

effects on cultural and traditional heritage resources; effects on transportation; effects on upland vegetation; effects on riparian vegetation; effects on inventoried roadless areas; effects on other mineral resource extraction activities; and effects on noxious weeds and invasive species. Specific issues will be developed through review of public comments and internal review.

#### Comment Requested

This Notice of Intent initiates the scoping process which guides the development of the environmental impact statement. The Forest has also received substantial input at public meetings held for the Forest Plan revision, including issues relative to mineral exploration and development. Through these efforts the Forest has an understanding of the broad range of perspectives on the resource issues and social values attributed to resource activities on the Dixie National Forest. Consequently site-specific comments or concerns are the most important types of information needed for this EIS. Because the Oil and Gas Leasing EIS is a stand-alone document, only public comment letters which address relevant issues and concerns will be considered and formally addressed in an appendix in the final environmental impact statement.

#### Early Notice of Importance of Public Participation in Subsequent Environmental Review

A draft environmental impact statement will be prepared for comment. The comment period on the draft environmental impact statement is expected to be 45 days from the date the Environmental Protection Agency publishes the notice of availability in the **Federal Register**. The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of draft environmental impact statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp. v. NRDC*, 435 U.S. 519, 553 (1978). Also, environmental objections that could be raised at the draft environmental impact statement stage but that are not raised until after completion of the final environmental impact statement may be waived or dismissed by the courts. *City of Angoon v. Hodel*, 803 F.2d 1016, 1022 (9th Cir. 1986) and *Wisconsin Heritages, Inc. v.*

*Harris*, 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). Because of these court rulings, it is very important that those interested in this proposed action participate by the providing comments during the scoping comment period and during the comment period following the draft EIS so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final environmental impact statement.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments should be as specific as possible. Reviewers may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3 in addressing their points.

Comments received, including the names and addresses of those who comment, will be considered part of the public record on this proposal and will be available for public inspection.

(Authority: 40 CFR 1501.7 and 1508.22; Forest Service Handbook 1909.15, Section 21).

Dated: December 19, 2006.

**Kevin R. Schulkoski**,

*Acting Forest Supervisor.*

[FR Doc. E6-22038 Filed 12-28-06; 8:45 am]

**BILLING CODE 3410-11-P**

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## DEPARTMENT OF COMMERCE

### International Trade Administration

**A-357-812**

#### Honey from Argentina: Preliminary Results of Antidumping Duty Administrative Review and Intent Not to Revoke in Part

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

**SUMMARY:** In response to requests by interested parties, the Department of Commerce (the Department) is conducting an administrative review of the antidumping order on honey from Argentina. The review covers four firms, one of which was selected as a mandatory respondent (see "Background" section of this notice for further explanation). The period of review (POR) is December 1, 2004, through November 30, 2005.

We preliminarily determine that sales of honey from Argentina have not been made below the normal value (NV) for the respondent firm, Seylinco S.A. (Seylinco). In addition, we will

preliminarily apply the *de minimis* rate calculated for Seylinco as the review-specific rate for those companies subject to this review but not selected as respondents (*i.e.*, Mielar S.A./Compania Apicola Argentina S.A. (Mielar/CAA) and El Mana S.A.). For more detail, see the "Background" section below; see also "Preliminary Results of Review," below. If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties based on the difference between the export price (EP) and NV. Interested parties are invited to comment on these preliminary results. Parties who submit argument in these proceedings are requested to submit with the argument: (1) a statement of the issues, (2) a brief summary of the argument, and (3) a table of authorities.

**EFFECTIVE DATE:** December 29, 2006.

**FOR FURTHER INFORMATION CONTACT:**

Maryanne Burke, Deborah Scott, or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Room 7866, Washington, DC 20230; telephone (202) 482-5604, (202) 482-2657, or (202) 482-0649, respectively.

**SUPPLEMENTARY INFORMATION:**

#### Background

On December 10, 2001, the Department published the antidumping duty order on honey from Argentina. See *Notice of Antidumping Duty Order: Honey from Argentina*, 66 FR 63672 (December 10, 2001). On December 1, 2005, the Department published its opportunity to request a review. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 72109 (December 1, 2005). On December 30, 2005, the American Honey Producers Association and the Sioux Honey Association (collectively, petitioners) requested an administrative review of the antidumping duty order on honey from Argentina for the period December 1, 2004, through November 30, 2005. Petitioners requested that the Department review entries of subject merchandise made by 42 Argentine producers/exporters. In addition, the Department received individual requests for review from four Argentine exporters, all of which were named in the petitioners' request for review. On January 6, 2006, petitioners withdrew their request for review with respect to 23 of the companies listed in their

original request. On February 1, 2006, the Department initiated a review of the 19 remaining companies. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 71 FR 5241 (February 1, 2006).

On February 2, 2006, the Department issued quantity and value questionnaires to each of the 19 companies covered by the review. These questionnaires requested export and production volume data for the POR. Sixteen companies submitted a response. On March 10, 2006, petitioners timely withdrew their request for review of 12 of the 19 companies. Accordingly, the Department published a notice of partial rescission in response to petitioners' withdrawal of their request for review of these 12 companies. See *Honey from Argentina: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 18066 (April 10, 2006).

On April 4, 2006, the Department determined that because it was not feasible to examine all seven of the remaining producers/exporters of subject merchandise, the most appropriate methodology for purposes of this review was to select the four largest producers/exporters by export volume as respondents: Asociacion de Cooperativas Argentinas (ACA), Nexco S.A. (Nexco), HoneyMax S.A. (HoneyMax), and Seylinco. The Department stated it would apply a review-specific average margin to those companies not selected, *i.e.*, Mielar/CAA and El Mana S.A. See Memorandum to Stephen J. Claeys, Deputy Assistant Secretary for Import Administration from David Cordell, International Trade Compliance Analyst, Office 7 entitled "Selection of Respondents," dated April 4, 2006.

On August 4, 2006, petitioners withdrew their request for an administrative review of Nexco. On August 21, 2006, petitioners and HoneyMax submitted letters withdrawing their requests for an administrative review of HoneyMax. Accordingly, on September 6, 2006, the Department published a notice of partial rescission of review with regard to Nexco and HoneyMax. See *Honey from Argentina: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 52526 (September 6, 2006). On September 11, 2006, petitioners and ACA submitted letters withdrawing their requests for an administrative review of ACA. Thus, on October 17, 2006, the Department published a notice of partial rescission of review with regard to ACA. See *Honey from Argentina: Notice of Partial*

*Rescission of Antidumping Duty Administrative Review*, 71 FR 61018 (October 17, 2006).

With respect to the single remaining respondent, Seylinco, the chronology of this review is as follows. On April 5, 2006, the Department issued sections A, B, and C of the antidumping questionnaire to Seylinco. We received Seylinco's response to section A on April 26, 2006, and its response to sections B and C on May 26, 2006. On June 28, 2006, petitioners filed comments regarding Seylinco's response to sections A through C of the Department's questionnaire and Seylinco responded to these comments on July 10, 2006. The Department issued a supplemental questionnaire for sections A, B, and C on July 31, 2006, to which Seylinco responded on August 17, 2006. On August 25, 2006, we issued a second supplemental questionnaire for sections A, B, and C. Petitioners submitted further comments pertaining to Seylinco's questionnaire responses for sections A, B, and C on August 28, 2006. On August 29, 2006, Seylinco provided its response to the Department's second supplemental questionnaire and on September 8, 2006, Seylinco filed comments regarding petitioners' August 28, 2006 submission.

On June 13, 2006, petitioners submitted a letter alleging that Seylinco made comparison market sales of honey at prices below the cost of production (COP) during the POR. Seylinco submitted comments related to petitioners' cost allegation on June 21, 2006 and July 31, 2006. On August 24, 2006, the Department determined that petitioners' COP allegation provided a reasonable basis on which to initiate a COP investigation for Seylinco and selected the three largest beekeeper suppliers from which to obtain COP data. See Memorandum to Richard Weible, Director Office 7, from the Team, regarding "Petitioners Allegations of Sales Below the Cost of Production in the December 1, 2004–November 30, 2005 Administrative Review," dated August 24, 2006 (Cost Initiation Memorandum). See also Memorandum to Richard Weible, Director Office 7, from the Team, regarding "Selection of Cost of Production Respondents," dated August 24, 2006 (Cost Selection Memorandum).

On September 5, 2006, the Department issued section D of the antidumping questionnaire to solicit cost of production data from the three selected beekeeper suppliers (Beekeeper

1, Beekeeper 2 and Beekeeper 3).<sup>1</sup> On September 15, 2006, Seylinco's counsel informed the Department it was unable to obtain cost information from one of the selected beekeepers (Beekeeper 2) and requested that the Department choose another beekeeper from whom to obtain cost data. Beekeeper 2 claimed that its aviary operations were a sideline business and, as a result, he did not maintain the cost data requested by the Department. Beekeeper 1 and Beekeeper 3 filed responses to section D of the Department's questionnaire on October 10, 2006. On October 12, 2006, the Department sent a second request to Seylinco's counsel seeking Beekeeper 2's production costs. Seylinco's counsel responded to this request on October 20, 2006, explaining again that Beekeeper 2 was not able to provide the requested cost information. On October 20, 2006, the Department issued a supplemental questionnaire for section D to Beekeeper 1 and Beekeeper 3, to which they responded on November 8, 2006.<sup>2</sup> Finally, on November 22, 2006, the Department again requested that Beekeeper 2 provide a response to the Department's section D questionnaire. On December 6, 2006, Seylinco's counsel yet again responded that Beekeeper 2 was unable to submit the requested cost data.

Petitioners filed pre-preliminary comments on December 7, 2006, which Seylinco addressed in its comments submitted on December 13, 2006. On September 6, 2006, the Department extended the time limit for issuance of the preliminary results of this administrative review to December 20, 2006. See *Honey from Argentina: Extension of Time Limit for Preliminary Results of Administrative Review of Antidumping Duty Order*, 71 FR 52526 (September 6, 2006).

#### Scope of the Review

The merchandise covered by this order is honey from Argentina. The products covered 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 covered by this order is currently classifiable under

<sup>1</sup> The three beekeepers' names are business proprietary information.

<sup>2</sup> On November 9, 2006, Seylinco's counsel submitted a correction to its November 8, 2006 supplemental section D response.

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 customs purposes, the Department's written description of the merchandise under this order is dispositive.

#### Intent Not To Revoke In Part

The Department's procedures for revoking an antidumping duty order, whether in whole or in part, are found at 19 CFR 351.222. Section 351.222(e) of the Department's regulations requires, *inter alia*, that a company requesting revocation submit the following: (1) a certification that the company has sold the subject merchandise at not less than NV in the current review period and that the company will not sell at less than NV in the future; (2) a certification that the company sold subject merchandise in commercial quantities in each of the three years forming the basis of such a request; and (3) an agreement that the order will be reinstated if the company is subsequently found to be selling the subject merchandise at less than fair value. In determining whether to revoke an antidumping duty order in part, the Department must ascertain that the party sold merchandise at not less than normal value (*i.e.*, zero or *de minimis* margins) for a period of at least three consecutive years. See 19 CFR 351.222(b)(2); see also *Stainless Steel Flanges from India: Notice of Final Results of Antidumping Administrative Review and Revocation in Part*, 70 FR 39997 (July 12, 2005).

On December 28, 2005, Seylinco submitted a request for revocation of the antidumping duty order with the requisite certifications set forth in 19 CFR 351.222(e). Seylinco based its request on the absence of dumping for three consecutive review periods, the 2002–2003, 2003–2004 and current administrative reviews. The Department found zero dumping margins in both the 2002–2003 and 2003–2004 administrative reviews. See *Honey from Argentina: Final Results, Partial Rescission of Antidumping Duty Administrative Review and Determination Not to Revoke in Part*, 71 FR 26333 (May 4, 2006); and *Honey from Argentina: Final Results of Antidumping Duty Administrative Review*, 70 FR 19926 (April 15, 2005).

In the current administrative review, we have preliminarily determined a weighted-average margin of zero percent for Seylinco. The margin calculated during the current review period constitutes one of the three

consecutive reviews cited by Seylinco to support its request for revocation under section 351.222(b) of the Department's regulations. However, pursuant to 19 CFR 351.222(d)(1) we have also examined Seylinco's shipments over the past three PORs and have preliminarily determined that Seylinco has not shipped in commercial quantities in each of the three years forming the basis of the request for revocation.

Accordingly, we hereby preliminarily find that relative to shipment levels characteristic of the respondent and the industry as a whole, Seylinco is not eligible for revocation of the order. See Memorandum to Richard Weible, Director, through Robert James, Program Manager, from Maryanne Burke, Case Analyst: "Request by Seylinco S.A. (Seylinco) for Revocation in the Antidumping Duty Administrative Review of Honey from Argentina," dated December 20, 2006.

#### Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Tariff Act), we verified sales information provided by Seylinco, using standard verification procedures such as the examination of relevant sales and financial records. We also conducted verification of the reported costs of respondent beekeeper suppliers. Our verification results are outlined in the public and proprietary versions of our verification reports, which are on file in the Central Records Unit (CRU) in room B-099 of the main Department building. See Memorandum to the File, from the Team, regarding "Verification of the Sales Response of Seylinco S.A. in the Antidumping Administrative Review of Honey from Argentina," dated December 7, 2006. See also Memorandum to Neal Halper, Director Office of Accounting, from Margaret Pusey, regarding "Verification of the Cost Response of Beekeeper 1 in the Antidumping Review of Honey from Argentina" and Memorandum to Neal Halper, Director Office of Accounting, from Margaret Pusey, regarding "Verification of the Cost Response of Beekeeper 3 in the Antidumping Review of Honey from Argentina Seylinco Cost Verification Report," dated December 20, 2006.

#### Product Comparison

In accordance with section 771(16) of the Tariff Act, we considered all sales of honey covered by the description in the "Scope of the Review" section of this notice, *supra*, which were sold in the appropriate third-country market, Germany, during the POR to be the foreign like product for the purpose of

determining appropriate product comparisons to honey sold in the United States. For our discussion of market viability and selection of comparison market, see the "Normal Value" section of this notice, *infra*. We matched products based on the physical characteristics reported by Seylinco. Where there were no sales of identical merchandise in the third-country market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics and reporting instructions listed in the antidumping duty questionnaire and instructions, or to constructed value (CV), as appropriate.

#### Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Tariff Act, to the extent practicable, we determine NV based on sales in the home market at the same level of trade (LOT) as export price (EP) or the constructed export price (CEP). The NV LOT is that of the starting-price sales in the home market or, when NV is based on CV, that of the sales from which we derive selling, general and administrative (SG&A) expenses and profit. For CEP, it is the level of the constructed sale from the exporter to an affiliated importer after the deductions required under section 772(d) of the Tariff Act. In this review, Seylinco claimed only EP sales.

To determine whether NV sales are at a different LOT than EP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Tariff Act.

Seylinco reported a single LOT for all U.S. and third-country sales. Seylinco claimed that its sales were made directly to unaffiliated customers in both the United States and Germany and that the selling activities in both markets are identical. For Seylinco, we preliminarily determine that all reported sales are made at the same LOT, and therefore have not made a LOT adjustment. See "Analysis Memorandum for Preliminary Results of the Antidumping Duty Review on Honey from Argentina for Seylinco S.A." (Seylinco Preliminary Analysis Memorandum) from Maryanne Burke to the File, dated December 20, 2006.

## Export Price

Section 772(a) of the Tariff Act defines EP as “the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States. . . .” as adjusted under section 772(c). Section 772(b) of the Tariff Act defines CEP as “the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter,” as adjusted under sections 772(c) and (d). Seylinco classified its U.S. sales as EP because all of its sales were made before the date of importation directly to unaffiliated purchasers in the U.S. market. For purposes of these preliminary results, we have accepted Seylinco’s classification.

## Normal Value

### 1. Selection of Comparison Market

In accordance with section 773(a)(1)(C) of the Tariff Act, to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (i.e., the aggregate volume of home market sales of the foreign like product is greater than or equal to five percent of the aggregate volume of U.S. sales), we compare each company’s aggregate volume of home market sales of the foreign like product to its aggregate volume of U.S. sales of subject merchandise. Because Seylinco did not have any home market sales, we preliminarily find that Seylinco’s home market did not provide a viable basis for calculating NV.

When sales in the home market are not suitable to serve as the basis for NV, section 773(a)(1)(B)(ii) of the Tariff Act provides that sales to a third-country market may be utilized if (i) the prices in such market are representative; (ii) the aggregate quantity of the foreign like product sold by the producer or exporter in the third-country market is five percent or more of the aggregate quantity of the subject merchandise sold in or to the United States; and (iii) the Department does not determine that a particular market situation in the third-country market prevents a proper comparison with the U.S. price. Seylinco reported Germany as its largest

third-country market during the POR in terms of volume of sales. Furthermore, the aggregate quantity of such sales is greater than five percent of sales to the United States. The Department preliminarily determines that the prices in Germany are representative and no particular market situation exists that would prevent a proper comparison to EP. As a result, we based NV on Seylinco’s sales to Germany.

In summary, therefore, NV for Seylinco is based on third-country (German) market sales to unaffiliated purchasers made in commercial quantities and in the ordinary course of trade. For NV, we used the prices at which the foreign like product was first sold for consumption in the usual commercial quantities, in the ordinary course of trade, and, to the extent possible, at the same LOT as the EP. We calculated NV as noted in the “Price-to-Price Comparisons” section of this notice.

### 2. Cost of Production

#### Background

As noted above, in response to petitioners’ cost allegation that Seylinco sold the foreign like product at prices below its COP, the Department initiated a cost investigation of Seylinco. Based upon the determination that petitioners’ allegation established reasonable grounds to believe or suspect sales below cost, the Department instructed Beekeeper 2 to respond to section D of the questionnaire on September 5, 2006. See Cost Initiation Memorandum.

#### A. Cost of Production Analysis

To calculate a COP and CV for the merchandise under consideration, the Department selected the three largest beekeepers by volume who supplied honey to Seylinco during the POR. See Cost Selection Memorandum.

#### B. Calculation of COP

We calculated an average COP for Seylinco in the following manner: first, we calculated a simple average based on the costs of two respondent suppliers, Beekeeper 1 and Beekeeper 3, which we applied to both beekeepers. Second, for all other beekeepers who supplied honey to Seylinco during the POR but were not chosen as respondents, we applied this same simple average of Beekeeper 1’s and Beekeeper 3’s costs. Third, as explained below in the “Use of Facts Otherwise Available” section of this notice, for Seylinco’s non-responsive supplier, Beekeeper 2, we have used adverse facts available (AFA) for the COP in accordance with section 776 of the Tariff Act. We applied our

facts available cost figure to the share of Seylinco’s total honey supplied by Beekeeper 2. In so doing, we limited our application of AFA to the quantity of honey supplied by Beekeeper 2. For additional detail, see Memorandum to Neal M. Halper, Director of Office of Accounting, from Margaret M. Pusey, regarding “Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results - Seylinco S.A. Beekeeper Respondents,” dated December 20, 2006 (Cost Calculation and Adjustment Memorandum).

#### Beekeeper Cost Respondent Adjustments

We relied on the COP data submitted by the two responsive beekeepers in their cost questionnaire response, except for the following adjustments:

##### Common Adjustments

We adjusted the reported feed costs for Beekeepers 1 and 3 to reflect the data available from public sources.

##### Individual Beekeeper Adjustments

#### Beekeeper 1

We adjusted feed cost to exclude value-added tax (VAT), other variable costs to exclude costs arising from non-honey businesses, and rent expense for the actual number of hives located on the fields used in the rent calculation. We also adjusted repairs, improvements, and other fixed costs for typographical errors.

#### Beekeeper 2

Beekeeper 2 failed to respond to the Department’s three requests for cost information. Therefore, pursuant to sections 776(a) and 776(b) of the Tariff Act, the Department applied AFA in calculating Beekeeper 2’s COP. As described below under “Adverse Facts Available” the Department used the highest monthly cost, adjusted for inflation from the 1999 *Gestion Apicola* cost studies presented in petitioners’ sales below cost allegation dated June 13, 2006.

#### Beekeeper 3

We adjusted improvement and drum costs to exclude VAT. We also adjusted production volume to reflect the actual weight of honey sales during the POR. See Cost Calculation and Adjustment Memorandum.

#### C. Test of Third-Country Prices and Results of the Cost of Production Test

We calculated a simple average COP using the COP of Seylinco’s two responding suppliers (Beekeeper 1 and Beekeeper 3) which was applied to both beekeepers as well as all other beekeeper suppliers from whom

information was not requested. We then calculated a weighted-average rate to include the unresponsive supplier's (Beekeeper 2's) COP which is based on AFA. In determining whether to disregard third-country market sales made at prices below the COP, in accordance with sections 773(b)(1)(A) and (B) of the Tariff Act, we examined: (1) whether, within an extended period of time, such sales were made in substantial quantities; and (2) whether such sales were made at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade. Where less than 20 percent of the respondent's third-country market sales of a given model (*i.e.*, CONNUM) were at prices below the COP, we did not disregard any below-cost sales of that model because we determined that the below-cost sales were not made within an extended period of time and in "substantial quantities." Where 20 percent or more of the respondent's third-country market sales of a given model were at prices less than COP, we disregarded the below-cost sales because: (1) they were made within an extended period of time in "substantial quantities," in accordance with sections 773(b)(2)(B) and (C) of the Tariff Act; and (2) based on our comparison of prices to the weighted-average COPs for the POR, they were at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Tariff Act.

We found Seylinco did not have any models for which 20 percent or more of sales volume (by weight) were below cost during the POR. Therefore we did not disregard any of Seylinco's third-country market sales and included all such sales in our calculation of NV.

#### Use of Facts Otherwise Available

Section 776(a) of the Tariff Act provides that the Department will apply "facts otherwise available" if, *inter alia*, necessary information is not available on the record or an interested party: (1) withholds information that has been requested by the Department; (2) fails to provide such information within the deadlines established, or in the form or manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Tariff Act; (3) significantly impedes a proceeding; or (4) provides such information, but the information cannot be verified.

As discussed in the "Background" section above, on three separate occasions the Department requested that Beekeeper 2 respond to the Department's section D cost

questionnaire. Beekeeper 2 instead declined to provide the requested data, asserting that its operations are focused in agricultural pollination, not honey production. Beekeeper 2 insisted its costs "are not representative of operations whose focus is on maximizing the production of honey." See Seylinco's December 6, 2006, submission at 5. Thus, Beekeeper 2 has failed to supply the information necessary for the Department to conduct a complete cost analysis of this review. As Beekeeper 2 is a producer and supplier of honey to Seylinco, we find, in accordance with sections 776(a)(2)(A) and (C) of the Tariff Act, that the use of facts otherwise available is appropriate in calculating COP for Beekeeper 2.

In selecting from the facts otherwise available, section 776(b) of the Tariff Act authorizes the Department to use an adverse inference if the Department finds that an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. See, *e.g.*, *Notice of Final Results of Antidumping Duty Administrative Review: Stainless Steel Bar from India*, 70 FR 54023, 54025-26 (September 13, 2005); see also *Notice of Final Determination of Sales at Less Than Fair Value and Final Negative Critical Circumstances: Carbon and Certain Alloy Steel Wire Rod from Brazil*, 67 FR 55792, 55794-96 (August 30, 2002). Adverse inferences are appropriate "to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316, Vol. 1, at 870 (1994) (SAA). Furthermore, "affirmative evidence of bad faith on the part of a respondent is not required before the Department may make an adverse inference." See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27340 (May 19, 1997); see also *Nippon Steel Corp. v. United States*, 337 F.3d 1373, 1382 (Fed. Cir. 2003) (*Nippon*). We find that Beekeeper 2 failed to cooperate by not acting to the best of its ability in this proceeding and preliminarily determine that the application of AFA is warranted within the meaning of section 776(b) of the Tariff Act.

The Department acknowledges the assertions by Beekeeper 2 and Seylinco that Beekeeper 2 primarily is a pollinator and that its costs are structured for pollination, not beekeeping. We note, however, that these are mere assertions which are unverified, and unverifiable given Beekeeper 2's refusal to supply cost

data. More importantly, because Beekeeper 2 engages in beekeeping, it is also a producer of honey and therefore an "interested party" within the meaning of sections 771(9) and 776(b) of the Tariff Act. Therefore, it is appropriate to apply an adverse inference for Beekeeper 2's failure to provide requested information and failure to cooperate to the best of his abilities. Consistent with *Nippon*, we find that Beekeeper 2 failed to put forth its maximum efforts to provide the information; indeed, it did not attempt at all to provide the information. It simply refused. We note that our practice is to apply AFA when a supplier to the respondent fails to provide requested information and fails to cooperate to the best of its ability. See *Notice of Final Results of Antidumping Duty Administrative Review: Individually Quick Frozen Red Raspberries From Chile*, 70 FR 6618 (February 8, 2005) and accompanying Issues and Decision Memorandum at Comment 3.

Section 776(b) of the Tariff Act provides that the Department may use as AFA, information derived from (1) the petition; (2) the final determination in the investigation; (3) any previous review; or (4) any other information placed on the record. In selecting an AFA rate from among the possible sources of information, we have used the cost of production from the 1999 *Gestion Apicola* cost studies originally submitted with the antidumping petition and placed on the record of this review. The Department has relied on the 1999 *Gestion Apicola* cost studies as a basis of facts otherwise available in the first administrative review of this order. See *Honey from Argentina: Final Results of Antidumping Duty Review*, 69 FR 30283 (May 27, 2004) and accompanying Issues and Decision Memorandum at Comment 1. We also used the 1999 *Gestion Apicola* cost studies as a basis for the Department's cost investigation of Seylinco for this segment of the proceeding. See Cost Initiation Memorandum. In determining an adverse inference for COP data in these preliminary results, we have assigned the highest monthly per-unit COP value cited in the 1999 *Gestion Apicola* cost studies as adjusted for inflation. See Cost Calculation and Adjustment Memorandum. The Department finds that this rate is sufficiently high as to effectuate the purpose of the facts available rule (*i.e.*, this rate is high enough to encourage participation in future segments of this proceeding in accordance with section 776(b) of the Tariff Act).

### Price-to-Price Comparisons

We based NV on the third-country prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Tariff Act. Where appropriate, we made circumstance-of-sale adjustments for credit pursuant to section 773(a)(6)(C) of the Tariff Act. We also made adjustments, where applicable, for other direct selling expenses, in accordance with section 773(a)(6)(C) of the Tariff Act. See Seylinco's Analysis Memorandum, dated December 20, 2006. Additionally, we adjusted gross unit price for billing adjustments, where applicable.

### Currency Conversion

The Department's preferred source for daily exchange rates is the Federal Reserve Bank. See *Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 68 FR 47049, 47055 (August 7, 2003). However, the Federal Reserve Bank does not track or publish exchange rates for the Argentine peso. Therefore, we made currency conversions based on the daily exchange rates from Factiva, a Dow Jones & Reuters Retrieval Service. Factiva publishes exchange rates for Monday through Friday only. We used the rate of exchange on the most recent Friday for conversion dates involving Saturday through Sunday where necessary.

### Preliminary Results of Review

As a result of our review, we preliminarily determine the following weighted-average dumping margins exist for the period December 1, 2004, through November 30, 2005:

Manufacturer / Exporter	Weighted-Average Margin (percentage)
Seylinco S.A. ....	0.00
El Mana S.A. ....	0.00
Mielar/CAA .....	0.00

While the Department has, for these preliminary results, applied the calculated *de minimis* rate for the sole remaining mandatory respondent, Seylinco, as the review-specific average for the non-reviewed companies, Mielar/CAA and El Mana, we invite comments from interested parties regarding the calculation of the review-specific average. Specifically, we invite interested parties to comment on the rate to be applied to Mielar/CAA and El Mana, considering, but not limited to, the following factors: a) the Department

has limited its examination of respondents pursuant to section 777A(c)(2)(B) of the Act resulting in the selection of four companies accounting for a significant share of imports during the POR; b) the Department is now examining only one selected company (because of the rescission of the reviews of other selected companies); and (c) the Department preliminarily has determined that the weighted-average margin for the one examined company is zero. The requirements for filing comments on this issue are discussed immediately below.

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). An interested party may request a hearing within thirty days of publication. See 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date pursuant to 19 CFR 351.310(d). Interested parties may submit case briefs or written comments no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed no later than 35 days after the date of publication of this notice. Parties who submit arguments in these proceedings are requested to submit with the argument: (1) a statement of the issues, (2) a brief summary of the argument, and (3) a table of authorities. Further, parties submitting case briefs, rebuttal briefs, and written comments should provide the Department with an additional copy of the public version of any such argument on diskette. The Department will issue final results of this administrative review, including the results of our analysis of the issues in any such case briefs, rebuttal briefs, and written comments or at a hearing, within 120 days of publication of these preliminary results.

### Assessment

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), for Seylinco we calculated importer-specific *ad valorem* assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all Seylinco, El Mana S.A. and Mielar/CAA entries made during

the POR. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of review.

### Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of honey from Argentina entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Tariff Act: (1) the cash deposit rates for all companies reviewed (*i.e.*, Seylinco, El Mana S.A. and Mielar/CAA) will be the rates established in the final results of review; (2) for any previously reviewed or investigated company not listed above, the cash deposit rate will continue to be the company-specific rate published in the most recent period; (3) if the exporter is not a firm covered in this review or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be the "all-others" rate from the investigation (30.24 percent). See *Notice of Final Determination of Sales at Less Than Fair Value; Honey From Argentina*, 66 FR 50611 (Oct. 4, 2001), *Notice of Amended Final Determination of Sales at Less Than Fair Value; Honey From Argentina*, 66 FR 58434 (Nov. 21, 2001), and *Notice of Antidumping Duty Order; Honey From Argentina*, 66 FR 63672 (Dec. 10, 2001).

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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 double antidumping duties.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: December 20, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

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