May 6, 2003).

On May 6, 2003, the Department preliminarily determined to rescind, in part, the administrative reviews with respect to Anhui, Inner Mongolia, Shanghai Xiuwei, Sichuan Dubao, and Wuhan. *See Memorandum to Barbara Tillman, Acting Deputy Assistant Secretary, AD/CVD Enforcement Group III; Intent to Partially Rescind Administrative Reviews* (May 6, 2003) (Rescission Memo). As discussed in the Rescission Memo, Anhui and Inner Mongolia did not ship subject merchandise during the POR. As also discussed in the Rescission Memo, the Department determined that Shanghai Xiuwei, Sichuan Dubao, and Wuhan should not be subject to this proceeding because all of their POR sales were already subject to ongoing new shipper reviews.

On May 16, 2003, we issued a supplemental questionnaire to Zhejiang. On June 10, 2003, we invited interested parties to comment on the Department's surrogate country selection and/or significant production in the potential countries, and to submit publicly-available information to value the factors of production. On June 20, 2003, we received Zhejiang's supplemental questionnaire response. On June 24, 2003, we received petitioners' comments on the selection of a surrogate country in this proceeding. Zhejiang did not comment on the selection of a surrogate country in this proceeding. On June 30, 2003, petitioners submitted comments on Zhejiang's supplemental questionnaire response. On July 7, 2003, we issued a second supplemental questionnaire to Zhejiang. On July 7, 2003, Zhejiang and

petitioners submitted surrogate information with which to value the factors of production. On July 17, 2003, we received Zhejiang's comments on petitioners' July 7, 2003, surrogate value submission. On July 18, 2003, we received Zhejiang's second supplemental questionnaire response.

On July 25, 2003, the Department issued a final determination to rescind, in part, the administrative reviews of Anhui, Inner Mongolia, Shanghai Xiuwei, Sichuan Dubao, and Wuhan. *See Honey from the People's Republic of China: Final Rescission, in Part, of Antidumping Duty Administrative Review*, 68 FR 44045 (July 25, 2003). On July 25, 2003, the Department also determined to extend the time limits for these preliminary results. *See Honey from the People's Republic of China: Extension of Time Limit for Preliminary Results of First Antidumping Duty Administrative Review*, 68 FR 44046 (July 25, 2003).

Scope of the Antidumping Duty Order

The products covered by this order are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey. The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.

The merchandise subject to this review is currently classifiable under subheadings 0409.00.00, 1702.90.90, and 2106.90.99 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and U.S. Customs and Border Protection (CBP) purposes, the Department's written description of the merchandise under order is dispositive.

Verification

As provided in section 782(i)(2) of the Tariff Act of 1930, as amended (the Act), and section 351.307 of the Department's regulations, we conducted verification of the questionnaire and supplemental responses of Zhejiang. We used standard verification procedures, including on-site inspection of the production facility of Zhejiang's unaffiliated supplier. Our verification results are outlined in the Memorandum to the File, through Abdelali Elouaradia, Program Manager, Verification of U.S. Sales Information Submitted by Zhejiang Native Produce & Animal By-Products Import & Export Group Corporation (a.k.a. Zhejiang Native Produce and Animal By-Products

Import & Export Corp.) (Zhejiang) and Factors of Production Information Submitted by Zhejiang's Unaffiliated Supplier, dated September 26, 2003 (Zhejiang Verification Report). A public version of this report is on file in the Central Records Unit (CRU) located in room B-099 of the Main Commerce Building.

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 rate unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to its export activities. In this review, Zhejiang requested a separate company-specific rate.

To establish whether a company is sufficiently independent in its export activities from government control to be entitled to a separate, company-specific rate, the Department analyzes the exporting entity in an NME country under the test established in the *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 amplified by the *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*).

The Department's separate-rate test is unconcerned, in general, with 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. *See, e.g., Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less Than Fair Value*, 62 FR 61754, 61757 (November 19, 1997); *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); and *Honey from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 60 FR 14725, 14726 (March 20, 1995).

Zhejiang provided separate-rate information in its responses to our original and supplemental questionnaires. Accordingly, we performed a separate-rates analysis to

³ On March 31, 2003, the Department issued a letter to Henan informing the company that it had failed to respond to our antidumping duty questionnaire issued on February 20, 2003. Additionally, we confirmed Henan's address and receipt of our March 31, 2003, letter. *See Memorandum to The File from Angelica L. Mendoza, Case Analyst, First Administrative Review of the Antidumping Duty Order on Honey from the People's Republic of China: Correct Addresses*, dated March 31, 2003.