DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–846]

Brake Rotors From the People's Republic of China: Final Results and Partial Rescission of the Fifth Antidumping Duty Administrative Review and Final Results of the Seventh New Shipper Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of final results and partial rescission of the fifth antidumping duty administrative review and final results of the seventh new shipper review.

SUMMARY: On January 8, 2003, the Department of Commerce published the preliminary results and preliminary partial rescission of the fifth antidumping duty administrative review and preliminary results of the seventh new shipper review of the antidumping duty order on brake rotors from the People's Republic of China. *See Brake Rotors from the People's Republic of China: Preliminary Results and Preliminary Partial Rescission of the Fifth Antidumping Duty Administrative Review and Preliminary Results of the Seventh New Shipper Review*, 68 FR 1031 (January 8, 2003) (''*Preliminary Results*''). These reviews examined 18 exporters [1] (''the respondents''), five of which are exporters included in three exporter/producer combinations and two of which are new shippers. The period of review is April 1, 2001, through March 31, 2002 (''POR''). We gave interested parties an opportunity to comment on our preliminary results.

Based on the additional publicly available information used in these final results and the comments received from the interested parties, we have made changes in the margin calculations for the respondents in these reviews. The final weighted-average dumping margins for the reviewed firms are listed below in the section entitled ''Final Results of Reviews.''

EFFECTIVE DATE: May 14, 2003.

FOR FURTHER INFORMATION CONTACT: Terre Keaton or Brian Smith, Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230; telephone: (202) 482–1280, or (202) 482–1766, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 8, 2003, the Department published in the **Federal Register** the *Preliminary Results* (*see* 68 FR 1031).

On January 28, 2003, we placed on the record information obtained from the U.S. Customs Service (now the U.S. Bureau of Customs and Border Protection (''BCBP'')) then known as the, for the six outstanding entries noted in the December 31, 2002, memorandum titled, ''Results of Request for Assistance from the U.S. Customs Service to Further Examine U.S. Entries Made by the Exporter/Producer Combinations-Preliminary Results'' (*see*—''Partial Rescission of Administrative Review'' section below for further discussion). Also on January 28, 2003, and in accordance with 19 CFR 351.301(c)(3)(ii), the respondents submitted additional publicly available information for consideration in the final results.

On February 5, 2003, the Department published in the **Federal Register** an amended preliminary results of the seventh new shipper review of the antidumping duty order on brake rotors from the People's Republic of China (''PRC'') to reflect its intention to assign exporter/producer combination cash deposit rates to the new shipper companies in the final results. *See Brake Rotors from the People's Republic of China: Amended Preliminary Results of the Seventh New Shipper Review*, 68 FR 5867. On February 21, 2003, the petitioner [2] and the respondents submitted case briefs, and on February 28, 2003, they submitted rebuttal briefs.

On February 4, and 25, 2003, we placed on the record additional publicly available information on electricity, pallet wood and brokerage and handling for consideration in the final results. On March 7, 2003, the petitioner submitted comments on the publicly available information we had placed on the record on February 25, 2003.

Scope of Order

The products covered by this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, ranging in diameter from 8 to 16 inches (20.32 to 40.64 centimeters) and in weight from 8 to 45 pounds (3.63 to 20.41 kilograms). The size parameters (weight and dimension) of the brake rotors limit their use to the following types of motor vehicles: automobiles, all-terrain vehicles, vans and recreational vehicles under ''one ton and a half,'' and light trucks designated as ''one ton and a half.''

Finished brake rotors are those that are ready for sale and installation without any further operations. Semi-finished rotors are those on which the surface is not entirely smooth, and have undergone some drilling. Unfinished rotors are those which have undergone some grinding or turning.

These brake rotors are for motor vehicles, and do not contain in the casting a logo of an original equipment manufacturer (''OEM'') which produces vehicles sold in the United States (*e.g.*, General Motors, Ford, Chrysler, Honda, Toyota, Volvo). Brake rotors covered in this order are not certified by OEM producers of vehicles sold in the United States. The scope also includes composite brake rotors that are made of gray cast iron, which contain a steel plate, but otherwise meet the above criteria. Excluded from the scope of this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, with a diameter less than 8 inches or greater than 16 inches (less than 20.32 centimeters or greater than 40.64 centimeters) and a weight less than 8 pounds or greater than 45 pounds (less than 3.63 kilograms or greater than 20.41 kilograms).

Brake rotors are classifiable under subheading 8708.39.5010 of the *Harmonized Tariff Schedule of the United States* (''HTSUS''). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this order is dispositive.

[1] The names of the respondents in the fifth administrative review are as follows: (1) China National Industrial Machinery Import & Export Corporation (''CNIM''); (2) Laizhou Automobile Brake Equipment Company, Ltd. (''LABEC''); (3) Longkou Haimeng Machinery Co., Ltd. (''Haimeng''); (4) Laizhou Hongda Auto Replacement Parts Co., Ltd. (''Hongda''); (5) Hongfa Machinery (Dalian) Co., Ltd. (''Hongfa''); (6) Qingdao Gren (Group) Co. (''GREN''); (7) Qingdao Meita Automotive Industry Company, Ltd. (''Meita''); (8) Shandong Huanri (Group) General Company (''Huanri General''); (9) Yantai Winhere Auto-Part Manufacturing Co., Ltd. (''Winhere''); and (10) Zibo Luzhou Automobile Parts Co., Ltd. (''ZLAP''); (11) Beijing Concord Auto Technology Inc. (''Beijing Concord''); (12) China National Machinery and Equipment Import & Export (Xinjiang) Corporation (''Xinjiang''); (13) China National Automotive Industry Import & Export Corporation (''CAIEC''); (14) Laizhou CAPCO Machinery Co., Ltd. (''Laizhou CAPCO''); (15) Laizhou Luyuan Automobile Fittings Co. (''Laizhou Luyuan''); and (16) Shenyang Honbase Machinery Co., Ltd. (''Shenyang''). (The exporter/producer combinations excluded from the antidumping duty order are: Xinjiang/Zibo Botai Manufacturing Co. Ltd (''Zibo''); CAIEC or Laizhou CAPCO/Laizhou CAPCO; and Laizhou Luyuan or Shenyang/Laizhou Luyuan or Shenyang). The names of the respondents in the seventh new shipper review are as follows: (17) Shanxi Fengkun Metallurgical Ltd. Co. (''Shanxi Fengkun''); and (18) Zibo Golden Harvest Machinery Limited Company (''Golden Harvest'').

[2] The petitioner is the Coalition for the Preservation of American Brake Drum and Rotor Aftermarket Manufacturers.

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(3), we have determined that, during the POR, the exporters which are part of the three exporter/producer combinations which received zero rates in the less-than-fair-value (''LTFV'') investigation did not make shipments of subject merchandise to the United States during the POR. Specifically, we have determined that during the POR, (1) neither CAIEC nor Laizhou CAPCO exported brake rotors to the United States that were manufactured by producers other than Laizhou CAPCO; (2) neither Shenyang Honbase nor Laizhou Luyuan exported brake rotors to the United States that were manufactured by producers other than Shenyang Honbase or Laizhou Luyuan; and (3) Xinjiang did not export brake rotors to the United States that were manufactured by producers other than Zibo.

In order to make this determination, we first examined POR subject merchandise shipment data furnished by the Customs Service by performing a data query. Because the data from our initial query was voluminous, we randomly selected 31 entries from the data query results for further examination by the Customs Service (*see* Memorandum dated October 3, 2002, from Davina Hashmi, Senior Analyst, to the File, titled, ''Request for Assistance: Shipments of Brake Rotors from the People's Republic of China Which Were Manufactured and/or Exported by Five PRC Companies during the Period April 1, 2001, Through March 31, 2002'').

Specifically, we requested the Customs Service to examine further the documentation filed at the U.S. port for each of those selected entries made by the exporters at issue to determine the manufacturer of the merchandise. In response to our request for information, the Customs Service was only able to provide us with information on 25 entries made by these respondents. After a review of the data we received from the Customs Service in response to our data query, we found no evidence that any of the exporter/producer combinations subject to this administrative review made shipments of the subject merchandise during the POR (*see* Memoranda dated December 31, 2002, from Davina Hashmi, Senior Analyst, and January 28, 2003, from Terre Keaton, Analyst, to the File, both titled, ''Results of Request for Assistance from the U.S. Customs Service to Further Examine U.S. Entries Made By Exporter/Producer Combinations''). Therefore, we are rescinding this review with respect to CAIEC, Laizhou CAPCO, Shenyang Honbase, Laizhou Luyuan, and Xinjiang. *See* Issues and Decision Memorandum (''*Decision Memo*'') from Jeffrey May, Deputy Assistant Secretary for Import Administration, to Joseph A. Spetrini, Acting Assistant Secretary for Import Administration at Comment 1 for further discussion.

Facts Available

In the *Preliminary Results*, 68 FR at 1033, the Department determined that the use of facts available was warranted in accordance with section 776(b) of the Tariff Act of 1930, as amended (''the Act'') to calculate the dumping margin for Beijing Concord. Because Beijing Concord failed to provide requested information and did not properly notify the Department of its difficulty in meeting our requirements in accordance with section 782©) of the Act, we determined that Beijing Concord did not cooperate to the best of its ability. Since the preliminary results nothing has changed to reverse our preliminary decision regarding Beijing Concord. Therefore, for the final results of this review we continue to find that Beijing Concord is not eligible to receive a separate rate and thus it continues to be part of the PRC non-market economy (''NME'') entity, subject to the PRC-wide rate.

Analysis of Comments Received

All issues raised in the case briefs are addressed in the *Decision Memo*, which is hereby adopted by this notice. A list of the issues raised, all of which are in the *Decision Memo*, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in the briefs and the corresponding recommendations in this public memorandum which is on file in the Central Records Unit, room B–099 of the main Department building. In addition, a complete version of the *Decision Memo* can be accessed directly on the Web at *http://ia.ita.doc.gov.* The paper copy and electronic version of the *Decision Memo* are identical in content.

Changes Since the Preliminary Results

Based on the use of additional publicly available information and the comments received from the interested parties, we have made changes in the margin calculation for each respondent. For a discussion of these changes, *see* the ''Margin Calculations'' section of the *Decision Memo.*

For the final results, we calculated average surrogate percentages for factory overhead, selling, general and administrative expenses, and profit using the 2000–2001 financial data of Kalyani Brakes Limited (''Kalyani''), Mando Brake Systems India Limited (''Mando''), and Rico Auto Industries Limited (''Rico''). *See Decision Memo* at Comment 3.

To value direct, indirect, and packing labor, we used the updated value from the International Trade Administration Web site at *http://ia.ita.doc.gov/wages/index.html.*

To value electricity, we used the 2000–2001 ''revised estimate'' average rate for industrial consumption as published in the *Annual Report (2001–02) on the Working of State Electricity Boards & Electricity Departments* by the Government of India's Planning Commission (Power & Energy Division).

To value pallet wood, we used the April 2000–March 2001 average import values from *Monthly Statistics of the Foreign Trade of India* (''*Monthly Statistics*'').

For those respondents which reported in their responses that they used non-alloy pig iron to produce the subject merchandise, we used the April 2001–December 2001 average import values for the appropriate non-alloy pig iron HTS subcategory from *Monthly Statistics* to value this input. *See Decision Memo* at Comment 2.

To value foreign brokerage and handling expenses, we relied on public information reported in the 1998–1999 antidumping duty administrative and new shipper reviews of stainless steel bar from India.

We corrected a calculation error which affected the surrogate value used for marine insurance.

We deducted an amount for foreign brokerage and handling expenses from the U.S. starting prices reported by Golden Harvest which we inadvertently did not do in the preliminary results.

We corrected a programming error which affected the direct labor per-unit amounts for certain brake rotor models reported by Golden Harvest.

We corrected a programming error which affected the marine insurance calculation for U.S. sales with C.I.F. terms of sale reported by LABEC. In addition, based on data contained in LABEC's response, we subtracted an amount for marine insurance for certain sales which LABEC had indicated it incurred this expense which we inadvertently did not do in the preliminary results.

We corrected a programming error by adding an amount for loading fees to Huanri General's coal freight cost instead of its carton freight cost.

We corrected a calculation error which affected the entered values derived for GREN.

Final Results of Reviews

We determine that the following weighted-average margin percentages exist for the following companies during the period April 1, 2001, through March 31, 2002:

Manufacturer/producer/exporter	Margin percent
PRC NME entity (which includes Beijing Concord)	43.32
China National Industrial Machinery Import & Export Corporation	* 0.08
Hongfa Machinery (Dalian) Co., Ltd.	0.00
Laizhou Automobile Brake Equipment Company, Ltd.	* 0.22
Longkou Haimeng Machinery Co., Ltd.	* 0.05
Laizhou Hongda Auto Replacement Parts Co., Ltd.	0.00
Qingdao Gren (Group) Co.	* 0.06
Qingdao Meita Automotive Industry Company, Ltd.	* 0.09
Shanxi Fengkun Metallurgical Ltd. Co.	0.00
Shandong Huanri (Group) General Company	0.00
Yantai Winhere Auto-Part Manufacturing Co., Ltd.	0.00
Zibo Golden Harvest Machinery Limited Company	0.00
Zibo Luzhou Automobile Parts Co., Ltd.	* 0.14

*De minimis.

Assessment Rates

The Department shall determine, and the BCBP shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), we calculated importer-specific ad valorem duty assessment rates based on the ratio of the total amount of the dumping margins calculated for the examined sales to the total entered value of those same sales. In order to estimate the entered value for those sales where this information was unavailable, we subtracted applicable movement expenses from the gross sales value. In accordance with 19 CFR 351.106(c)(2), we will instruct the BCBP to liquidate without regard to antidumping duties all entries of subject merchandise during the POR for which the importer-specific assessment rate is zero or *de minimis* (*i.e.*, less than 0.50 percent). The Department will issue appropriate assessment instructions directly to the BCBP within 15 days of publication of these final results of review. For entries of the subject merchandise during the POR from companies not subject to this review, we will instruct the BCBP to liquidate them at the cash deposit rate in effect at the time of entry.

Cash Deposit Requirements

Bonding will no longer be permitted to fulfill security requirements for shipments from Golden Harvest or Shanxi Fengkun of brake rotors from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of the new shipper review.

The following deposit rates shall be required for merchandise subject to the order entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results, as provided by section 751(a)(1) and (a)(2)(B) of the Act: (1) The cash deposit rate for CNIM, GREN, Haimeng, Hongda, Hongfa, Huanri General, LABEC, Meita, Winhere, ZLAP, Golden Harvest (*i.e.*, for subject merchandise manufactured and exported by Golden Harvest) and Shanxi Fengkun (*i.e.*, for subject merchandise manufactured and exported by Shanxi Fengkun) will be the rate indicated above; (2) the cash deposit rate for PRC exporters who received a separate rate in a prior segment of the proceeding will continue to be the rate assigned in that segment of the proceeding; (3) the cash deposit rate for the PRC NME entity (including Beijing Concord) and for subject merchandise exported by either Golden Harvest or Shanxi Fengkun but not manufactured by them will continue to be the PRC-wide rate (*i.e.*, 43.32 percent); and (4) the cash deposit rate for non-PRC exporters of subject merchandise from the PRC will be the rate applicable to the PRC exporter that supplied that exporter. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

This notice also serves as the only reminder to parties subject to administrative protective orders (''APO'') of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing this determination and notice in accordance with sections 751(a)(1), 751(a)(2)(B), and 777(i) of the Act and 19 CFR 351.213 and 351.214.

Dated: May 8, 2003.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

Appendix—Issues in Decision Memo

Comments

1. Whether to Reverse the Preliminary Results With Respect to the Exporter/Producer Combinations
2. Whether We Should Have Requested a Respondent to Submit Revised Databases Based on Our Verification Findings
3. Whether to Use Data Contained in the Financial Statements Submitted for Two Additional Indian Producers of Subject and/or Comparable Merchandise
4. Surrogate Value Selection for Pig Iron
5. Whether the Respondents' Case Brief Complies With the Department's Filing and Service Requirements

[FR Doc. 03–12031 Filed 5–13–03; 8:45 am]

BILLING CODE 3510–DS–P