

from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 57391, 57392 (November 6, 1996) (TRBs), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.

We note that in the LTFV investigation, the Department corroborated the information in the petition that formed the basis of the 183.80 percent PRC-wide entity rate. See *Final Determination*. Specifically, in the LTFV investigation, the Department compared the prices in the petition to the prices submitted by individual respondents for comparable merchandise. For normal value (NV), we compared petitioners' factor-consumption data to data reported by respondents. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey from the People's Republic of China*, 66 FR 24101 (May 11, 2001).

In order to satisfy the corroboration requirements under section 776(c) of the Act, in the instant review, we reviewed the Department's corroboration of the petition rates from the LTFV investigation. See Memorandum to the File, dated December 10, 2003, placing the Memorandum to Richard O. Weible, Office Director, The Use of Facts Available for the PRC-wide entity; and Corroboration of Secondary Information, dated May 4, 2001 (AFA & Corroboration Memo) on the record of this administrative review. Following the methodology of our corroboration analysis from the LTFV investigation, we compared the petition information to information on the record of this proceeding. We find that the petition information is both reasonable and reliable when compared to the range of Zhejiang's reported gross unit prices for honey it sold to the United States during the current POR. See AFA & Corroboration Memo at 5 and Exhibit 7 of Zhejiang's July 18, 2003, submission. Moreover, following the methodology of our corroboration analysis from the LTFV investigation, the highest calculated NV for Zhejiang (calculated as a separate NV for each of its two processed honey suppliers) is comparable to the NV relied on by petitioners to calculate the petition rate. See AFA & Corroboration Memo at 6 and the Margin Calculation Output for Zhejiang, dated December 10, 2003.

We further note that, with respect to the relevance aspect of corroboration,

the Department stated in *TRBs* that it will "consider information reasonably at its disposal as to whether there are circumstances that would render a margin irrelevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin." See *TRBs* at 61 FR 57392. See also *Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996) (disregarding the highest margin in the case as best information available because the margin was based on another company's uncharacteristic business expense resulting in an extremely high margin). The rate used is the rate currently applicable to all exporters subject to the PRC-wide rate. Further, as noted above, there is no information on the record that the application of this rate would be inappropriate in this administrative review or that the margin is not relevant. Thus, we find that the information is relevant. Therefore, the Department preliminarily determines that the PRC-wide entity rate of 183.80 is still reliable, relevant, and has probative value within the meaning of section 776(c) of the Act.

Normal Value Comparisons

To determine whether Zhejiang's sales of the subject merchandise to the United States were made at prices below normal value, we compared their United States prices to normal values, as described in the "United States Price" and "Normal Value" sections of this notice.

United States Price

For Zhejiang, we based United States price on export price (EP) in accordance with section 772(a) of the Act, because the first sale to an unaffiliated purchaser was made prior to importation, and constructed export price (CEP) was not otherwise warranted by the facts on the record. We calculated EP based on the packed price from the exporter to the first unaffiliated

customer in the United States. Where applicable, we deducted foreign inland freight, international freight, marine insurance expenses, and bank charges from the starting price (gross unit price), in accordance with section 772(c) of the Act.

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine NV using a factors-of-production methodology if (1) the merchandise is exported from an NME country, and (2)

available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. Zhejiang did not contest such treatment in this review. Accordingly, we have applied surrogate values to the factors of production to determine NV for each of Zhejiang's processed honey suppliers. See Factors of Production Valuation Memorandum for the Preliminary Results of the First Administrative Review of the Antidumping Duty Order on Honey from the People's Republic of China, dated December 10, 2003 (Factor Valuation Memo). A public version of this memorandum is on file in the CRU located in room B-099 of the Main Commerce Building.

We calculated NV based on factors of production in accordance with section 773(c)(4) of the Act and section 351.408(c) of our regulations. Consistent with the LTFV investigation of this order and the final results of a recent new shipper review covering the subject merchandise, we determine that India (1) is comparable to the PRC in level of economic development, and (2) is a significant producer of comparable merchandise.⁷ Accordingly, we valued the factors of production using publicly-available information from India.

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data, in accordance with our practice. Where appropriate, we adjusted Indian import prices by adding foreign inland freight expenses to make them delivered prices. When we used Indian import values to value inputs sourced domestically by PRC suppliers, we added to Indian surrogate values a surrogate freight cost calculated using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest port of export to the factory. 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). When we used non-import surrogate values for factors sourced domestically by PRC suppliers, we based freight for inputs on the actual distance from the input supplier to the

⁷ See *Final Determination and Wuhan NSR Final Results*.