



A-570-909

POR: 8/1/2018-7/31/2019

Public Document

E&C/OV: BB

June 17, 2021

MEMORANDUM TO: Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

FROM: James Maeder
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Certain Steel Nails from the People's Republic of China: Issues
and Decision Memorandum for the Final Results of the 2018-2019
Antidumping Duty Administrative Review

I. SUMMARY

We analyzed the comments filed by interested parties in the administrative review of the antidumping duty (AD) order on certain steel nails (nails) from the People's Republic of China (China) covering the period of review (POR) August 1, 2018, through July 31, 2019. As a result of our analysis, we made certain changes to the margin found in the *Preliminary Results*.¹

We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below are the issues for which we received comments from interested parties:

- Comment 1: Selection of the Primary Surrogate Country
- Comment 2: Whether to Add Brokerage and Handling (B&H) Expenses to the Mexico Import Values
- Comment 3: Whether to Treat Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. as Part of the China-Wide Entity

¹ See *Certain Steel Nails from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination of No Shipments, and Partial Rescission; 2018-2019*, 85 FR 83054 (December 21, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

II. BACKGROUND

On December 21, 2020, the Department of Commerce (Commerce) published the *Preliminary Results* of this administrative review and invited interested parties to comment.² On December 24, 2020, Commerce received a request from Paslode Fasteners (Shanghai) Co., Ltd. (Paslode), a subsidiary of U.S. producer Illinois Tool Works, Inc. (ITW), to rescind this review for Paslode and remove “Paslode Co., Ltd.” and “Paslode Fasteners Co., Ltd.” from the list of companies determined to be part of the China-wide entity.³

In January 2021, we received timely-filed case briefs from Mid Continent Steel & Wire, Inc. (the petitioner),⁴ and Tianjin Zhonglian Metals Ware Co., Ltd. (Zhonglian).⁵ We also received comments in support of Zhonglian’s arguments from two groups of Chinese companies who were not selected for individual examination in this review: (1) Tianjin Jinghai County Hongli Industry & Business Co., Ltd. (a.k.a. Tianjin Jinghai County Hongli Industry and Business Co., Ltd.), Tianjin Jinchi Metal Products Co., Ltd., Shanghai Yueda Nails Industry Co., Ltd. a.k.a. Shanghai Yueda Nails Co., Ltd. and Shanxi Tianli Industries Co., Ltd. (collectively, Jinghai *et al.*);⁶ and (2) Shanxi Pioneer Hardware Industrial Co., Ltd., SDC International Australia Pty. Ltd, S-Mart (Tianjin) Technology Development Co., Ltd., and Shanxi Hairui Trade Co., Ltd. (collectively, Pioneer *et al.*).⁷ Jinghai *et al.* and Pioneer *et al.* also stated that Commerce should continue to assign separate rates, or continue to make no-shipment determinations, as applicable, consistent with the *Preliminary Results*.⁸

On January 28, 2021, the petitioner,⁹ Paslode,¹⁰ and Zhonglian¹¹ timely filed rebuttal briefs. Pioneer *et al.*, also submitted comments to incorporate by reference arguments “made by other respondents in their rebuttal briefs to the extent they would result in a lower margin for separate rate respondents or prevent an increase in the margin for separate rate respondents.”¹² On

² *Id.*

³ See Paslode’s Letter, “Certain Steel Nails from China; 11th Administrative Review; Letter Regarding Improper Inclusion of Paslode in Review,” dated December 24, 2020 (Paslode December 24, 2020 Letter).

⁴ See Petitioner’s Letter, “Certain Steel Nails from the People’s Republic of China: Case Brief,” dated January 21, 2021 (Petitioner Case Brief).

⁵ See Zhonglian’s Letter, “Certain Steel Nails from the People’s Republic of China: Submission of Tianjin Zhonglian Metals Ware Co., Ltd.’s Administrative Case Brief,” dated January 21, 2021 (Zhonglian Case Brief).

⁶ See Jinghai *et al.*’s Letter, “Case Brief of Certain Chinese Respondents: Administrative Review of the Antidumping Order on Certain Steel Nails from the People’s Republic of China,” dated January 20, 2021 (Jinghai *et al.* Letter).

⁷ See Pioneer *et al.*’s Letter, “Steel Nails from the People’s Republic of China: Letter in Lieu of Case Brief,” dated January 21, 2021 (Pioneer *et al.* Letter).

⁸ See Jinghai *et al.* Letter; see also Pioneer *et al.* Letter.

⁹ See Petitioner’s Letter, “Certain Steel Nails from the People’s Republic of China: Rebuttal Brief,” dated January 28, 2021 (Petitioner Rebuttal Brief).

¹⁰ See Paslode’s Letter, “Certain Steel Nails from China; 11th Administrative Review; Paslode Rebuttal Brief,” dated January 28, 2021 (Paslode Rebuttal Brief).

¹¹ See Zhonglian’s Letter, “Certain Steel Nails from the People’s Republic of China: Submission of Tianjin Zhonglian’s Rebuttal Case Brief,” dated January 28, 2021 (Zhonglian Rebuttal Brief).

¹² See Pioneer *et al.*’s Letter, “Steel Nails from the People’s Republic of China: Letter in Lieu of Rebuttal Brief,” dated January 28, 2021.

February 2, 2021, Zhonglian filed a request to strike certain portions of the petitioner's rebuttal brief.¹³ On February 3, 2021, the petitioner filed a response to Zhonglian's request to strike.¹⁴

III. SCOPE OF THE ORDER

The merchandise covered by this order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails include, but are not limited to, nails made of round wire and nails that are cut. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and have a variety of finishes, heads, shanks, point types, shaft lengths and shaft diameters. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, whether by electroplating or hot dipping one or more times), phosphate cement, and paint. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted shank styles. Screw-threaded nails subject to this order are driven using direct force and not by turning the fastener using a tool that engages with the head. Point styles include, but are not limited to, diamond, blunt, needle, chisel and no point. Finished nails may be sold in bulk, or they may be collated into strips or coils using materials such as plastic, paper, or wire. Certain steel nails subject to this order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.¹⁵

Excluded from the scope are steel roofing nails of all lengths and diameter, whether collated or in bulk, and whether or not galvanized. Steel roofing nails are specifically enumerated and identified in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, inclusive of the following modifications: 1) Non-collated (*i.e.*, hand-driven or bulk), steel nails as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: having a bright or galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 4", inclusive; an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; 2) Wire collated steel nails, in coils, as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: having a galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 1.75", inclusive, an actual shank diameter of 0.116" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; and 3) Non-collated (*i.e.*, hand-driven or bulk), as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: steel nails having a convex head (commonly known as an umbrella head), a smooth or spiral shank, a galvanized finish, an actual length of 1.75" to 3", inclusive; an actual shank diameter of 0.131" to 0.152", inclusive; and an actual head diameter of 0.450" to 0.813", inclusive.

¹³ See Zhonglian's Letter, "Certain Steel Nails from the People's Republic of China: Request to Strike Portions of Petitioner's Rebuttal Brief," dated February 2, 2021 (Zhonglian February 2, 2021 Letter).

¹⁴ See Petitioner's Letter, "Certain Steel Nails from the People's Republic of China: Reply to Tianjin Zhonglian Metals Ware Co., Ltd.'s Letter of February 2, 2021," dated February 3, 2021 (Petitioner February 3, 2021 Letter). As discussed below, we have not rejected the petitioner's rebuttal comments and have addressed them in Comment 2.

¹⁵ Commerce added the Harmonized Tariff Schedule category 7907.00.6000, "Other articles of zinc: Other," to the language of the AD order on Nails from China. See *Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 18816, 18816 n.5 (April 5, 2018).

Also excluded from the scope are the following steel nails: Non-collated (i.e., hand-driven or bulk), two-piece steel nails having plastic or steel washers (caps) already assembled to the nail, having a bright or galvanized finish, a ring, fluted or spiral shank, an actual length of 0.500” to 8”, inclusive; and an actual shank diameter of 0.1015” to 0.166”, inclusive; and an actual washer or cap diameter of 0.900” to 1.10”, inclusive.

Also excluded from the scope of this order are corrugated nails. A corrugated nail is made of a small strip of corrugated steel with sharp points on one side. Also excluded from the scope of this order are fasteners suitable for use in powder-actuated hand tools, not threaded and threaded, which are currently classified under HTSUS 7317.00.20 and 7317.00.30. Also excluded from the scope of this order are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Also excluded from the scope of this order are certain brads and finish nails that are equal to or less than 0.0720 inches in shank diameter, round or rectangular in cross section, between 0.375 inches and 2.5 inches in length, and that are collated with adhesive or polyester film tape backed with a heat seal adhesive. Also excluded from the scope of this order are fasteners having a case hardness greater than or equal to 50 HRC, a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

IV. CHANGES SINCE THE *PRELIMINARY RESULTS*

We calculated export price (EP) and normal value (NV) for Zhonglian using the same methodology as applied in the *Preliminary Results*, with the exceptions notes below:

- We added brokerage and handling (B&H) expenses to the Mexico import values in constructing our input surrogate values (SVs).¹⁶
- We relied on Global Trade Atlas (GTA) data in Mexican pesos for certain SVs and converted the values to U.S. dollars.¹⁷

V. DISCUSSION OF THE ISSUES

Comment 1: Selection of Primary Surrogate Country

In the *Preliminary Results*, we selected Mexico as the primary surrogate country because it satisfies our criteria for surrogate country selection: (1) it is economically comparable to China; (2) it is a significant producer of comparable merchandise; and (3) it offers factor of production (FOP) data that are publicly available, contemporaneous, representative of a broad-market

¹⁶ See Memorandum, “2018-19 Administrative Review of Certain Steel Nails from the People’s Republic of China: Final Results Analysis Memorandum for Zhonglian,” dated concurrently with this memorandum at 2-3.

¹⁷ See Memorandum, “Administrative Review of Certain Steel Nails from the People’s Republic of China: Surrogate Values for the Final Results,” dated concurrently with this memorandum (SV Memorandum).

average, and tax and duty exclusive.¹⁸ Additionally, where we based SVs on import data, we adjusted the SVs to place them on a cost, insurance, and freight (CIF) basis.¹⁹

A. Identification of Potential Surrogate Countries

Petitioner's Comments:

- Commerce rejected Thailand as the surrogate country because it was not on the list of countries at the same level of economic development as China. Despite this, Commerce should select Thailand as the primary surrogate country in the final results.²⁰
- Thailand's per capita Gross National Income (GNI) is at a level demonstrating that it is at the same or, at a minimum, a comparable level of economic development as China.²¹
- Commerce defined a GNI range centered on China that includes Malaysia at the high end and Bulgaria at the low end. Thailand's GNI is only 25 percent lower than Bulgaria's GNI, and only 30 percent lower than China's GNI. Therefore, Commerce should consider Thailand to be economically comparable to China -- especially considering the superior data offered by Thailand in comparison with other surrogate countries on Commerce's list.²²
- The U.S. Court of Appeals for the Federal Circuit (CAFC) has held that Commerce may deem market economy (ME) countries whose GNIs were between half of China's GNI, and countries with GNIs one to two times China's GNI, as economically comparable.²³ While Commerce does not apply a bright line test,²⁴ applying this standard, Thailand, with a per capita GNI of \$6,610, clearly falls within this range vis-a-vis China.²⁵
- Commerce decided not to adopt the World Bank income groups for the purpose of defining a "level of economic development" under section 773(c)(4)(A) of the Tariff Act of 1930, as amended (the Act), because these income groups are not sufficiently "centered" on the non-market economy (NME) countries. However, China's \$9,470 GNI is very close to \$8,291, *i.e.*, the center point of the "upper middle income" grouping such that the Word Bank's income group, in this instance, does reasonably center on China. Thailand falls within this group, and this further demonstrates economic comparability.²⁶
- In *An Giang Fisheries*, the U.S. Court of International Trade (CIT) affirmed Commerce's determination that Indonesia, despite its absence from the surrogate country list, is

¹⁸ See *Preliminary Results* PDM at 16-17.

¹⁹ See Memorandum, "Antidumping Duty Administrative Review of Certain Steel Nails from the People's Republic of China; 2018-2019: Surrogate Values for the Preliminary Results," dated December 14, 2020 at 2.

²⁰ See Petitioner Case Brief at 2-3.

²¹ *Id.* at 3.

²² *Id.* at 4-5.

²³ *Id.* at 5 (citing *Dorbest Ltd., et al. v. United States*, 604 F. 3d 1363, 1372 (Fed. Cir. 2010) (*Dorbest CAFC*)).

²⁴ *Id.* at 6 (citing Petitioner's Letter, "Certain Steel Nails from China: Comments on Surrogate Country Selection," dated April 2, 2020 at Attachment 1 (containing the *Final Results of Redetermination Pursuant to Court Remand in Jacobi Carbons AB, et al. v. United States*, Consol. Court No. 15-00286, Slip Op. 17-39 (CIT 2017), dated August 7, 2017 at 9)).

²⁵ *Id.* at 6 (asserting that potential surrogate countries would range from \$4,735 (half of China's \$9,470 GNI) to \$18,940 (China's \$9,470 GNI multiple by two)).

²⁶ *Id.* at 6-7.

economically comparable to Vietnam, after considering Indonesia's GNI in relation to the GNIs of Vietnam and the six countries on the surrogate country list.²⁷

- Based on UN Comtrade data on the record, Thailand qualifies as a “significant” producer of “comparable” merchandise.²⁸ Indeed, Commerce has previously determined that Thailand is home to several producers of identical and comparable merchandise, which confirms significant nail production and an established nails industry in Thailand.²⁹
- Commerce’s practice is to select a country not on the list of potential surrogates only where it does not find any of the countries to be a significant producer of comparable merchandise,³⁰ or where there are unique data concerns related to the primary input.³¹ Here, the unique data concerns relating to the primary inputs in this review compel the selection of Thailand instead of Mexico as the surrogate country in the final results, because Thailand is the source of the most specific and accurate data upon which to value the FOPs.³²
- Commerce has long determined that the primary steel input, *i.e.*, carbon steel wire rod, is a key factor in its surrogate country selection. In most previous administrative reviews in this proceeding, Commerce selected Thailand as the primary surrogate country. Commerce based that decision primarily on the fact that the Thai tariff schedule provides for numerous wire rod classifications at the 11-digit level that not only account for a detailed breakdown of carbon content, but also account for other elements important to the steel chemistry.³³
- None of the countries on Commerce’s list of potential surrogate countries has wire rod tariff classifications and import data that are remotely close to the level of detail found in the Thai classifications.³⁴
- Zhonglian reports that, in addition to drawing steel wire from wire rod and using the steel wire to produce subject nails, it also produced subject nails cut from steel plate. Thailand is the only potential surrogate country for this review with a tariff schedule that captures both the specific size and carbon content of the respondent’s steel plate input, offering more specificity than the Mexican tariff schedule.³⁵
- Commerce should select Thailand as the surrogate country in the final results.³⁶

²⁷ *Id.* at 7 (citing *An Giang Fisheries Import and Export Joint Stock Co. v. United States*, 203 F. Supp. 3d 1256, 1265 (CIT 2017) (*An Giang Fisheries*)).

²⁸ *Id.* at 8-9.

²⁹ *Id.* at 9.

³⁰ *Id.* (citing *1-Hydroxyethylidene-1, 1-Diphosphonic Acid from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 16280 (March 25, 2014), and accompanying PDM at 5-7, unchanged in *1-Hydroxyethylidene-1, 1-Diphosphonic Acid from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 56341 (September 19, 2014)).

³¹ *Id.* (citing *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review and New Shipper Review; 2011-2012*, 79 FR 19053 (April 7, 2014) (*Fish Fillets 2014*), and accompanying Issues and Decision Memorandum (IDM) at Comments 1A & 1C).

³² *Id.* at 10.

³³ *Id.* at 10-11 (citing *Certain Steel Nails from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016*, 83 FR 11683 (March 16, 2018), and accompanying IDM at Comment 1).

³⁴ *Id.* at 11.

³⁵ *Id.* at 12.

³⁶ *Id.* at 13.

Zhonglian's Rebuttal Comments:

- If Commerce considers selecting as the primary surrogate any country that was not on Commerce's list of economically comparable countries based on the 2018 GNI data, then Commerce should select Romania.³⁷
- Bulgaria is at the lowest end of the range of countries deemed economically comparable to China, yet the petitioner posits that Thailand also is economically comparable to China, even with a GNI that is 25 percent lower than that of Bulgaria.³⁸
- Commerce has not found Thailand to be at a comparable level of economic development to China in the most recent years. By contrast, Romania has generally been at the same level of economic development as China in recent years, with 2018 being the exception.³⁹ In the preceding review, *i.e.*, the 2017-18 administrative review, Commerce selected Romania as the primary surrogate country, and in the ongoing 2019-20 administrative review, Commerce has again identified Romania as a potential surrogate country that is at a comparable level of economic development to China.⁴⁰
- Romania's 2018 per capita GNI was only 7.35 percent higher than the highest GNI of the six potential surrogate countries (Malaysia), and was only 19.21 percent higher than China's per capita GNI. Accordingly, Romania is more economically comparable based on the 2018 GNI.⁴¹
- Seven months of the POR are within 2019, accounting for the majority of the POR, as compared to only five months of the POR in 2018. Therefore, the 2019 GNI data are more contemporaneous than the 2018 GNI data for the purpose of selection of potential surrogate countries.⁴²
- If Commerce continues to select the primary surrogate country from the list, Commerce should select Russia instead of either Thailand or Mexico (*see* Issue 1B below for additional arguments related to Russia and Mexico).

Commerce Position: As explained in the *Preliminary Results*, when Commerce is investigating imports from an NME country, section 773(c)(1) of the Act directs Commerce to base NV, in most circumstances, on the NME producer's FOPs, valued in a surrogate ME country or countries considered to be appropriate by Commerce. Specifically, in accordance with section 773(c)(4) of the Act, in valuing the FOPs, Commerce shall utilize, "to the extent possible, the prices or costs of FOPs in one or more {ME} countries that are: (A) at level of economic development comparable to that of the {NME} country; and (B) significant producers of comparable merchandise."⁴³

As a general rule, Commerce selects a surrogate country that is at the same level of economic development as the NME unless it is determined that none of the countries are viable options because they either: (a) are not significant producers of comparable merchandise; (b) do not

³⁷ See Zhonglian Rebuttal Brief at 2.

³⁸ *Id.*

³⁹ *Id.* at 3.

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ See Policy Bulletin 04.1, "Non-Market Economy Surrogate Country Selection Process," dated March 1, 2004 (Policy Bulletin 04.1).

provide sufficiently reliable sources of publicly-available SV data; or (c) are not suitable for use based on other reasons.⁴⁴ Surrogate countries that are not at the same level of economic development as the NME country, but still at a level of economic development comparable to the NME country, are selected only to the extent that data considerations outweigh the difference in levels of economic development. To determine which countries are at a similar level of economic development, Commerce generally relies solely on per capita GNI data from the World Bank's World Development Report.⁴⁵ In addition, if more than one country satisfies the two criteria noted above, Commerce narrows the field of potential surrogate countries to a single country based on data availability and quality.

Consistent with our practice and section 773(c)(4)(A) of the Act, we determined that Brazil, Bulgaria, Malaysia, Mexico, Russia, and Turkey are at the same level of economic development as China during this POR.⁴⁶ Therefore, we consider all six countries to have satisfied this prong of the surrogate country selection criteria.

In the *Preliminary Results*, we found that neither Thailand nor Romania was on Commerce's list of countries at the same level of economic development as China and, therefore, they do not satisfy this prong of the surrogate country selection criteria.⁴⁷ For the final results, the petitioner continues to argue that Thailand is at the same, or a comparable, level of economic development as China and Zhonglian argues that Romania is at the same level of economic development as China; they assert that these countries, respectively, should be selected as the primary surrogate country. However, we do not agree with the petitioner or Zhonglian. Thailand and Romania's GNIs fall outside the range of GNI data represented by the countries on the Surrogate Country List⁴⁸ and, therefore, they are not at the same level of economic development as China.

Commerce selects the primary surrogate country for each segment of a proceeding based on the record facts of that individual segment, regardless of whether it selected the potential surrogate countries under consideration as the primary surrogate country in a previous segment.⁴⁹ In other words, each segment of an AD proceeding is an independent segment with a separate record

⁴⁴ See, e.g., *Certain Quartz Surface Products from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances*, 84 FR 23767 (May 23, 2019) (*QSP from China*), and accompanying IDM at Comment 8.

⁴⁵ See Policy Bulletin 04.1.

⁴⁶ See *Preliminary Results* PDM at 15.

⁴⁷ *Id.*

⁴⁸ See Commerce's Letter, "Antidumping Duty Administrative Review on Certain Steel Nails from the People's Republic of China; 2018-19: Request for Economic Development, Surrogate Country and Surrogate Value Comments and Information," dated March 19, 2020 at Attachment I (Surrogate Country List). Zhonglian notes that Romania had previously been considered to be at the same level of economic development to China and is also on a surrogate country list in a subsequent administrative review. However, it was not on the Surrogate Country List issued for this segment.

⁴⁹ See *Hardwood and Decorative Plywood From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 78 FR 58273 (September 23, 2013), and accompanying IDM at Comment 7 ("The surrogate country selection criteria do not include or consider whether countries have been selected in previous and unrelated proceedings. {Commerce} selects the primary surrogate country for each proceeding based on the facts of that individual proceeding, regardless of whether the potential surrogate countries under consideration have been previously selected as surrogate countries.")

which leads to an independent determination.⁵⁰ Moreover, with respect to GNI, section 773(c)(4) of the Act explains that Commerce shall utilize, to the extent possible, the prices or costs of FOPs in one or more ME countries that are “at a level of economic development comparable to that of the {NME} country.”⁵¹ However, the Act does not expressly define the phrase “level of economic development” or what methodology Commerce must use in evaluating the criterion. Commerce’s regulation, 19 CFR 351.408(b), states that, in determining whether a country is at a level of economic development comparable to the NME country in question, Commerce will place primary emphasis on per capita gross domestic product (GDP) as the measure of economic comparability.⁵² Although the regulation states that Commerce’s primary emphasis will be placed on GDP, the CIT has found the use of per capita GNI to be a “consistent, transparent, and objective metric to identify and compare a country’s level of economic development” and “a reasonable interpretation of the statute.”⁵³ As a result, we have not considered decisions in past segments of this case in evaluating whether Thailand and Romania are at a level of economic development comparable to China in this review because those decisions were based on different record evidence.

The petitioner acknowledges that Commerce has not adopted the World Bank income groups for the purpose of defining a “level of economic development” under section 773(c)(4)(A) of the Act. The petitioner, nevertheless, argues that: (1) because China’s GNI is very close to the center point of the “upper middle income” grouping, in this instance, the grouping does reasonably center on China; and (2) because Thailand falls within this group, Thailand is economically comparable to China. However, Commerce has previously rejected parties’ arguments to use the World Bank’s reported upper-middle or lower-middle income thresholds or categories for the purposes of determining a potential surrogate country’s level of economic development.⁵⁴ The countries that Commerce selected in this review, in absolute terms, represent a reasonable range of countries given the entire worldwide range of GNIs. Furthermore, in past cases, Commerce has rejected the use of relative measures of GNI comparison, *i.e.*, Commerce has declined to consider GNI proximity to functionally expand the list of companies at the same level of economic development.⁵⁵ The CIT and the CAFC have upheld Commerce’s decision not to consider data from countries that are not on the list of

⁵⁰ See *Certain Frozen Warmwater Shrimp from Thailand: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 47551 (September 16, 2009), and accompanying IDM at Comment 8.

⁵¹ See Policy Bulletin 04.1.

⁵² *Id.* Commerce uses per capita GNI as a proxy for per capita GDP. GNI is GDP plus net receipt of primary income (compensation of employees and property income) from nonresident sources.

⁵³ See *Jiaying Brother Fastener Co. v. United States*, 961 F. Supp. 2d 1323, 1329 (CIT 2014) (*Jiaying I*).

⁵⁴ See *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 2394 (January 16, 2015), and accompanying IDM at Comment I; see also *Certain Activated Carbon from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 62088 (September 8, 2016), and accompanying IDM at Comment 2.

⁵⁵ See *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review, 2011-2012*, 78 FR 56211 (September 12, 2013), and accompanying IDM at Comment 1.A.

economically comparable countries when countries on the list which offer adequate data are available.⁵⁶

Although the petitioner makes several arguments that Thailand is a significant producer of identical and comparable merchandise, and that Thailand offers the best data to value all FOPs, the CIT has explained that Commerce must weigh economic comparability, significant production of comparable merchandise, and quality of data when selecting among two countries that are within the range of GNI data and are considered economically comparable.⁵⁷ In addition, both the CIT and the CAFC have upheld Commerce's approach to its surrogate country selection process of first looking to the Surrogate Country List for economically comparable potential surrogate countries, then determining if the countries on that list produced comparable merchandise and were significant producers of the subject merchandise, and finally, if more than one country satisfied these criteria, selecting the country that had the best data on the record.⁵⁸ As discussed above, neither Thailand nor Romania is in the GNI range of countries Commerce has found to be economically comparable to China; therefore, further consideration is unwarranted.

The petitioner's reliance on *An Giang Fisheries* is misplaced. The CIT explained that "Commerce has authority to consider countries proposed by interested parties that are not at the same level of economic development but that it reasonably concludes are nonetheless economically comparable," and that "Commerce reasonably concluded that the poor data quality of the small set of countries that are producers of frozen fish fillets ... permitted it to consider potential surrogate countries not at the same level of economic development, albeit still economically comparable."⁵⁹ In this review, the petitioner argued that Commerce should select Mexico as the primary surrogate country if we declined to consider Thailand, because "Mexico is a significant producer of comparable merchandise," Mexico had "one of the largest export volume of all the countries on the" Surrogate Country List, "Mexico is, generally, an excellent source of reliable, publicly available data," and selecting "Mexico will allow the parties to this proceeding to better identify, evaluate, and analyze financial statements and public sources of

⁵⁶ See, e.g., *Jiaxing Brother Fastener Co. v. United States*, 961 F. Supp. 2d 1323, 1335 (CIT 2014) (*Jiaxing I*), *aff'd*, 822 F.3d 1289, 1293-96, 1298 (Fed. Cir. 2016) (*Jiaxing II*); *Juangcheng Kangtai Chem. Co., Ltd. v. United States*, 2015 WL 4999476 (CIT 2015) (holding that Commerce may properly narrow a list of countries within a band for purposes of administrative feasibility); *Calgon Carbon Corp. v. United States*, 190 F. Supp. 3d 1244 (CIT 2016) (upholding Commerce's use of surrogate values from countries already on the surrogate country list instead of deviating from the list because the data from those countries was reliable); see also *QSP from China* IDM at Comment 8 ("Surrogate countries that are not at the same level of economic development as the NME country, but still at a level of economic development comparable to the NME country, are selected only to the extent that data considerations outweigh the difference in levels of economic development."). Here, data considerations do not favor selecting a country not on the Surrogate Country List because the record contains factor values from Mexico that are specific to the inputs, are tax- and duty-exclusive, represent a broad market average, and are contemporaneous and useable.

⁵⁷ See *Ad Hoc Shrimp Trade Action Comm. v. United States*, 882 F. Supp. 2d 1366, 1374 (CIT 2012) (*Ad Hoc Shrimp*); and *Amanda Foods (Vietnam) Ltd. v. United States*, 647 F. Supp. 2d 1368 (CIT 2009) (*Amanda Foods*); see also *Clearon Corp. v. United States*, No. 13-00073, Slip-Op 14-88, at 11 (CIT 2014) ("The issue before the court in *Amanda Foods* and *Ad Hoc Shrimp* was not the initial placement of a country on the potential surrogates list ... but rather the merits of each of the potential surrogates on the list relative to each other.")

⁵⁸ See *Jiaxing I*, 961 F. Supp. 2d at 1335; *Jiaxing II*, 822 F.3d at 1293-96.

⁵⁹ See *An Giang Fisheries*, 203 F. Supp. 3d at 1266.

key raw material and energy input data.”⁶⁰ In addition, the petitioner provided: (1) Mexican SVs for Zhonglian’s material inputs, as well as the underlying Mexican import data; (2) labor, electricity, and water rates in Mexico; (3) SVs for B&H expenses and inland freight in Mexico; and (4) contemporaneous financial statements of Grupo Simec, SAB de CV (Simec), a Mexican producer of comparable merchandise, for the surrogate financial ratios calculation.⁶¹ Similarly, Zhonglian provided usable data from Russia.⁶² Finally, there are no unique data concerns present in this case, as there were in *An Giang Fisheries*. Moreover, *Dorbest CAFC* does not warrant a different result. There, the CAFC determined, albeit in a different context, that “the statute requires the use of data from economically comparable countries to the extent possible.”⁶³ In addition, in a more recent case, *Jiaxing I* and *II*, the CIT and CAFC affirmed Commerce’s decision not to consider data from countries that were not on the list of economically comparable countries when countries on the list offering adequate data are available.⁶⁴ Here, because we have adequate data from those countries on the list of economically comparable countries, we find it reasonable to continue to limit our consideration to countries that are on the list. Therefore, because Mexico and Russia are both countries on the Surrogate Country List and both fulfill these selection criteria, there is no need to resort to countries that are not at the same level of economic development, such as Thailand and Romania.

B. Mexico and Russia Comparison

Zhonglian’s Comments:

- If Commerce does not select Romania as the primary surrogate country, Commerce should select Russia, instead of Mexico. The Russian SV data were obtained from the International Trade Centre (TradeMap)’s compilation of Russian import statistics, which is sourced from the Federal Customs of Russia statistics.⁶⁵
- Commerce acknowledged that the record contained “complete SV data and financial ratios” for both Mexico and Russia “that are publicly available, are contemporaneous with the POR, and generally include tax-exclusive broad market average prices.”⁶⁶ However, Commerce chose Mexico over Russia for the sole reason that the SV data from Mexico are sourced from GTA, even though the Russian data were derived from an equally reliable source and database.⁶⁷
- Commerce has an obligation to support, with record evidence, its preference for using data from a particular primary surrogate country. While Commerce has stated its

⁶⁰ See Petitioner’s Letter, “Certain Steel Nails from China: Rebuttal Comments on Surrogate Country Selection,” dated April 10, 2020 (Petitioner Rebuttal SC Comments).

⁶¹ See generally Petitioner’s Letter, “Certain Steel Nails from the People’s Republic of China: Surrogate Value Data Submission,” dated June 15, 2020 (Petitioner Surrogate Data).

⁶² See generally Zhonglian’s Letter, “Certain Steel Nails from the People’s Republic of China: Initial Surrogate Value Submission,” dated June 15, 2020 (Zhonglian Surrogate Data).

⁶³ See *Dorbest CAFC*, 604 F. 3d at 1371-72 (“This seems to us to be a clear statement that Congress intended to require use of data from economically comparable countries except in situations where such data were not available or were irretrievably tainted by some statistical flaw.”)

⁶⁴ See *Jiaxing I*, 961 F. Supp. 2d at 1335; *Jiaxing II*, 822 F.3d at 1293-96, 1298. Moreover, recent administrative proceedings demonstrate that Commerce may elect to rely on countries at the same level of economic development when such countries offer adequate data. See *QSP from China* IDM at Comment 8.

⁶⁵ See Zhonglian Case Brief at 2-3.

⁶⁶ *Id.* at 3.

⁶⁷ *Id.*

preference for SV data from GTA, such a preference “does not substitute for an examination of the record data from which it is to choose the ‘best available.’”⁶⁸

- Commerce failed to support its determination that Mexican SV data are the best available information, given that the data from Russia were otherwise found to be equal.⁶⁹
- Commerce did not find that the Trade Map data were not as reliable as the GTA SV data. Rather, the record shows that the Trade Map data submitted by Zhonglian were derived from statistics compiled by Federal Customs of Russia, the same government entity that is responsible for collecting and distributing import statistics to various import statistics databases, such as GTA.⁷⁰
- There is no evidence on the record that renders the Mexican SV data from GTA superior to the Russia SV data obtained from Trade Map, and Commerce has failed to meet its obligation to provide a reasoned explanation of why the Mexican GTA data constitute the best available information.⁷¹
- By arbitrarily expressing a preference for GTA data over Trade Map data, Commerce has created a monopoly by forcing all respondents to obtain data from one outside vendor, even though other vendors are equally reliable, and more accessible.⁷²
- Should Commerce continue to require that respondents source SV information through GTA, then Commerce should provide the parties with the underlying data with which to present their arguments, as GTA has made it virtually impossible for small companies to obtain the data directly without significant investment.⁷³
- By adding the estimated international freight cost from Mexico to the United States to place the data on CIF terms, the petitioner’s constructed SVs are aberrationally high and not representative of the actual value of the material inputs.⁷⁴
- In contrast, the Russian SVs, which are based on the CIF import value, are the actual values for the material inputs imported into Russia and do not require an adjustment based on a separate SV, *i.e.*, ocean freight and insurance.⁷⁵
- Accordingly, the Russian SVs more accurately measure the value of the raw material inputs. Therefore, Commerce should determine that the Russian data constitute the best available information for the calculation of SVs in the final results.⁷⁶
- The petitioner acknowledges that the Russian harmonized tariff schedule (HTS) provides a breakdown of wire rod by carbon content, while the Mexican does not. Thus, Russia is

⁶⁸ *Id.* (citing *Jacobi Carbons AB v. United States*, 414 F. Supp. 3d 1344, 1363-64 (CIT 2018), further citing *Calgon Carbon Corp. v. United States*, 145 F. Supp. 3d 1312, 1326-1327 (CIT 2016)).

⁶⁹ *Id.* (citing *Dorbest Ltd. v. United States*, 462 F. Supp. 2d 1262, 1268 (CIT 2006) (*Dorbest CIT*) (explaining that the “‘best choice is ascertained by examining and comparing the advantages and disadvantages of using certain data as opposed to other data’”).

⁷⁰ *Id.* at 4.

⁷¹ *Id.* at 4-5 (citing *Xiamen Intern. Trade and Indus. Co. Ltd. v. United States*, 953 F. Supp. 2d 1307, 1316 (CIT 2013) (Commerce “must explain why its data are superior to competing values”).

⁷² *Id.* at 5 (asserting that this practice favors respondents that can bear the burden of the cost and conditions associated with obtaining data from GTA).

⁷³ *Id.*

⁷⁴ See Zhonglian Case Brief at 5.

⁷⁵ *Id.*

⁷⁶ *Id.* (citing *Rhone Poulenc, Inc. v. United States*, 889 F.2d 1185, 1191 (Fed. Cir. 1990) (*Rhone Poulenc*) (noting that “Commerce has an overriding obligation to calculate antidumping duty margins as accurately as possible”).

a more suitable surrogate country than Mexico, because it provides for more specific matching of wire rod, Zhonglian's primary material input.⁷⁷

- If Commerce concludes that it is appropriate to consider surrogate countries not on the Surrogate Country List, Russia is still a better choice than Thailand. The petitioner has not alleged that there is a lack of quality data from Russia to value any inputs, but only that its proposed HTS classifications from Thailand are somewhat more specific. Indeed, the petitioner has not argued that there are no suitable HTS codes from Russia to value the primary raw material inputs, or that Russia's SV data are aberrational.⁷⁸
- The petitioner has failed to demonstrate that Russia does not provide the data necessary to be the primary surrogate country. Its claim that Thailand's slightly more specific HTS classifications for material inputs outweigh the significant economic disparity between Thailand and China is incorrect. Therefore, Commerce should select Russia as the primary surrogate country in the final results.⁷⁹

Petitioner's Rebuttal Comments:

- Commerce stated that it prefers to use GTA as the source for SV data and cited to its determination in *Cylinders from China* for support.⁸⁰ Although Commerce did not explain its preference for GTA data to Trade Map data in detail, by citing to its prior determination in *Cylinders from China*, its explanation is "reasonably discernible."⁸¹
- Zhonglian submitted Russian SV data from Trade Map, a "private, subscription based, database" similar to the Trade Data Monitor (TDM) database in *Cylinders from China*. Because Commerce similarly cannot corroborate the Trade Map data, it reasonably determined not to rely on Russian SV data obtained from Trade Map, and, instead, relied on Mexican SV data obtained from GTA, "a source that is regularly used by Commerce because the data therein meet Commerce's SV criteria."⁸²
- In *Staples from China*, Commerce similarly chose Mexican SV data from GTA instead of Russian SV data from Trade Map, *i.e.*, the identical database Zhonglian relied on, in its determination to select Mexico as the surrogate country. Commerce explained its preference for the GTA data, stating that they "have been used in prior cases involving non-market economy countries, and provide broad market average pricing."⁸³

⁷⁷ See Zhonglian Rebuttal Brief at 4.

⁷⁸ *Id.* (citing *Jacobi Carbons AB v. United States*, 222 F. Supp. 3d 1159, 1174 (CIT 2017)).

⁷⁹ *Id.* at 4-5.

⁸⁰ See Petitioner Rebuttal Brief at 3 (citing *Steel Propane Cylinders from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Postponement of Final Determination Measures*, 83 FR 66675 (December 27, 2018) (*Cylinders from China Prelim*), and accompanying PDM at 11, unchanged in *Steel Propane Cylinders from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 84 FR 29161 (June 21, 2019) (*Cylinders from China Final*)).

⁸¹ *Id.* at 4 (citing *NMB Sing. Ltd. v. United States*, 557 F.3d 1316, 1319 (Fed. Cir. 2009)).

⁸² *Id.* at 3.

⁸³ *Id.* at 4-5 (citing *Certain Collated Steel Staples from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Critical Circumstances Determination*, 85 FR 33623 (June 2, 2020), and accompanying IDM at 10).

- In *Staples from China*, Commerce also explained that the GTA data provide pricing in the currency of the country of importation, while the Trade Map data provide pricing in U.S. dollars and not in the currency of the country of importation.⁸⁴
- Zhonglian claims that the GTA import data for Mexico are flawed because they are reported on a free on board (FOB) basis and must be adjusted. However, Commerce has rejected similar arguments in previous cases and should do so in the final results.⁸⁵ In *Chloro Isos from China*, for example, Commerce explained that “Commerce has rejected this argument previously, noting that the addition of international freight and marine insurance to FOB values results in no double counting, and that limiting the selection of surrogate countries to countries that report import data on a CIF basis could have the effect of unreasonably limiting the potential pool of SV source countries.”⁸⁶ Commerce has made FOB-to-CIF adjustments when necessary in numerous cases in the past and should continue to do so in the final results.⁸⁷
- Zhonglian has not presented any evidence to demonstrate that these SVs are “aberrationally high,” noting only that they are higher than its preferred Russian SV data sourced from Trade Map.⁸⁸
- While Zhonglian makes unsubstantiated claims about aberrationally-high values in the Mexican data, if anything, the preliminary adjustments Commerce made may be understated, because Commerce did not add inbound B&H costs to the input prices. Such an adjustment is necessary to make the calculated SVs representative of a “delivered” price to the respondent’s factory.⁸⁹
- Commerce should reject Russia as the surrogate country because Russian steel import average unit values (AUVs) are distorted and unreliable for the following reasons:⁹⁰
 - (1) non-market elements continue to plague Russia’s economy; (2) widespread corruption in Russia influences prices; (3) Russia has a history of underreported import values; (4) customs misclassification is rampant in Russia; and (5) three of the largest expenses associated with steel production – natural gas, freight, and financing – are heavily subsidized.⁹¹

⁸⁴ *Id.* The petitioner notes that “Commerce relied on Mexico SV data from GTA in U.S. dollars instead of Mexican Pesos in the *Preliminary Results*,” and states that it “submitted Mexican SV data from GTA in Mexican Pesos, and Commerce can easily revise the SVs accordingly in the final results in accordance with 19 CFR 351.415.” We address this point in Comment 2 below.

⁸⁵ *Id.* at 5.

⁸⁶ *Id.* at 6 (citing *Chlorinated Isocyanurates from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 10411 (February 24, 2020) (*Chloro Isos from China*), and accompanying IDM at 16-17).

⁸⁷ *Id.*

⁸⁸ *Id.*

⁸⁹ *Id.* at 7 (citing *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018*, 84 FR 56420 (October 22, 2019), and accompanying PDM at 13-14, unchanged in *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2017-2018*, 85 FR 23756 (April 29, 2020)).

⁹⁰ *Id.*

⁹¹ *Id.* at 8-13 (citing Petitioner Rebuttal SC Comments at 14-20).

- Because of the distorted steel market, Russian steel AUVs are unreliable, cannot serve as the basis for SVs, and are not representative of fair market values for the primary input in nail production: wire rod.⁹²

Commerce Position: In the *Preliminary Results*, we selected Mexico as the primary surrogate country. As detailed below and based on record evidence, we continue to find that Mexico is the appropriate surrogate country in this review because it best meets our selection criteria.

Economic Comparability

As noted above, consistent with our practice and section 773(c)(4)(A) of the Act, we determined that Brazil, Bulgaria, Malaysia, Mexico, Russia, and Turkey are at the same level of economic development as China during this POR.⁹³ Therefore, we consider all six countries to have satisfied this prong of the surrogate country selection criteria.

Significant Producer of Comparable Merchandise

Section 773(c)(4)(B) of the Act requires Commerce, to the extent possible, to value FOPs in a surrogate country that is a significant producer of comparable merchandise. No party challenges Mexico or Russia as producers of comparable merchandise and, indeed, we have financial statements from both Mexican and Russian producers of comparable merchandise on the record, and we used the Mexican financial statements to calculate the surrogate financial ratios for the *Preliminary Results*.⁹⁴ Accordingly, we continue to find that Mexico and Russia are significant producers of comparable merchandise.

Data Availability and Quality

If more than one potential surrogate country satisfies the statutory requirements for selection as a surrogate country, Commerce selects the primary surrogate country based on data availability and reliability.⁹⁵ When evaluating SV data, Commerce considers several factors, including whether the SVs are publicly available, contemporaneous with the POR, representative of a broad market average, tax- and duty-exclusive, and specific to the inputs being valued. There is no hierarchy among these criteria. It is Commerce's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its analysis.⁹⁶

In this review, the petitioner provided: (1) Mexican SVs for Zhonglian's material inputs, as well as, the underlying Mexican import data; (2) labor, electricity, and water rates in Mexico; (3) SVs for B&H expenses and inland freight in Mexico; and (4) contemporaneous financial statements of Simec, a Mexican producer of comparable merchandise, for the surrogate financial ratios calculation.⁹⁷ Zhonglian provided: (1) Russian SVs for its material inputs; (2) labor, electricity,

⁹² *Id.* at 14.

⁹³ See *Preliminary Results* PDM at 15.

⁹⁴ *Id.*

⁹⁵ See Policy Bulletin 04.1; see also, e.g., *Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2013-2014*, 80 FR 77323 (December 14, 2015).

⁹⁶ See Policy Bulletin 04.1

⁹⁷ See generally Petitioner Surrogate Data.

and water rates in Russia: (3) SVs for B&H expenses and inland freight in Russia, and contemporaneous financial statements of two Russian producers of comparable merchandise.⁹⁸ In the *Preliminary Results*, we found that parties placed complete data for Mexico and Russia on the record,⁹⁹ and that no party provided SV information for the other countries on the list (*i.e.*, for Brazil, Bulgaria, Malaysia, or Turkey) or argued in favor of using SV information for any of the other countries. Specifically, we found that we have complete SV data and financial ratios on the record for both Mexico and Russia that are publicly available, contemporaneous with the POR, and generally include tax-exclusive broad market average prices. After weighing the quality of the specific information on the record, we disagree with Zhonglian's assertion that our selection of Mexico is unwarranted. Not only does the record contain SV information from Commerce's preferred source for all of Zhonglian's raw material inputs, at an equal or better level of specificity as the proffered SV data from Russia for the primary input, but it also contains financial statements from a Mexican producer of comparable merchandise which segregate raw material and energy costs. Because, in this instance, the surrogate financial statements from the Russian producers are not similarly detailed, reliance on the Mexican statements yields more accurate calculations.

Zhonglian argues that Commerce's selection of Mexico as the primary surrogate country was inappropriate for the following reasons: (1) Commerce failed to support its determination that Mexican SV data are the best available information, given that the data from Russia were otherwise found to be equal; (2) Commerce's preference for GTA data is both arbitrary and unfair to small companies, who may not be able to pay for an expensive subscription service; (3) unlike the Russian GTA data, the Mexican data do not include freight, and the adjustments to place these SVs on a delivered basis makes them aberrationally high; and (4) the Mexican HTS does not provide a breakdown of wire rod by carbon content, while the Russian HTS does. We disagree that the Russia data are otherwise equal, for the reasons stated above and explained further below. We also address each of the remaining arguments in turn below.

First, we disagree with Zhonglian that Commerce's expressed preference for GTA data is improper. GTA is a source regularly used by Commerce in cases involving NME countries, and the data provide reliable broad market average pricing.¹⁰⁰ In multiple prior cases, Commerce has considered its preference for GTA data in assessing the quality of SV data.¹⁰¹

We disagree with Zhonglian's assertion that Commerce's preference is tantamount to a requirement that companies obtain data from GTA. Commerce relies on the best data available in assessing SVs, and, in determining which data are best, Commerce carefully weighs the advantages and disadvantages associated with each option.¹⁰² Commerce may rely on alternative sources of data when case-specific circumstances dictate that this is appropriate. For example, in *Diamond Sawblades from China*, Commerce relied on SV data sourced from TradeMap because it was the only data available from a country at the same level of economic development as

⁹⁸ See generally Zhonglian Surrogate Data.

⁹⁹ See *Preliminary Results* PDM at 16.

¹⁰⁰ See *Staples from China* IDM at Comment 2.

¹⁰¹ *Id.*; see also *Cylinders from China Prelim* PDM at 11, unchanged in *Cylinders from China Final*.

¹⁰² See *Dorbest CIT*, 462 F. Supp. 2d at 1262 (noting that the "'best' choice is ascertained by examining and comparing the advantages and disadvantages of using certain data as opposed to other data").

China.¹⁰³ Thus, although Commerce has a stated preference for GTA data (and routinely uses such data¹⁰⁴), this preference is only one of the factors Commerce considers when selecting the appropriate surrogate country. Importantly, Zhonglian has presented no basis to question the validity of the GTA data on the record here.¹⁰⁵ Furthermore, in this case, contrary to Zhonglian's claim, we did not select Mexico as our primary surrogate country based solely on the fact that the record contained GTA data for Mexico. Instead, we find the Mexico data to be superior to the Russia data based on an evaluation of the entirety of the record evidence, including the sufficiency of the financial statements available for deriving the surrogate financial ratios. This latter point is addressed more fully below.

With regard to Zhonglian's claim that Mexican SV data, as adjusted, are aberrationally high, we disagree. With respect to the underlying data, there is no basis to find the values inaccurate or unreliable. Commerce has previously indicated that, to discern whether a particular value is aberrational, we generally compare the prices for an input from all countries found to be at the same level of economic development as the NME country whose products are under review.¹⁰⁶ Concerning this analysis, Commerce has previously indicated that it might find AUVs to be aberrational if they are "not in line" with other prices on the record.¹⁰⁷ Here, although Zhonglian did not cite any data or comparison to support its assertion in this regard,¹⁰⁸ we examined the information on the record to evaluate its claim. With respect to the surrogate valuation sources on the record, we find that the SV for the primary input, *i.e.*, steel wire rod is 31 percent higher than the AUV from Russia. This difference alone, does not warrant a finding that the Mexican data are aberrational;¹⁰⁹ nor has Zhonglian identified any basis for concluding that the Russian data are more accurate. Similarly, Zhonglian points to no evidence – and provides no discussion – suggesting that the Mexico SVs for the other FOPs are unrepresentative. We disagree that the mere fact that the value of imports into Mexico is higher than the value of imports into another potential surrogate country demonstrates that the data themselves are somehow flawed. Therefore, we find that there is no basis to conclude that the underlying Mexican AUVs are distorted or are many times higher than the alternative values on the record such that the Mexican AUVs would be considered aberrationally high.

¹⁰³ See *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 71308 (November 9, 2020) (*Diamond Sawblades from China*), and accompanying IDM at Comment 1.

¹⁰⁴ See *Certain Uncoated Groundwood Paper from Canada: Final Affirmative Countervailing Duty Determination*, 83 FR 39414 (August 9, 2018), and accompanying IDM at Comment 29 ("We note that Commerce frequently uses subscription services (*e.g.*, GTA data) to value factors of production in NME cases and use as reliable source for benchmarks in adequacy of remuneration programs in CVD cases.")

¹⁰⁵ Although Zhonglian asserts that Commerce should provide the trade data to companies, so as not to disadvantage smaller parties, it is well-settled that parties are responsible for developing the record. See *QVD Food Co., Ltd. v. United States*, 658 F. 3d 1318, 1324 (Fed. Cir. 2011) (noting that the burden of creating an adequate administrative record lies with interested parties and not with Commerce) (internal citations omitted).

¹⁰⁶ See, *e.g.*, *Fish Fillets 2014* IDM at Comment V.

¹⁰⁷ See, *e.g.*, *Notice of Final Determinations of Sales at Less Than Fair Value: Steel Wire Rope from India and the People's Republic of China; Notice of Final Determination of Sales at Not Less Than Fair Value: Steel Wire Rope from Malaysia*, 66 FR 12759 (February 28, 2001) at Comment 1.

¹⁰⁸ Commerce has previously determined that, "{w}hen a party claims that a particular {surrogate value} is not appropriate to value a certain FOP, the burden is on the party to provide evidence demonstrating the inadequacy of the {surrogate value}." See *QSP from China* IDM at Comment 9 (internal citations omitted).

¹⁰⁹ *Id.* at Comment 10 ("Merely being a larger value than others on the record does not demonstrate that the value in question is aberrational.")

In addition, Zhonglian similarly points to no evidence or comparison demonstrating that the FOB-to-CIF adjustment was distortive. Given that there is no basis to find the adjustment distortive, in addition to the fact that we identified other favorable aspects of the Mexican data (*i.e.*, relating to the financial statement, the verifiably reliable source of the trade data, and the currency of such data), we find reliance on these data to be reasonable.

In addition, we disagree with Zhonglian's broader argument that the Mexican import values are inherently inferior because they are stated on an FOB (rather than CIF) basis. Consistent with our practice, we add movement costs to Mexican GTA import values because they are on a FOB foreign port basis.¹¹⁰ Commerce specifically stated in Policy Bulletin 10.2 that, "in situations where the surrogate country import statistics do not include international freight costs, {Commerce} will add international freight and foreign brokerage and handling charges to the import value."¹¹¹ Normally, international freight costs include not only the ocean freight portion of transporting the merchandise from one location to another but also the other expenses associated with moving the goods, such as marine insurance.¹¹² Policy Bulletin 10.2 further states that:

When relying on surrogate country import statistics to value inputs, {Commerce} normally obtains import prices that include the international freight costs on shipping the product to the port of the importing country... However, when the import statistics of the surrogate country do not include such costs, {Commerce} has added surrogate values for international freight and brokerage and handling charges to the calculation of normal value.¹¹³

Therefore, by not adding these movement costs to the Mexico GTA data, we would be understating the SVs that are calculated from that data. In the *Preliminary Results*, we based international freight expenses for imports into Mexico on rates for shipping from the United States, sourced from ITC dataweb data.¹¹⁴ These are the only data on the record to convert Mexican FOB SVs to CIF values. It is not Commerce's burden to place information on the record with which to value FOPs; it is interested parties' responsibility to place SV data on the record that they want Commerce to consider.¹¹⁵ We find the ITC dataweb data to be the best available information on the record to adjust the Mexico FOB SVs to CIF values. The international freight costs from the ITC dataweb are for imports of the primary input, *i.e.*, wire rod used in the manufacturing of nails.

Additionally, in previous proceedings, Commerce has recognized that GTA import values from certain countries are reported on an FOB basis.¹¹⁶ We have noted that attempting to limit

¹¹⁰ *Id.* at Comment 9.

¹¹¹ See Policy Bulletin 10.2.

¹¹² *Id.*

¹¹³ *Id.*

¹¹⁴ See Petitioner Surrogate Data at Exhibit 20.

¹¹⁵ See *QVD Food Co., Ltd. v. United States*, 658 F. 3d 1318, 1324 (Fed. Cir. 2011).

¹¹⁶ See, e.g., *1-Hydroxyethylidene-1, 1-Diphosphonic Acid from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2016-2018*, 84 FR 67925 (December 12, 2019) (*HEDP from China*), and

Commerce's selection of SV source countries to countries that report import data on a CIF basis could have the effect of unreasonably limiting the potential pool of SV source countries.¹¹⁷ With respect to adjustments to the data, because the GTA Mexican import values are reported on FOB terms, international movement expenses, such as international freight, are not accounted for in the GTA values. Therefore, in the *Preliminary Results*, we applied international freight expenses, which reasonably reflect the derivation of CIF values from Mexican FOB values. Zhonglian does not present any evidence calling into question the reliability of the freight SVs or the CIF adjustment itself, and, thus, we find no basis to disregard them. As a result, we find that the Mexican import data, adjusted to be on CIF terms, are reliable data to value Zhonglian's FOPs.¹¹⁸ For further discussion, see Comment 2.

Further, we disagree with Zhonglian that Russia is a more suitable surrogate country than Mexico because the proposed SV for wire rod is more specific matching to the wire rod used by Zhonglian in its own production process. Although Zhonglian claims that the Russian HTS heading provides a breakdown of wire rod by carbon content, we find this claim unsupported by record evidence. In particular, Zhonglian identified two eight-digit HTS codes, *i.e.*, 7213.91.01 and 7213.91.02, to value wire rod from Russia.¹¹⁹ However, while Zhonglian provided the AUVs for these two HTS codes in its SV submissions, it appears that it actually reported the underlying data for the AUV for the Russian six-digit HTS code 7213.91. In contrast, the petitioner provided, and we used, the two Mexican eight-digit HTS codes, *i.e.*, 7213.91.01 and 7213.91.02, to value wire rod from Mexico.¹²⁰ The Mexican HTS heading defines carbon content and chemical specificity: 7213.91.01 (carbon content less than 0.04 percent) and 7213.91.02 (carbon content equal or greater than 0.04 percent).¹²¹ Therefore, contrary to Zhonglian's claim, we find the Mexican SV data to be more specific than the Russian SV data to value Zhonglian's wire rod in the production of nails.

For the foregoing reasons, we disagree with Zhonglian that there is no evidence on the record that renders the Mexican SV data for raw materials superior to the Russian SV data. In weighing the quality of the Mexico data to the Russia data, we find the Mexico data to overall be better even though both have usable SVs for all inputs. As noted above, the Mexican SV data are more specific with respect to wire rod. Further, and significantly, while the record contains two contemporaneous financial statements from Russian producers of comparable merchandise, we find that the financial statements for Simec, a Mexican producer of comparable merchandise, offer a higher level of data quality than do the Russian statements. Simec's financial statements

accompanying IDM at Comment 2; *Cast Iron Soil Pipe Fittings from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Determination of Critical Circumstances, in Part*, 83 FR 33205 (July 17, 2018), and accompanying IDM at Comments 2 and 3; and *Wooden Bedroom Furniture from the People's Republic of China: Final Results and Final Rescission in Part*, 75 FR 50992 (August 18, 2010), and accompanying IDM at Comment 16.

¹¹⁷ See *Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 83 FR 9282 (March 5, 2018) (*Aluminum Foil from China*), and accompanying IDM at Comment 1.

¹¹⁸ The petitioner argues that Commerce should make additional adjustments to bring the Mexican FOB surrogate values to CIF values. This argument is addressed in Comment 2, below.

¹¹⁹ See Zhonglian Surrogate Data at Exhibit 7.

¹²⁰ See SV Memorandum at Attachment I.

¹²¹ See Petitioner Surrogate Data at Exhibit 12.

completely segregate two costs important to Commerce's analysis – raw materials and energy – whereas the Russian financial statements do not.¹²²

In past cases with different record facts, we have relied on financial statements that do not separately break out energy. However, in instances like we have here, where the record contains a usable set of SVs from one country which also offers financial statements that break out energy FOPs and a useable set of SVs from another country which does not offer financial statements that break out energy costs, Commerce prefers to select the country that offers financial statements that break out energy.¹²³ When Commerce is unable to segregate and, therefore, exclude, energy costs from the calculation of the surrogate financial ratios, as is the case with the Russian financial statements on this record, it is Commerce's practice to disregard the respondent's energy inputs in the calculation of NV in order to avoid double counting energy costs which have necessarily been captured in the surrogate financial ratios.¹²⁴ Therefore, disregarding the Mexican set of SVs and financial statements that break out energy would require that we sacrifice the accuracy of our calculations by not separately valuing multiple energy FOPs reported by Zhonglian simply because we cannot determine where those energy FOPs are accounted for in the financial statements. Accordingly, we consider the financial statements of Simec to be the best available information on the record; they are publicly available, do not contain countervailable subsidies, are sufficiently detailed to calculate all necessary financial ratios, and are from the primary surrogate country.

In summary, we continue to find Mexico to be: (1) at the same level of economic development as China; (2) a significant producer of merchandise comparable to nails; and (3) the country that provides the best SVs in terms of specificity, contemporaneity, and quality of the data that are publicly available with which to value Zhonglian's FOPs and financial ratios. Therefore, we find the Mexican data to be superior to the Russian data for the reasons stated above. Accordingly, we find no basis to change our preliminary finding with respect to surrogate country selection,

¹²² See Zhonglian Surrogate Data at Exhibits 12 and 13; see also Petitioner Surrogate Data at Exhibit 21.

¹²³ See, e.g., *Antidumping Duty Investigation of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, In Part*, 80 FR 34893 (June 18, 2015), and accompanying IDM at Comment 9 (“{Commerce’s} practice is to reject those financial statements that are not sufficiently detailed, and specifically, that do not contain a breakout for energy costs, when there are alternative financial statements on the record that contain a line item for energy costs.”); *Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 85 FR 11953 (February 28, 2020), and accompanying IDM at Comment 6; and *Antidumping Duty Investigation of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, In Part*, 80 FR 34893 (June 18, 2015), and accompanying IDM at Comment 9 (“{Commerce’s} practice is to reject those financial statements that are not sufficiently detailed, and specifically, that do not contain a breakout for energy costs, when there are alternative financial statements on the record that contain a line item for energy costs.”)

¹²⁴ See, e.g., *Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 74 FR 16838, 16839 (April 13, 2009), and accompanying IDM at Comment 2; see also *Certain Frozen Warmwater Shrimp from the People's Republic of China: Preliminary Results, Partial Rescission, Extension of Time Limits for the Final Results, and Intent to Revoke, in Part, of the Sixth Antidumping Duty Administrative Review*, 77 FR 12801, 12809 (March 2, 2012), unchanged in *Administrative Review of Certain Frozen Warmwater Shrimp from the People's Republic of China: Final Results, Partial Rescission of Sixth Antidumping Duty Administrative Review and Determination Not To Revoke in Part*, 77 FR 53856 (September 4, 2012).

and we continue to consider Mexico the primary surrogate country for the purposes of these final results.

Finally, GTA data provide pricing in the currency of the country of importation for purposes of valuing the FOP material inputs.¹²⁵ Consistent with this observation, we agree with the petitioner that Commerce inadvertently relied on GTA import data in U.S. dollars, when we should have relied on the GTA import data in the currency of the reporting country, *i.e.*, Mexican Pesos. Therefore, in accordance with Commerce’s practice, we have now relied on the GTA import data in Mexican Pesos and have made currency conversions into U.S. dollars, as appropriate.

The petitioner insists that Russia is unsuitable as a surrogate country in this proceeding - and in an NME proceeding in general – for a multitude of reasons. However, because we found that Mexico best meets our surrogate country selection criteria, we find these arguments moot.

Comment 2: Whether to Add B&H Expenses to the Mexico Import Values

In the *Preliminary Results*, we averaged inbound and outbound B&H and deducted the resulting B&H costs from the U.S. price.¹²⁶ We made no adjustment to the SVs for B&H. In its rebuttal brief, the petitioner argued that Commerce should instead add the inbound B&H costs to the material input costs for each FOP and correspondingly deduct the outbound B&H costs from the gross unit price.¹²⁷

Zhonglian’s Comments:

- Zhonglian’s comments on this issue were limited solely to the distortion caused by adding international freight costs to construct the CIF surrogate value from Mexico.¹²⁸
- The petitioner’s comments exceed the scope of rebuttal because they make a new argument and are not responsive to Zhonglian’s limited comments. Therefore, Commerce should strike this portion of the petitioner’s rebuttal brief.¹²⁹

The Petitioner’s Rebuttal Comments:

- Zhonglian broached the issue by arguing that Commerce’s calculations were “aberrationally high” due to allegedly distortive adjustments which bring the Mexican FOB values to a CIF basis. The petitioner’s rebuttal is legitimate because it simply points out the erroneous nature of Zhonglian’s argument (*i.e.*, by showing that the Mexican values were understated because they were not calculated on a fully delivered basis).

¹²⁵ See *Staples from China* at Comment 2 (“In this case, the respondents provided ITC-sourced import pricing data not only from Mexico but also from other potential surrogate countries. However, for all countries, the respondent reported their ITC-sourced data in U.S. dollars and not in the currency of the country of importation. Therefore, because the GTA-sourced Mexican import data are reported in the currency of the country of importation, and we have no reason to depart from its usage, we have continued to use the GTA-sourced data, rather than the ITC-sourced Russian data, to value the FOP material inputs in the final determination.”)

¹²⁶ See *Preliminary Results* PDM at 26.

¹²⁷ See Petitioner Rebuttal Brief at 7.

¹²⁸ See Zhonglian February 2, 2021 Letter at 2 (citing Petitioner Rebuttal Brief at 7).

¹²⁹ *Id.*

Therefore, Commerce should not grant Zhonglian's request to strike this portion of the petitioner's rebuttal brief.¹³⁰

- If Commerce finds that the petitioner's rebuttal brief contained arguments beyond those that were directly responsive to Zhonglian, it should exercise its discretion to accept this portion of the petitioner's rebuttal brief, as it directly pertains to Commerce's statutory obligation to calculate margins as accurately as possible.¹³¹

Commerce Position: We agree with the petitioner that Zhonglian raised the accuracy of the SV calculations and, therefore, the petitioner's comments were a responsive rebuttal. Therefore, we have considered the petitioner's arguments for purposes of these final results.

As explained in Comment 1B above, Commerce has recognized that GTA import values from certain countries are reported on an FOB basis.¹³² We have noted that attempting to limit Commerce's selection of SV source countries to countries that report import data on a CIF basis could have the effect of unreasonably limiting the potential pool of SV source countries.¹³³ With respect to adjustments to the data, because the GTA Mexican import values are reported on FOB terms, international movement expenses, such as international freight and B&H expenses, are not accounted for in the GTA values. Therefore, it is appropriate to add these costs when computing the SVs relied on in our calculations.

With respect to B&H in particular, we agree that we did not make an additional adjustment to any SVs for B&H expenses. Therefore, for these final results, we have now made an SV adjustment for B&H costs, using data obtained from *Doing Business 2020: Mexico*, published by the World Bank, in order to ensure that the SV represents a delivered price.¹³⁴ Therefore, we have relied on the best available information on the record in adding B&H expenses, in addition to international freight, to the FOB Mexico import values, in order to convert them to delivered prices.¹³⁵

Finally, we note that, in the *Preliminary Results*, we deducted B&H from U.S. price in order to account for the movement expenses associated with the U.S. sale. However, in computing the B&H expense, we averaged inbound and outbound B&H to arrive at a B&H value. For these final results, we have recomputed this figure using only the outbound B&H expenses shown in *Doing Business 2020: Mexico*, because this is the expense associated with exports.¹³⁶

¹³⁰ See Petitioner February 3, 2021 Letter at 2.

¹³¹ *Id.* at 2-3 (citing *Rhone Poulenc*).

¹³² See *HEDP from China* IDM at Comment 2 ("Because the GTA import prices for Mexico were reported on {an FOB} basis, we adjusted the input prices by including international freight, marine insurance, and B&H to convert the SVs to a {CIF} basis"); see also *QSP from China* IDM at Comment 10 ("Doing Business in Mexico: 2018 provides a publicly available, broad market average freight rate, and we have consistently found it to provide the best available information in other prior cases to value truck freight and brokerage and handling.")

¹³³ See *Aluminum Foil from China* IDM at Comment 1.

¹³⁴ See Policy Bulletin 10.2: Inclusion of International Freight Costs When Import Prices Constitute Normal Value (Nov. 1, 2010) (available at: <https://enforcement.trade.gov/policy/PB-10.2.pdf>) ("[W]hen the import statistics of the surrogate country do not include such {CIF} costs, {Commerce} has added surrogate values for international freight and foreign brokerage and handling charges to the calculation of normal value.")

¹³⁵ See SV Memorandum.

¹³⁶ See Petitioner Surrogate Data at Exhibit 17, Exhibit 18, and Exhibit 19.

Comment 3: Whether to Treat Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. as part of the China-Wide Entity

In the *Preliminary Results*, we included “Paslode Co., Ltd.” and “Paslode Fasteners Co., Ltd.” among the companies comprising the China-wide entity.¹³⁷ Paslode requests that Commerce rescind this review as to Paslode and remove Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. from the list of companies that are part of the China-wide entity, because Paslode received a zero AD margin in the original investigation and is excluded from the *Order*.¹³⁸

Petitioner’s Comments:

- The *Order* specifically states that “{t}he ‘PRC-wide’ rate applies to all exporters of subject merchandise not specifically listed,” and only Paslode, in a combination where it served both the exporter and the producer, received a zero AD margin. Therefore, only entries made by this combination are excluded from the *Order*.¹³⁹
- If Paslode Co, Ltd. or Paslode Fasteners Co., Ltd. export nails produced by a producer other than Paslode, the entries should be subject to the China-wide rate.¹⁴⁰
- Commerce limits an exclusion of the exporter from an AD order to subject merchandise of those producers that supplied the exporter during the period of investigation, and if the exporter begins to export subject merchandise produced by different producers, those entries would be subject to the AD order.¹⁴¹
- Therefore, for the final results, Commerce should continue to include “Paslode Co., Ltd.” and “Paslode Fasteners Co., Ltd.” in the list of companies that are part of the China-wide entity. Any subject merchandise exported by these two exporters that is not produced by Paslode should be subject to the China-wide rate.¹⁴²

Paslode’s Rebuttal Comments:

- The petitioner served the review request for this administrative review on both Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. at No. 900 Songzheng Road, Songjiang District EP X (B Zone) Shanghai, China. Paslode is still located at this Shanghai address today, as it was during the investigation.¹⁴³
- There is no evidence on the record of this review that any Paslode entity exported any merchandise to the United States other than merchandise produced by Paslode. Such entries are excluded from the *Order*.¹⁴⁴ Therefore, Commerce has no basis to include Paslode in the China-wide entity.
- Inclusion of Paslode in this review, and in the China-wide entity in the *Preliminary Results*, was improper. ITW and Paslode would not transship another producers’ product to avoid tariffs.¹⁴⁵

¹³⁷ See *Preliminary Results*, 85 FR at 83058.

¹³⁸ See Paslode December 24, 2020 Letter.

¹³⁹ See Petitioner Case Brief at 13 (citing *Notice of Antidumping Duty Order: Certain Steel Nails from the People’s Republic of China*, 73 FR 44961, 44963 (August 1, 2008) (*Order*)).

¹⁴⁰ *Id.*

¹⁴¹ *Id.* (citing 19 CFR 351.204(e)(3)).

¹⁴² *Id.*

¹⁴³ See Paslode Rebuttal Brief at 2.

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*

- Including Paslode in the China-wide entity, and treating Paslode (an excluded producer and exporter) as covered by the review potentially creates confusion for U.S. Customs and Border Protection (CBP) in its administration of the *Order* and potentially creates confusion for customers that could result in serious harm to ITW's and Paslode's business.¹⁴⁶
- Commerce should rescind this review for Paslode and remove Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. from the list of companies that are part of the China-wide entity.¹⁴⁷

Commerce Position: We agree with Paslode, in part. As an initial matter, the record indicates that Paslode Co., Ltd. and Paslode Fasteners Co., Ltd. are located at the same address as Paslode, and no party contests this conclusion. Therefore, we find that these two company names reference the same entity, *i.e.*, Paslode.

In light of Paslode's exclusion from the *Order*, we will continue not to collect a cash deposit for entries of nails produced and exported by Paslode. However, we agree with the petitioner that any entries that were exported, but not produced, by Paslode, would be properly covered by this review, and subject to the China-wide rate, because we did not receive a timely no shipment certification, separate rate application, or separate rate certification pertaining to such entries. Therefore, we will direct CBP to liquidate POR entries of merchandise exported by Paslode but produced by another company, if any, at the China-wide rate.


VI. RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting the above positions. If accepted, we will publish the final results of review and the final dumping margins in the *Federal Register*.



Agree

Disagree

6/17/2021
X 

Signed by: CHRISTIAN MARSH

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

¹⁴⁶ *Id.* at 2-3.

¹⁴⁷ *Id.* at 3.