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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-601

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Initiation of Antidumping Duty New Shipper Review

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

SUMMARY: The Department of Commerce ("Department") has determined that a request for a new shipper review ("NSR") of the antidumping duty order on tapered roller bearings ("TRBs") from the People's Republic of China ("PRC") meets the statutory and regulatory requirements for initiation. The period of review ("POR") for this NSR is June 1, 2011, through May 31, 2012.

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Demetri Kalogeropoulos, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-2623.

SUPPLEMENTARY INFORMATION:

Background

The notice announcing the antidumping duty order on TRBs from the PRC was published in the *Federal Register* on June 15, 1987.¹ On June 28, 2012, pursuant to section 751(a)(2)(B)(i) of the Tariff Act of 1930, as amended ("Act"), and 19 CFR 351.214(b), the Department received

¹ See *Antidumping Duty Order; Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People's Republic of China*, 52 FR 22667 (June 15, 1987) ("Order").

an NSR request from Zhejiang Zhengda Bearing Co., Ltd. (“Zhejiang Zhengda”). Zhejiang Zhengda’s request was made in June 2012, which is the anniversary month of the *Order*.²

In its submission, Zhejiang Zhengda certified that it is the exporter and producer of the subject merchandise upon which the request was based. Pursuant to section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i), Zhejiang Zhengda certified that it did not export TRBs to the United States during the period of investigation (“POI”). In addition, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), Zhejiang Zhengda certified that, since the initiation of the investigation, it has not been affiliated with a PRC exporter or producer who exported TRBs to the United States during the POI, including those not individually examined during the investigation. As required by 19 CFR 351.214(b)(2)(iii)(B), Zhejiang Zhengda also certified that its export activities were not controlled by the central government of the PRC.

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), Zhejiang Zhengda submitted documentation establishing the following: (1) the date on which Zhejiang Zhengda first shipped TRBs for export to the United States and the date on which the TRBs were first entered, or withdrawn from warehouse, for consumption; (2) the volume of its first shipment; and (3) the date of its first sale to an unaffiliated customer in the United States.

The Department conducted U.S. Customs and Border Protection (“CBP”) database queries in an attempt to confirm that Zhejiang Zhengda’s shipments of subject merchandise had entered the United States for consumption and that liquidation of such entries had been properly suspended for antidumping duties.³ The Department also examined whether the CBP data

² See 19 CFR 351.214(d).

³ See July 26, 2012 memorandum to the file regarding CBP data.

confirm that such entries were made during the NSR POR. The Department has identified some inconsistencies between the information provided by Zhejiang Zhengda and the CBP data currently on the record. After the initiation of this NSR, the Department intends to place additional CBP data on the record, and, if necessary, request additional information from Zhejiang Zhengda. Due to the proprietary nature of this information, please refer to the Memorandum to the File from John Ditore, "Initiation of AD New Shipper Review: Tapered Roller Bearings and Parts Thereof from the People's Republic of China (A-570-601)" dated concurrently with this notice ("Initiation Checklist").

Period of Review

In accordance with 19 CFR 351.214(g)(1)(i)(A), the POR for an NSR initiated in the month immediately following the anniversary month will be the twelve-month period immediately preceding the anniversary month. Therefore, the POR for this NSR is June 1, 2011, through May 31, 2012. Based on information provided by Zhejiang Zhengda, the sales and entries into the United States of subject merchandise produced and exported by Zhejiang Zhengda occurred during this twelve-month POR.

Initiation of New Shipper Review

Pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(b), the Department finds that the request submitted by Zhejiang Zhengda meets the threshold requirements for initiation of an NSR for the shipment of TRBs from the PRC produced and exported by Zhejiang Zhengda. *See* Initiation Checklist. If the information supplied by Zhejiang Zhengda cannot be verified using CBP import data, or is otherwise found to be incorrect or insufficient during the course of this proceeding, the Department may rescind the review or apply adverse facts available pursuant to section 776 of the Act, depending upon the facts on record.

The Department intends to issue the preliminary results of this NSR no later than 180 days from the date of initiation, and the final results no later than 90 days from the issuance of the preliminary results.⁴ It is the Department's usual practice, in cases involving non-market economies, to require that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate provide evidence of *de jure* and *de facto* absence of government control over the company's export activities. Accordingly, the Department will issue a questionnaire to Zhejiang Zhengda which will include a section requesting information with regard to Zhejiang Zhengda's export activities for separate rates purposes. The review will proceed if the response provides sufficient indication that Zhejiang Zhengda is not subject to either *de jure* or *de facto* government control with respect to its export of subject merchandise.

The Department will instruct CBP to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for each entry of the subject merchandise from Zhejiang Zhengda in accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e). Because Zhejiang Zhengda certified that it produced and exported the subject merchandise, the Department will apply the bonding privilege to Zhejiang Zhengda only for subject merchandise which Zhejiang Zhengda produced and exported.

To assist in its analysis of the *bona fides* of Zhejiang Zhengda's sales, upon initiation of this new shipper review, the Department will require Zhejiang Zhengda to submit on an ongoing basis complete transaction information concerning any sales of subject merchandise to the United States that were made subsequent to the POR.

Interested parties requiring access to proprietary information in this NSR should submit applications for disclosure under administrative protective order in accordance with 19 CFR

⁴ See section 751(a)(2)(B)(iv) of the Act.

351.305 and 19 CFR 351.306. This initiation and notice are in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214 and 19 CFR 351.221(c)(1)(i).

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

July 27, 2012 _____
Date

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