

**Final Results of Redetermination Pursuant to
Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States
Consol. Court No. 11-00399¹ Slip Op. 14-28 (Ct. Int'l Trade 2014)
(March 10, 2014)**

I. SUMMARY

The U.S. Department of Commerce (“Department”) prepared these final results of redetermination pursuant to the remand order of the U.S. Court of International Trade (“CIT” or “Court”) in *Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States*, Consol. Court No. 11-00399, Slip Op. 14-28 (CIT 2014) (“*Camau III Remand Order*”). These final remand results concern *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 56158 (September 12, 2011) and accompanying Issues and Decision Memorandum at Comment 21 (“*Final Results*”).

On May 16, 2014, the Department provided a draft redetermination to the parties in which it reconsidered its labor methodology. In accordance with the Court’s instructions, the Department reconsidered whether it was reasonable to value labor by averaging all available wage rates on the record. Based on the Department’s review of evidence on the administrative record and consistent with the Department’s practice for valuing labor, the Department found the data from the primary surrogate country, Bangladesh, to be the best available information for valuing labor.

¹ This action is consolidated with Court No. 11-00383.

On June 6, 2014, the parties submitted comments in which they did not object to the analysis of the draft results of redetermination and had no further comment. In response to these comments and as described below, the Department continues to determine that data from the primary surrogate country, Bangladesh, to be the best available information for valuing labor.

II. BACKGROUND

Department's Valuation of Labor

During the time the Department used its regression-based methodology to value the labor input in non-market economy ("NME") cases, the Department normally valued all other inputs factors of production ("FOPs") using data from a single market economy ("ME") country.² The Department previously valued labor using data from multiple MEs, rather than one, because the Department found that labor differed from other FOPs. Specifically, the Department found that labor values vary significantly from country to country, and were highly influenced by socio-economic factors. Over the years, the Department concluded that, despite the differences in labor policies between individual countries, there was both a strong positive relationship between wage rates and GNI that was evident over broad income ranges ("the income effect"), as well as large random variations in national wage rates due to factors other than income ("random effects") that were evident in narrow income ranges (*e.g.*, across countries at a comparable level of economic development).

Because of the random effects, the Department concluded that it could derive a better value for labor by not limiting the data to a narrow band, *i.e.*, ME countries that are at a level of economic development comparable to the NME country and significant producers of comparable merchandise. Accordingly, and in light of the strong positive relationship between wage rates

² See 19 CFR 351.408(c)(2).

and GNI across all MEs and the large variation in the individual wage rates of comparable MEs, the Department attempted to address both of these factors in deriving the best available information for selecting a surrogate wage rate value for the subject NME through a regression-based wage rate methodology. However, in *Dorbest IV*,³ the Court of Appeals for the Federal Circuit (“CAFC”) invalidated the regulation under which the regression-based wage rate methodology was conducted to value labor.⁴ The CAFC invalidated the regulation because the regression-based wage rate methodology used data both from countries that produce comparable merchandise and countries that do not without any “finding that proper data was unavailable or otherwise unusable.”⁵

As a consequence of the CAFC’s ruling in *Dorbest IV*, the Department found that it could no longer rely on the regression-based wage rate methodology described in its regulations. Based on this, beginning in July 2010, the Department constructed an “interim” wage rate methodology that derived a surrogate wage rate from countries that were both economically comparable and significant producers of merchandise comparable to the merchandise subject to the antidumping duty proceeding.⁶

In implementing the interim wage rate methodology, the Department calculated a simple-average wage rate because at the time the Department believed that it was better to average more data rather than to use the data from the primary surrogate country in an attempt to account for the random effects on wage rates of factors other than income (as explained above). However, in the course of implementing this methodology in various proceedings and following the CIT’s

³ See *Dorbest Ltd. v. United States*, 604 F. 3d 1363 (Fed. Cir. 2010) (“*Dorbest IV*”).

⁴ *Id.*, 604 F. 3d at 1363.

⁵ *Id.*, at 1372.

⁶ See *Certain Woven Electric Blankets from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 38459 (July 2, 2010) and accompanying Issues and Decision Memorandum at Comment 13.

decision in *Shandong*, which further narrowed the universe of countries available to the Department for averaging,⁷ the Department found that, in identifying the countries that fulfilled the statutory requirements for section 773(c)(4) of the Act, the pool of data could be extremely limited. Specifically, in some cases, the Department found that the calculation could be limited to data from only two or three countries.⁸ Such a small pool of data could not reliably account for random effects, and therefore, there was little, if any, benefit to using the few data points available.

In light of the new data constraints the Department faced when implementing the interim wage rate methodology, the Department determined that it would value labor solely based on data from the primary surrogate country.⁹ The Department explained that industry-specific wage data from the primary surrogate country was the best available information because it was consistent with how the Department valued all other FOPs, and resulted in the use of a uniform basis for FOP valuation – the use of data from a primary surrogate country.¹⁰

Case Background

In the final results of the fifth administrative review of certain frozen warmwater shrimp from the Socialist Republic of Vietnam (“Vietnam”), the Department relied upon its *New Labor Methodology*¹¹ and valued labor with data from the primary surrogate country, Bangladesh.¹² On November 15, 2012, in *Camau I*, the CIT remanded the *Final Results* to the Department to

⁷ See *Shandong Rongxin Imp. & Exp. Co. v. United States*, 774 F. Supp. 2d 1307, 1314-16 (CIT 2011) (“*Shandong*”).

⁸ See, e.g., *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Administrative Review*, 76 FR 56158 (September 12, 2011) and accompanying Issues and Decision Memorandum at Comment 2I.

⁹ See *New Labor Methodology*, 76 FR at 36093.

¹⁰ *Id.*

¹¹ See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing The Factor of Production: Labor*, 76 FR 36092 (June 21, 2011) (“*New Labor Methodology*”).

¹² See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2I.

reconsider its decision to value labor solely on the basis of data from Bangladesh.¹³ Specifically, the Court held that the Department “had provided a reasonable basis” to change its policy from valuing labor using a regression-based methodology and to value labor using data from the primary surrogate country.¹⁴ However, the Court held that the Department did not reconsider its prior findings, made when the Department relied upon the regression-based wage rate methodology, that wage rates generally correlate to *per capita* gross national income (“GNI”) and, therefore, require special consideration.¹⁵ Specifically, the Court stated that the Department previously acknowledged “that there is a great variation in the wage rates of the ME countries that the Department typically treats as being economically comparable.”¹⁶ Additionally, the Court stated that the specific facts on the record of the case seemed to highlight the very concerns about valuing labor on the basis of a single country that the Department repeatedly raised when supporting its prior regression-based wage rate methodology. Thus, the Court held that by accounting for neither its prior finding of a correlation between wage rates and GNI nor the disparity in both wage rates and GNIs of the proposed surrogate countries, the Department’s use of the Bangladeshi data to value labor was not supported by substantial evidence.¹⁷ In light of this, the Court ordered that the Department either reconsider whether it is reasonable to value labor using only data from the primary surrogate country or provide further explanation for its decision.¹⁸

In the Department’s *Camau I Remand Redetermination*, the Department found that the new single country wage rate methodology remained the best available information on the record

¹³ See *Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States*, Consol. Court No. 11-00399 Slip Op. 2012-137 (CIT 2012) (“*Camau I*”).

¹⁴ *Id.*, at 18.

¹⁵ *Id.*, at 19.

¹⁶ *Id.*

¹⁷ See *Camau I*, at 22-23.

¹⁸ *Id.*, at 24.

for valuing labor and thus continued to value labor using the Bangladeshi data, which are from the primary surrogate country, Bangladesh.¹⁹ Specifically, the Department acknowledged that in the past, the Department treated labor differently from other FOPs because of the unique aspects of labor such as variation in wage rates among economically comparable countries and the existence of a correlation between labor values and GNI.²⁰ However, the Department found, in light of the *Dorbest IV*²¹ and *Shandong Rongxin*²² decisions, which reduced the pool of available wage rates, and resulted in a lack of predictability and difficulty in administering the interim wage rate methodology, the benefits of relying upon the primary surrogate country to determine the labor surrogate value (“SV”) outweighed the benefits of attempting to adjust for any variation with a limited data set.²³ Given that the averaging methodology was difficult to administer across cases, and continued to result in variability in a way that the regression-based methodology did not, the Department found that relying on the primary surrogate country for labor was a more sound and accurate methodology, consistent with the practice for determining SVs for other FOPs.²⁴ In addition, in an attempt to address the case-specific factual concerns expressed by the Court with respect to the disparity in wages on the record between Bangladesh and the Philippines, the Department explained that it could not determine whether, or to what extent, any actual variance existed in the wages observed by the Court between those proposed surrogate countries because the wages were not reported on the same basis.²⁵ In particular, the Department noted that the wage data for Bangladesh represent wage rates specific to the shrimp

¹⁹ See Final Results of Redetermination Pursuant to *Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States*, 880 F. Supp. 2d 1348 (CIT 2012) (April 12, 2013) (“*Camau I Remand Redetermination*”).

²⁰ *Id.*, at 13.

²¹ See *Dorbest IV*.

²² See *Shandong Rongxin*.

²³ See *Camau I Remand Redetermination*, at 7-8, 11-13.

²⁴ *Id.*, at 6.

²⁵ *Id.*, at 8.

processing industry, while the wage data for the Philippines were for the more generic food and beverage processing industry.²⁶

In *Camau II Remand Order*, the Court disagreed with the Department's justifications for valuing labor using the single country wage rate methodology and remanded the issue back to the Department.²⁷ The Court stated "insofar as {the Department} maintains that (1) valuing labor based on a single surrogate country may be distortive given the variability in wage rates among countries that {the Department} considers to be economically comparable and (2) the variability in wage rates corresponds to variability in GNI, the record in this case presents the possibility of just such a distortion."²⁸ Specifically, the Court held that it was not sufficient for the Department "to cite the policy of using a single surrogate country where, as here, there is reason to believe that the primary surrogate country may not provide the best available information for a particular FOP."²⁹ Moreover, to the extent that the Department determines to continue using a single surrogate country to value labor, the Court stated that the Department must "address the conflicting evidence on the record that may counsel against the policy of valuing all FOPs from the primary surrogate country."³⁰ Further, with respect to the Department's finding that the Bangladeshi and Philippines data sets were not comparable due to their different levels of aggregation, the Court held that the Department's "attempt to avoid the troubling disparities between the SVs for labor by suggesting that the datasets are not

²⁶ *Id.*, at 8, 16-17.

²⁷ See *Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States*, Consol. Court No. 11-00399, Slip Op. 13-95 (CIT 2013) ("*Camau II Remand Order*").

²⁸ *Id.*, at 6.

²⁹ *Id.*, at 8.

³⁰ *Id.*, at 10.

comparable is unpersuasive.”³¹ Accordingly, in light of this, the Court ordered the Department to further explain or reconsider the SV for labor.

In the Department’s *Camau II Remand Redetermination*³², the Department respectfully disagreed with the Court’s holdings in *Camau I* and *Camau II Remand Order* that the use of the primary surrogate country for valuing labor was not supported by substantial evidence or that the Department’s justification was insufficient.³³ However, in light of the Court’s rejection of the Department’s explanations in both its original determination and the first remand redetermination, the Department found it was unable to provide further explanation that would be satisfactory to the Court to support valuing labor using only data from the primary surrogate, Bangladesh. Therefore, the Department used what it believed to be the only available alternative and valued labor by averaging the available wage rates on the record from countries found to be both economically comparable and significant producers of comparable merchandise.³⁴

In the *Camau III Remand Order*, the Court disagreed with the Department’s *Camau II Remand Determination* and found that the Court’s prior decisions required the “{Department to} address, evaluate, and weigh the conflicting record evidence regarding the appropriateness of its surrogate data choices for valuing the relevant factors in this review, including labor.”³⁵

Importantly, the Court found that “it is simply not the case that the only alternative to {the

³¹ *Id.*, at 14.

³² See Final Results of Redetermination Pursuant to *Camau Frozen Seafood Processing Import Export Corporation, et al., v. United States*, Consol. Court No. 11-00399, Slip Op. 1-95 (CIT 2013) (“*Camau II Remand Redetermination*”).

³³ In *Camau I*, the Court held: “Acknowledging its past policy and addressing the problem that led it to reject multi-country averaging provides a reasonable basis for Commerce’s policy change. *Cf. Fox Television*, 556 U.S. at 515. In light of *Dorbest IV* and *Shandong*, Commerce cannot find enough countries that are both economically comparable and significant producers of subject merchandise to effectively average wages from multiple countries. Thus, Commerce has provided a reasonable basis for abandoning its prior policy, and the new policy is reasonable on its face.” See *Camau I* at 18.

³⁴ *Id.*, at 8.

³⁵ See *Camau III Remand Order* at 2-3.

Department's} *Final Results* and {*Camau I Remand Redetermination*} is to deviate from the New Labor Rate Policy and average the Bangladeshi wage data with other data."³⁶ The Court noted that, in *Camau I*, it found that "{the Department} reasonably determined that, in general, the administrative costs of engaging in a complex and lengthy analysis of additional surrogate data for the labor FOP may outweigh the accuracy-enhancing benefits of doing so."³⁷ However, the Court also noted that, in *Camau I*, it found that the "evidentiary record of this review includes {the Department's} finding that Bangladeshi wage data are likely to significantly understate the estimate for a fair market labor rate in Vietnam."³⁸

Accordingly, in the *Camau III Remand Order*, the Court found that "{o}ne option that continues to be available to {the Department} on remand is to explicitly weigh the evidence that Bangladeshi wage data are likely to understate the surrogate fair market labor rate for the shrimping industry in Vietnam against the remaining evidence that Bangladeshi surrogate FOP data as a whole are nevertheless the best available data on record from which to value all of the surrogate FOPs in this review."³⁹ The Court found that "{s}hould {the Department} choose to engage in such evidence-weighting, however, the agency must explicitly lay out the value-choices and data preferences it is making, so that the path of its analysis may reasonably be discerned as based on some set of predictable standards, as well as to provide a basis for judicial review."⁴⁰ Therefore, the Court found that the Department's "valuation of the labor FOP used to construct a normal value ("NV") for the subject merchandise in this review remains without an adequate

³⁶ *Id.*, at 15.

³⁷ *Id.*, at 15.

³⁸ *Id.*, at 15-16.

³⁹ *Id.*, at 16-17.

⁴⁰ *Id.*, at 19.

reasoned explanation linking it to the record evidence” and thus remanded this issue to the Department for reconsideration.⁴¹

III. ANALYSIS

Based on the Court’s findings in *Camau I*, *Camau II Remand Order*, and *Camau III Remand Order*, the Department revisited its SV selection for labor in this review. In considering the most appropriate SV for labor on the record of this review, the Department attempted to clarify the function of the regression-based wage rate methodology, in particular how it addressed the wage variation problem, and considered the Court’s concern that in picking a single surrogate labor value, the Department “did not address the disparity in the GNI of potential surrogate countries on the record of this case.”⁴² As noted above, wage rates vary with income, *i.e.*, the “the income effect”, but this relationship is evident in the data only when looking over broad income ranges, *i.e.*, over worldwide ME incomes. Over narrow income ranges, this relationship is less apparent. Instead, the relationship between wage rates and GNI is lessened or outweighed by variations in the data that are due to the random effects on wage rates of factors other than income. The random effects, not the income effect, are what concern the Department from a labor factor valuation standpoint, once the data pool is limited to countries that are at a level of economic development comparable to the NME and are significant producers of comparable merchandise. The income effect is not a concern because income, unlike all factors collectively other than income, is easily controlled for (what the Department does when it limits surrogate countries to countries at a level of economic development comparable to the NME country). On the other hand, controlling for all factors other than income is not an administratively feasible option. Although in principle, averaging wage rates

⁴¹ *Id.*, at 19.

⁴² *Id.*, at 19 and 22.

from multiple countries could reduce the random effects, the limited datasets the Department must work with in accordance with prior court rulings rendered such averaging of little benefit and created a significant administrative burden. With no viable averaging options, we conclude that the best methodology is to rely on the primary surrogate country. In this case, that means that the Department finds that the shrimp processing wage rate from Bangladesh is the best available information on the record for valuing labor and that alternative methodologies are not. In its discussion regarding the income effect, the Department also addresses the Court's concerns of whether using the Bangladeshi wage rate undervalues the approximate fair market value of labor for Vietnam.

As discussed further below, the Department considers the questions suggested by the Court in *Camau III Remand Order* in the Department's analysis of the potential values for labor and which value is the best available information on the record.⁴³ Specifically, the Department considers the administrative burden required to average wage rates under the interim methodology and whether this administrative burden is significant enough to outweigh the potential accuracy-enhancing benefits derived from averaging wage rates. The Department also considers its overall selection of the primary surrogate country and whether the collective Bangladeshi data are significantly superior in quality to data from other potential surrogate countries. Finally, the Department analyzes the overall contribution of each FOP to the respondents' total NV and determines whether the accuracy of other FOPs is more important than labor in calculating the overall antidumping margin for the respondents. Based on this overall analysis, as described below, the Department finds the best available information for

⁴³ See Attachment 1 which outlines the questions the Court suggested that the Department consider in its data analysis of the appropriate surrogate value for labor. See *Camau III Remand Order* at 17-18.

valuing the respondents' labor FOP is using the shrimp processing wage rate from the primary surrogate country, Bangladesh.

A. General Linear Relationship of Wage Rates to GNI, and Whether Bangladesh's Wage Rate is Undervalued

In this section, the Department will analyze whether the record evidence demonstrates the existence of the linear relationship of wage rates to GNI, and whether the evidence demonstrates that Bangladesh's wage rate is undervalued. The Department will consider the following questions:

- *How great is the effect of an undervalued wage rate on the accuracy of the resulting dumping margin?*
- *Conversely, does Commerce's inability to explain and account for the labor undervaluation suggest that perhaps another surrogate country choice may be more reasonable?*
- *Are there additional data from Bangladesh that Commerce could use to adjust the wage data to correct, or at least diminish or ameliorate, the likely undervaluation?*

The Court, as noted above, found the new policy of relying on the primary surrogate country for valuing labor to be reasonable on its face.⁴⁴ The Court also found the Department's explanation for abandoning the averaging methodology -- because of the diminished efficacy due to a limited dataset -- to be reasonable as well.⁴⁵ The Court's chief concern throughout this litigation, as noted in the *Camau II Remand Order*, is that the Department did not reconsider its prior findings that wage rates *strongly correlate* to GNI and, therefore, require "special consideration," and that by picking a single surrogate labor value, the Department "did not address the disparity in the GNI of potential surrogate countries on the record of this case."⁴⁶

⁴⁴ See *Camau I* at 18.

⁴⁵ *Id.*

⁴⁶ See *Camau II Remand Order* at 19 and 22 (emphasis added).

Specifically, the Court noted that the Philippines' GNI is "roughly twice that of Vietnam." Further, the GNI differences in the group of potential surrogate countries is also reflected in a disparity between the wage rates per hour for Bangladesh and the Philippines, \$0.21 and \$1.91, respectively.⁴⁷ The Court further noted that the Department acknowledged the positive relationship between GNI and wage rates both in the promulgation of the 1997 regression regulation as well as at various points during the litigation.

The Department first must clarify the "wage rate variation problem" in the FOP valuation context. Wages vary for a variety of reasons. It is not difficult to account for wage variations due to differences in income since that information is readily available (*i.e.*, GNI data are generally available for each country for which wage data are available) and can be controlled for. The "wage variation problem" is, instead, accounting for the effects on (national) wage rates of factors other than income, where income has been controlled for by limiting surrogate countries to those that are at a level of economic development comparable to the NME country (in addition to being significant producers of comparable merchandise). Since controlling for all factors other than income is administratively infeasible, averaging out these effects, in principle, is the Department's only viable option.

The income effect is readily apparent over broad income ranges: if wages and GNI are plotted on a graph, one sees a clear relationship between increases in GNI and increases in wages. However, this relationship is less pronounced within narrow income ranges, *i.e.*, across countries at a comparable level of economic development, because of factors other than income.

⁴⁷ See *Camau I* at table on page 21 with associated narrative on page 22.

The Department identified above the problems associated with discerning the income effect for countries at a level of economic development comparable to an NME country.⁴⁸ These same concerns are relevant to this proceeding given the income range (\$520 to \$1,890 GNI) and wage rates (\$0.21 to \$2.41). If one were to presume (incorrectly) that income differences drive all observed wage differences, then one might expect that -- at virtually identical GNIs within this range -- the Department would observe very similar labor rates. However, the Department observes that Indonesia, Egypt, and the Philippines share almost the same GNI, but have a wide disparity in their respective wage rates, *i.e.* \$0.41, \$.94, and \$1.91, respectively.⁴⁹ In some instances, the Department notes that the exact opposite pattern is found, *i.e.*, higher GNIs with lower wage rates. For example, Guyana's GNI is \$410 larger (or more than a third of the income range) than India's GNI; but Guyana's labor rate of \$0.64 per hour is actually *lower* than India's labor rate of \$0.70 per hour.⁵⁰

Based on this record evidence, the Department therefore concludes that within a narrow GNI band, such as a band limited to the countries that are at a comparable level of economic development: (1) country-specific factors *other than income* ("other factors") affect wages, *e.g.*, national labor policies; (2) the effect of other factors tends to dominate the income effect over narrow income ranges, or for countries at a comparable level of economic development; and (3)

⁴⁸ See *Wooden Bedroom Furniture from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Reviews*, 74 FR 41374 (August 17, 2009) and accompanying Issues and Decision Memorandum at Comment 9 (which states that, "Relying only on data from countries that are economically comparable to each NME would undermine, rather than enhance, the accuracy of the Department's regression analysis. The number of "economically comparable" countries would be extremely small. For example, when examining countries with GNIs that range between US \$700 and US \$2500 (*e.g.*, countries that might be considered economically comparable to the PRC), there are only nine countries out of a full dataset of 61 countries used in the revised wage calculation...") ("*Wooden Bedroom Furniture 2009*").

⁴⁹ Egypt and Indonesia's GNIs are 1,800 and 1,880, respectively, but whose wage rates are considerably different, \$0.94 compared to \$0.41, *see* Attachment II; *see also Wooden Bedroom Furniture 2009*, and accompanying Issues and Decision Memorandum at Comment 9 stating, "Sri Lanka and Egypt have GNIs of US \$1,170 and 1,250, respectively, but their approximate wage rates vary significantly *i.e.*, Sri Lanka's hourly wage rate is approximately USD \$0.37, and Egypt's hourly wage rate is approximately USD \$0.67."

⁵⁰ Guyana and India's GNIs are 1,450 and 1,040, respectively, *see* Attachment II.

the collective effect on wage rates of these other factors is random variation in the observed national wage rates. Thus, the random variation observed in wage rate data from Bangladesh, Egypt, Indonesia, and the Philippines are primarily attributable to random effects, not to differences in income, again, because of the narrow income range in which these countries fall. It is this variation in wage rates, not the variation in wage rates due to variations in income, which concerns the Department from a labor FOP valuation standpoint. The income-related variation is not a concern because the Department can control for income, which it does by restricting surrogate countries to those are at a level of economic development comparable to the NME country (in addition to being a significant producer of comparable merchandise), but the variation that results from the random effects of other factors cannot be addressed easily within the current statutory framework. The regression-based wage rate methodology did so, through the estimated mean wages it generated, by essentially averaging out these variations over a large, pooled data set. However, the Court-imposed limitations, as described above, effectively precluding mitigation of the effects of other factors, because the pool of the available countries is small.

In the *Camau II Remand Order*, the Court presented the following table which shows a difference in wage rates between Bangladesh and the Philippines, with the implication that these differences are (or should be) wholly attributed to GNI differences:⁵¹

	GNI (per capita USD)	Labor Rate (USD / hr)
Philippines	1,890	1.91

⁵¹ The Court relied on ILQ Chapter 5B data for this Philippine labor data point. The Department, however, has a preference for a labor rate that better accounts for direct and indirect labor costs, *see* Attachment II for the Philippines labor data point under ILO Chapter 6A.

Vietnam	890	--
Bangladesh	520	0.21

At first glance, as the Court previously observed, the wage and income data in this table appear to indicate that even with narrow income ranges, income still matters a great deal for wage rates, and therefore that the Department should exercise great care in the selection of the wage, to ensure that the corresponding income matches that of Vietnam. But this observation no longer holds firm when a more in-depth analysis is employed. As the Department explained above, the difference in Bangladeshi and Philippine wage rates in the table above reflects both the income effect and random effects, and likely more the latter than the former given the relatively narrow income range in which these countries fall. (Again, within the narrow range presented here, one can find examples of exactly the opposite wage-income relationship (countries with higher GNIs and low wage rates – *e.g.*, Guyana vs. India) or even labor rate variance among countries with virtually identical GNIs.) There is therefore no basis to use the income and wage data in this table to estimate a wage rate for Vietnam based on Vietnam’s income because the apparent relationship between wages and income within this narrow income range does not survive a more close analysis of the record evidence.

One can see this using linear interpolation of the wage and income data for Bangladesh and the Philippines in the table above, and the wage and income data for Bangladesh and Pakistan in the table below. If the observed variations in wage rates were due solely to income variations, then linear extrapolation of the two data points in each table should yield the same wage rate for Vietnam. But it does not: a \$1.10/hr. in the first case⁵² and \$0.25/hr. in the

⁵² Using the two data points in this chart, the Department applied the implied linear relationship to determine Vietnam’s labor rate.

second.⁵³ Given the differences in these two estimated wage rates suggest that other effects are at work, and those would be the random effects explained above.

	GNI (per capita USD)	Labor Rate (USD / hr)
Pakistan	950	0.33
Vietnam	890	--
Bangladesh	520	0.21

The Suitability of a Simple Average

In the absence of any demonstrated relationship to income, one might presume that a simple average of certain, suitable ME wage rates would help account for the random factors or increase accuracy. The Department, however, disagrees with this presumption. A simple averaging approach based on what would certainly be in virtually all cases an extremely limited data set would not come close to doing what the regression method did consistently through data pooling, which was to produce an estimated mean wage that takes full account of possible wage variation that is relevant. The simple averaging approach therefore would not necessarily produce a better result. In fact, with such small datasets, often just two data points, averaging could take the calculated wage further away from the true mean.

The Suitability of Wage Rates from Bangladesh

The Court raised the concern that Bangladesh wage rates are “likely to understate...the market wage rate that would be in Vietnam if Vietnam were a ME.”⁵⁴ But that concern, again, rests on the assumption that observed differences in the (small) sample wage rate data (from countries in a relatively narrow income range) are attributable to differences in income (not to

⁵³ This is calculated using the same method as applied to the Court’s table in footnote 12 of *Camau I*.

⁵⁴ See *Camau III Remand Order* at 9.

the random effects of factors other than income), and, therefore, that a linear interpolation of the sample data yields a reasonable estimate of a ME wage rate for Vietnam. But that assumption is incorrect for the reasons explained above. If the assumption were correct, and the interpolation valid, linear interpolations of the wage data in the two tables above would both yield the same estimated ME wage rate for Vietnam, but they do not. If the assumption were correct, and the interpolation valid, both interpolations would indicate that the Bangladeshi wage rate significantly underestimates the ME wage rate for Vietnam. But that is true only in the case of data in the first table above; an interpolation of the data in the second table (unlike the first) does not indicate or suggest that Bangladeshi wage rate significantly underestimates the ME wage rate for Vietnam. For these reasons, the Department finds that Bangladeshi data do not necessarily understate the ME wage rate for Vietnam. However, even assuming, *arguendo*, that there is some undervaluation, the Department would not be able to determine appropriate adjustments to the Bangladeshi labor rate, such as those raised in the *Camau III Remand Order*, to account for the random effects.⁵⁵ The first concern is a practical one in that we cannot administer all of the filters described below across all NME cases, let alone engage in a complex and speculative exercise that seeks to account for all possible variables that give rise to random effects on wage rates.

The second is that doing so would require making assumptions about Vietnam and its economy that are not in accordance with its status as an NME under U.S. law. Starting with a Bangladeshi labor rate, and somehow working back to a Vietnam labor rate, would inevitably lead to building in NME features of Vietnam's economy into an untainted ME labor rate. For example, in order to adjust the wage rate of Bangladesh, one would have to incorporate into this

⁵⁵ See Attachment 1 for a detailed listing of the questions posed by the Court.

'model' some of the NME features of Vietnam's economy, such as the extent of collective bargaining rights and union representation, factors which go directly to certain aspects of Vietnam's designation as a NME country. The Department believes that this would undermine the very purpose of relying on a SV in the first place. For these reasons, and others, the Department does not find the Bangladeshi labor rate is understated nor does the Department think it is reasonable to adjust the rate.

The Department finds that relying on an *actual*, observed labor rate carries the benefit of being directly tied to the market dynamics in Bangladesh, which is the primary surrogate from which the Department draws all of the other FOPs. The interrelationship among factor prices is broken the moment that other ME countries, which may have very different market forces over any given period, are "averaged in." For all of the reasons described above, the Department continues to find that the shrimp processing wage rate from Bangladesh constitutes the best available information on the record of this proceeding for valuing the labor FOP.

B. Administrative Burden of Averaging Labor

In this section of the Department's analysis regarding the administrative burden of averaging labor, the Department will consider the following questions:

- *How great is the administrative effort involved in analyzing data for the purpose of adjusting the Bangladeshi wage data to increase accuracy?*
- *Does this effort outweigh its accuracy-enhancing benefits?*

In consideration of the above questions, the Department finds, as directed by the Court to consider, that there is a significant administrative burden involved in using the interim methodology to value labor and that averaging wage rates under this methodology does not

provide accuracy-enhancing benefits.⁵⁶ Under the antidumping statute for NME proceedings, the valuation of the FOP shall be based on the best available information regarding the values of such factors in a ME countries or countries considered appropriate by the Department.⁵⁷ In short, when determining the valuation of the FOPs, the critical question is whether the methodology used by the Department is based on the best available information and establishes antidumping margins as accurately as possible.⁵⁸

The Department finds that averaging the wage rates would pose a significant administrative burden for valuing a single FOP. The Department notes that, in the *Camau III Remand Order* citing to *Camau I*, the Court found that the Department reasonably determined that the administrative costs of engaging in a complex and lengthy analysis of additional surrogate data for the labor FOP may outweigh the accuracy-enhancing benefits of doing so.⁵⁹ Under the interim methodology that the Department used for averaging the wage rates on the record in the *Camau II Results Redetermination*, the Department used a multi-prong approach that required a significant amount of manual data analysis to derive a single average wage rate. This multi-prong data analysis methodology for valuing labor was conducted in every single case where the Department applied the interim methodology for valuing labor from July 2010 to June 2011.⁶⁰ Under the interim methodology, the Department calculated an hourly wage rate by averaging industry-specific earnings and/or wages in countries that are economically comparable to the subject country and are significant producers of the comparable merchandise, pursuant to section 773(c)(4) of the Act.

⁵⁶ See Attachment I.

⁵⁷ See section 773(c)(1) of the Act.

⁵⁸ See *Shakeproof*, 268 F. 3d at 1382.

⁵⁹ See *Camau III Remand Order* at 15 (citing to *Camau I* at 18).

⁶⁰ See *New Labor Methodology*, 76 FR 36092.

The interim methodology used by the Department for averaging wage rates for valuing labor required a significant amount of manual data analysis that needed to be conducted in every NME proceeding conducted by the Department. First, in order to determine the economically comparable surrogate countries from which to calculate a surrogate wage rate, the Department reviewed the Surrogate Country Memo issued in each proceeding. Early in each case, the Department selected a number of countries for consideration as the surrogate country for that case.⁶¹ To determine which countries are at a level of economic development comparable to that of the NME country in question, the Department placed primary emphasis on per capita GNI.⁶² The Department relied on GNI from the most recent year available to generate an initial limited list of countries considered to be economically comparable to the subject country.⁶³ From this list of countries (and their respective GNIs) in the Surrogate Country Memo, the Department used the high and low GNI numbers (the “GNI band” of countries) to define the income range of countries at a level of economic development comparable to the NME country.

Second, regarding the “significant producer” prong of the antidumping statute (section 773(c)(4)(B) of the Act), under the interim methodology, the Department identified all countries that had exports based on value data for exports of comparable merchandise (*i.e.*, exports of any goods, by value, under the six-digit Harmonized Tariff Schedule categories contained in the scope of the investigation or review). After obtaining total exports by value of comparable

⁶¹ See Policy Bulletin 04.1: Non-Market Economy Surrogate Country Selection Process, March 1, 2004 (“Policy Bulletin”).

⁶² It is Departmental practice, pursuant to 19 CFR 408, to use per capita GNI, rather than per capita GDP, because while the two measures are very similar, per capita GNI is reported across all countries by an authoritative source (the World Bank), and because the Department believes that the per capita GNI represents the single best measure of a country’s level of total income and, thus, level of economic development. See *Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments* (“*Antidumping Methodologies Notice*”), 71 FR 61716 (October 19, 2006) at footnote 2.

⁶³ The Department notes this initial list of countries was part of a non-exhaustive list of countries that are at a level of economic development comparable to the subject country.

merchandise for all reporting countries, the Department manually filtered the dataset in each segment of the proceeding to include only countries that were listed within the GNI range. If any of these countries had exports of the comparable merchandise for the last three years, the Department considered that country to be a significant producer.⁶⁴

Third, under the interim methodology for valuing labor by averaging the wage rates on the record for each proceeding, the Department selected the most appropriate industry-specific wage data based on the scope of the investigation or review, and the availability of industry-specific data. Industry-specific wage/earning data were reported by countries to the ILO under the United Nations' International Standard Classification of All Economic Activities ("ISIC").⁶⁵ The Department determined the most appropriate industry-specific wage rate/earning data for the subject industry by examining the ISIC industry classifications and determining which classification was most specific to the subject product for the most recent revision. If no wage data were available for that industry, the Department examined the next most recent ISIC revision. Under the interim methodology there were instances where the wage data for the primary surrogate country were not included in the calculated average wage rate because the primary surrogate country did not report wage rate data under the selected ISIC revision.⁶⁶

Fourth, under the interim methodology, using the selected industry-specific wage rate data for the countries that were economically comparable to the subject country and significant producers of comparable merchandise, the Department chose in each NME proceeding an

⁶⁴ See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor; Request for Comment*, 76 FR 9544, 9546 (February 18, 2011) ("*Labor; Request for Comment 2011*").

⁶⁵ The ISIC identified different industry classifications. The ISIC provided industry classifications by section (*i.e.*, A—Agriculture, hunting and forestry), then at the two-digit division level, then further sub-detail at the three-digit major group level, and sometimes a four-digit group level.

⁶⁶ See *Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of the 2008-2009 Antidumping Duty Administrative Review*, 76 FR 22871 (April 25, 2011) and accompanying Issues and Decision Memorandum at Comment 8 at footnote 96.

earnings/wage rate for each selected country that was most contemporaneous with the period of the subject proceeding. In each NME proceeding, the various types of earnings/wages for that industry-specific wage rate dataset for each selected country were manually sorted by a set of filters to arrive at the most appropriate single earnings/wage rate. The Department manually filtered the data in each NME proceeding based on ILO data parameters in the following order: 1) "Type of Data--I," *i.e.*, reported under the categories earnings or wages. The Department used earnings data if available and wages data where earning data were not available; 2) "Sex," *i.e.*, male/female coverage (male only, female only, and indices data were eliminated); 3) "Contemporaneity," *i.e.*, the Department used the most recent earnings/wage rate data point available; 4) "Worker Coverage," *i.e.*, the Department selected from the following categories in the following hierarchy: a) wage earners; b) employees; c) salaried employees, and total employment; and 5) "Type of Data--II," *i.e.*, the unit of time for which the wage is reported. The Department selected from the following categories in the following hierarchy: a) per hour; b) per day; c) per week; or d) per month.⁶⁷

Fifth, under the interim methodology, the Department then adjusted for inflation, as appropriate, the selected single earnings or wage rate for each country to the year that covers the majority of the segment of the proceeding using the relevant Consumer Price Index. Next, the Department converted these inflation-adjusted hourly earnings or wage rate data for each country, which were denominated in each country's national currency, to U.S. dollars using annual exchange rates as reported by the International Monetary Fund ("IMF")'s *International Financial Statistics* ("IFS") database for the year that covered the majority of the period of

⁶⁷ See *Labor; Request for Comment 2011*, 76 FR at 9545-6, footnote 18.

investigation or review. Finally, the Department calculated a simple-average industry-specific wage rate across the selected countries.

The Department finds that in implementing the interim methodology, while it resulted in a simple average wage rate using multiple data points, it was a significant endeavor requiring manual screening of hundreds of data points to obtain a simple average wage rate for each case.⁶⁸ For instance, under step 2 (significant producer), the Department had to filter the raw export data for three years for all reporting countries down to only the countries that were economically comparable to the NME-subject country (*i.e.*, in the *Preliminary Results*⁶⁹ under the interim methodology, the Department filtered the export dataset down to 18 countries the significant producer), and under step 3 (raw ILO data), the Department had to filter the raw ILO data for all reporting countries down to only the countries that were economically comparable and significant producers (*i.e.*, in the *Preliminary Results* under the interim methodology, the Department filtered the raw ILO data, which originally consisted of 481 data points and were filtered down to ILO data points for only three countries).⁷⁰ Moreover, the limited wage data sets the interim methodology generated effectively precluded the construction of average wage rates that fully accounted for random effect, as the regression-based wage rates did.

The Department finds that implementing the interim methodology generated a significant administrative burden for valuing a single FOP, labor. In cases where the interim methodology was implemented, the number of countries that survived the multi-prong approach varied, but in

⁶⁸ See *Labor; Request for Comment 2011*, 76 FR at 9546.

⁶⁹ See *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Preliminary Results, Partial Rescission, and Request for Revocation, in Part, of the Fifth Administrative Review*, 76 FR 12054, 12062-3 (March 4, 2011) (“*Preliminary Results*”).

⁷⁰ See *Preliminary Results*, 76 FR at 12062-3; Memorandum to the File, from Paul Walker, Case Analyst, Subject: Fifth Antidumping Duty Administrative Review of Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Surrogate Values for the Preliminary Results (February 28, 2011) at 10 (“*Preliminary Surrogate Value Memo*”) at Exhibit 6.

a few cases the total number of countries with usable wage data were limited to only two or three countries.⁷¹ The interim methodology required not only significant manual data analysis for valuing labor in every single NME proceeding, but also required addressing numerous comments submitted by interested parties regarding the Department's data selection. The comments submitted by interested parties varied across cases but can be grouped into the following categories: 1) the appropriate GNI range and how that should be measured, *e.g.* relative GNI vs. absolute GNI ranges; 2) challenging the definition of "significant producer"; 3) questioning the filters or proposing different filters, *e.g.* earnings vs. wage data; 4) ISIC industry-specific selection issues; 5) aberrational data issues; and 6) general calculation issues.

The Department also finds that the implementation of the interim methodology across all NME proceedings was unmanageable and the methodology became unpredictable to outside parties. If filters or standards were changed as a result of comments in one case, those potentially had ripple effects across all NME cases. Because of the numerous data steps in the interim methodology and the wide disparity in the data sets used in each NME proceeding, the Department finds that the interested parties could no longer reasonably predict the resulting average wage rate of each proceeding. Unlike the regression-based methodology, which led to a result that applied uniformly across cases and was consistently updated about once a year by the Department through a notice and comment practice, the Department finds that the interim methodology for averaging labor lead to varying results across cases.⁷²

Additionally, due to the findings of *Shandong Rongxin*, the Department finds that there would be little benefit in the Department reversing practice and return to valuing labor under the interim methodology due to the significant administrative burden of the interim methodology.

⁷¹ See *Dorbest Ltd., et al., v. United States*, 755 F. Supp. 2d 1291, 1296 (CIT 2011).

⁷² See *2009 Calculation of Expected Non-Market Economy Wages*, 74 FR 65092 (December 9, 2009).

Based on the findings of *Shandong Rongxin*, the Department finds that any alternative definition for “significant producer” that would also be compliant with *Shandong Rongxin* would unduly restrict the number of countries from which the Department could source wage data.⁷³ The Department finds that the base for an average wage calculation would be so limited that there would be little, if any, benefit to relying on an average of wages from multiple countries for purposes of minimizing the variability that occurs in wages across countries. Therefore, in light of the significant administrative burden in conducting the interim methodology which required significant manual data analysis, and the constraints of *Shandong Rongxin*, the Department finds that relying on valuing labor by averaging all the wage rates on the record for this review does not provide significant accuracy-enhancing benefits.

C. Labor Valuation

In examining all the possible data points on the record for valuing labor in this case, based on the questions outlined by the Court in the *Camau III Remand Order*, the Department finds that the best available information for valuing labor is using the shrimp processing wage rate from the primary surrogate country, Bangladesh.⁷⁴ Given that the CAFC ruled that our old regulation that provided for the use of the regression-based methodology is inconsistent with the statute, averaging the labor values on the record does not produce a better alternative because: (1) simple averaging of the wage data from countries on the Surrogate Country Memo that are also significant producers of comparable merchandise cannot consistently produce an estimated mean wage that takes full account of relevant possible wage variation; and (2) the interim methodology is administratively untenable and provides no accuracy-enhancing benefits that outweighs the significant administrative burden of this methodology. That leaves selecting the

⁷³ See *New Labor Methodology*, 76 FR at 36093.

⁷⁴ See Attachment I.

most appropriate wage rate from the potential countries on the Surrogate Country Memo, as the Department's lone, remaining option.⁷⁵ The wage rates on the record from the countries on the Surrogate Country Memo are the following: 1) Pakistan, \$0.33, reported under ILO Chapter 5B; 2) India, \$0.70, reported under ILO Chapter 6A; 3) Bangladesh, \$0.21, reported under Bangladesh Bureau of Statistics; 4) Sri Lanka, \$0.45, reported under ILO Chapter 5B; 5) Indonesia, \$0.41, reported under ILO Chapter 5B; and 6) the Philippines, \$2.41, reported under ILO Chapter 6A.⁷⁶

In determining which potential country on the Surrogate Country Memo provides the best available information for SV purposes, the *Policy Bulletin* explains that "data quality is a critical consideration affecting surrogate country selection" and that "a country that perfectly meets the requirements of economic comparability and significant producer is not of much use as a primary surrogate if crucial factor price data from that country are inadequate or unavailable."⁷⁷ Section 773(c)(1) of the Act instructs the Department to value the FOPs based upon the best available information from an ME country, or countries, that the Department considers appropriate. When considering what constitutes the best available information, the Department considers several criteria, including whether the SV data are contemporaneous, publicly available, tax and duty exclusive, represents a broad market average, and is specific to the FOP in question.⁷⁸ The

⁷⁵ See Surrogate Country Memo.

⁷⁶ See Attachment 2; Surrogate Country Memo. The Department notes that the Philippines has both wage rate data reported under ILO Chapter 5B and ILO Chapter 6A on the record of this review. Because ILO Chapter 6A data is the Department's preferred data source, for these countries, the Department has only considered the Philippines' wage rate reported under ILO Chapter 6A, *i.e.*, \$2.41.

⁷⁷ *Id.*

⁷⁸ See, *e.g.*, *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079 (September 8, 2006) and accompanying Issues and Decision Memorandum at Comment 3.

Department's preference is to satisfy the breadth of the aforementioned selection criteria.⁷⁹

Moreover, it is the Department's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its analysis of valuing FOPs.⁸⁰ The Department must weigh the available information with respect to each FOP value and make a product-specific and case-specific decision as to what constitutes the best available SV for each FOP.⁸¹

In considering the below section of the Department's analysis of Labor Valuation, the Department considered the following questions:

- *Is the data from Bangladesh with regard to the other FOPs so superior in quality to that from any other potential surrogate that the accuracy-enhancing benefits of using such data outweigh the accuracy loss resulting from the wage rate undervaluation?*
- *Is accuracy/data quality with regard to the other FOPs more important than accuracy with regard to labor?*
- *Are there additional data from Bangladesh that Commerce could use to adjust the wage data to correct, or at least diminish or ameliorate, the likely undervaluation?*

As an initial matter, the Department is not reexamining its choice of Bangladesh as the primary surrogate country that offers the best available SVs for valuing the FOPs. This

⁷⁹ See, e.g., *Administrative Review of Certain Frozen Warmwater Shrimp from the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 51940, 51943 (August 19, 2011) and accompanying Issues and Decision Memorandum at Comment 2.

⁸⁰ See *Certain Preserved Mushrooms from the People's Republic of China: Final Results and Final Partial Rescission of the Sixth Administrative Review*, 71 FR 40477 (July 17, 2006) ("Mushrooms") and accompanying Issues and Decision Memorandum at Comment 1; see also *Freshwater Crawfish Tail Meat from the People's Republic of China; Notice of Final Results of Antidumping Duty Administrative Review, and Final Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 19546 (April 22, 2002) and accompanying Issues and Decision Memorandum at Comment 2.

⁸¹ See, e.g., *Mushrooms*, and accompanying Issues and Decision Memorandum at Comment 1.

determination is outside the scope of this remand. However, the Department will explain some of the advantages that SV data from Bangladesh offers, as discussed further below.

The Department notes the only countries from the Surrogate Country Memo for which the record contains potential SV data that cover the majority of the FOPs are Bangladesh and the Philippines.⁸² Accordingly, the Department previously considered whether the Bangladeshi SV data is superior in quality to that from the Philippines in terms of accuracy-enhancing benefits. As explained in the *Final Results*, the collective SV data from Bangladesh is superior in quality to the potential SV data the Philippines.⁸³ As explained in the *Final Results*:

There exists on the record sufficient, publicly available surrogate factor information for the majority of FOPs from Bangladesh. Moreover, the FOP which accounts for the largest portion of normal value is shrimp. As discussed below, we find that the {Bangaleshi} 2010 NACA Data is the best available information with which to value shrimp because it is publicly available, represents a broad-market average, is product-specific, contemporaneous and represents actual transaction prices.⁸⁴

In making the SV selection for the shrimp FOP, which the Department notes accounts for the majority of respondents' NV, in the *Final Results*, the Department indicated that, “{i}n past cases, the Department has found that count size-specific data is important in calculating an accurate dumping margin, and has rejected shrimp surrogate values containing a limited number of count sizes.”⁸⁵ Accordingly, in making its SV selection for the shrimp FOP, the Department found, in the *Final Results*, that “although both the {Bangladeshi} 2010 NACA Data and the {Philippines} PFDA Data contain information specific to black tiger shrimp (*penaeus monodon*),

⁸² See *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Preliminary Results, Partial Rescission, and Request for Revocation, In Part, of the Fifth Administrative Review*, 76 FR 12054 (March 4, 2011) (“*Preliminary Results*”).

⁸³ See *Final Results*, and accompanying Issues and Decision Memorandum at Comments 1 and 2.

⁸⁴ *Id.*, and accompanying Issues and Decision Memorandum at Comment 1.

⁸⁵ See, e.g., *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004) and accompanying Issues and Decision Memorandum at Comment 1; *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2; BPI Memo for Draft Results at Attachments 1-3.

the {Bangladeshi} 2010 NACA Data contains prices for five specific count sizes (20, 30, 44, 66 and 100), whereas the {Philippines} PFDA Data only contains three general count sizes (small, medium, and large).”^{86,87} As a result, the Department found that the Bangladeshi 2010 NACA Data contains more count size-specific data for the shrimp FOP, and thus is much more specific to the FOP in question than the Philippines PFDA Data.⁸⁸ The Department notes that the count size of the shrimp FOP is the third physical characteristic of the control number (“CONNUM”) out of a total of seventeen physical characteristics.⁸⁹ The Department finds that the high ranking of the count size of the shrimp FOP in the CONNUM further demonstrates how significant the proper selection of the primary FOP, shrimp, is in the accurate calculation of the respondents’ antidumping duty margin.

The Department finds, in reviewing the Bangladeshi SV data on the record of this review, that there is Bangladeshi SV data for valuing all FOPs except for two minor FOPs, by-product scrap and containerization.⁹⁰ The Department notes that by-product scrap is valued using Indonesian SV data and containerization is valued using Indian SV data.⁹¹ The Department notes that both by-product scrap and containerization are minor FOPs and valuing these FOPs with data outside the primary surrogate country does not provide accuracy-enhancing benefits to the respondents’ overall antidumping duty margins, as compared to the shrimp FOP that

⁸⁶ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2.

⁸⁷ See *Allied Pacific Food et al., vs. United States*, 716 F. Supp. 2d 1339, 1344 (CIT 2010) (stating “the record amply supports, that the value of shrimp is highly dependent on count-size” and “because the count size of shrimp is unquestionable an important consideration...”).

⁸⁸ *Id.*

⁸⁹ See Letter to Nha Tran Seaproduct Company from Scot T. Fullerton, Program Manager, Office 9, Subject: 2009-2010 Administrative Review on Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Antidumping Duty Questionnaire (August 3, 2010) at A-19.

⁹⁰ Like Bangladesh, the Department notes the record of this review contains Philippines SV data for valuing all FOPs except for three minor FOPs, by-products scrap, cold storage, and containerization.

⁹¹ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2H; Memorandum to the File, from Paul Walker, Case Analyst, Subject: Fifth Antidumping Duty Administrative Review of Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Surrogate Values for the Preliminary Results (February 28, 2011) at 10 (“Preliminary Surrogate Value Memo”).

comprises a larger portion of the respondents' NV.⁹² The Department also notes that the surrogate financial data on the record from Bangladesh for calculating the surrogate financial ratios contains multiple, usable financial statements from companies that produce identical merchandise, shrimp, and are contemporaneous with the POR.⁹³ The Department finds that the Bangladeshi financial statements are for companies, Apex and Gemini, that are both primarily shrimp processors and, therefore, share similar production experiences to that of the respondents.⁹⁴

The Department notes that there are also multiple, usable financial statements, RDEX and Bluefin, from producers of identical merchandise, shrimp, on the record from the Philippines. However, the Department finds that there is no evidence on the record that demonstrates the Philippines financial statements are superior to the Bangladesh financial statements. Additionally, as articulated by the Department in the *Final Results*, it is not the Department's practice to use financial statements outside the primary surrogate country if financial statements from companies in the primary surrogate country are available.^{95,96} The Department finds that calculation of the surrogate financial ratios using the Bangladeshi financial statements is also more integral to the accurate calculation of the respondents' antidumping margins based on the contribution of the surrogate financial ratios to the respondents' total NV, as compared to the contribution of labor.⁹⁷

⁹² See BPI Memo for Draft Results at Attachments 1-3.

⁹³ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2J.

⁹⁴ See, e.g., *See Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 75 FR 47771 (August 9, 2010) ("4th Vietnamese Shrimp AR") and accompanying Issues and Decision Memorandum at Comment 3.

⁹⁵ See, e.g., *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results of the Sixth Antidumping Duty Administrative Review and Sixth New Shipper Review*, 76 FR 15941 (March 22, 2011) ("6th Vietnamese Fish Fillets AR") and accompanying Issues and Decision Memorandum at Comment IV.

⁹⁶ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2J.

⁹⁷ See BPI Memo for Draft Results at Attachments 1-3; See *Clearon* at 13.

Under the current primary surrogate country labor methodology, it is the Department's practice to value labor using industry-specific data reported by the ILO under Chapter 6A ("ILO Chapter 6A"), which reflects all costs related to labor (*i.e.*, wages, benefits, housing, training, etc.). It is the Department's preference to value labor using ILO Chapter 6A data under the rebuttable presumption that ILO Chapter 6A data better accounts for all direct and indirect labor costs.⁹⁸ Because Bangladesh does not report labor data to the ILO, the Department is unable to use ILO's Chapter 6A data to value the respondents' labor FOP, however, the record has high quality official labor data from Bangladesh that is specific to shrimp processing industry.

The Department notes that the only data on the record for valuing labor from Bangladesh is the wage data specific to the shrimp processing industry, reported by Bangladesh's Bureau of Statistics.⁹⁹ Accordingly, while the Court suggested that the Department could potentially consider additional data from Bangladesh to correct or diminish potential undervaluation, we have not been able to find such additional data on the administrative record. Moreover, as we explained earlier in the section A, as discussed above, the record does not demonstrate that the Bangladeshi shrimp processing wage data are undervalued.¹⁰⁰ The Department finds, as explained in the *Camau I Remand Redetermination*, that the Bangladeshi wage rate is industry-specific because the wage rate is specific to the shrimp processing industry.¹⁰¹ Further, these data are publicly available, represent a broad-market average, specific to the shrimp processing industry, contemporaneous to the POR, and collected from an official Bangladeshi government source.¹⁰² Therefore, the Department finds that the Bangladeshi shrimp processing wage data are

⁹⁸ See *New Labor Methodology*, 76 FR at 36093.

⁹⁹ See Respondents' Factors Submission, (November 3, 2010) at Exhibit SV-7.

¹⁰⁰ See Attachment 1.

¹⁰¹ See *Camau I Remand Redetermination* at 16.

¹⁰² See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2I.

consistent with the Department's stated practice of selecting the best data available for SVs, pursuant to section 773(c)(1) of the Act.

The Department finds that the selection of the Bangladeshi shrimp processing wage rate as the SV for the labor FOP does not have a significant impact, as requested by the Court in the *Camau III Remand Order*, in the accurate calculation of the antidumping duty margins for the respondents' in this review.¹⁰³ The Department notes that the respondents for this review reported numerous FOPs used in the production of the subject merchandise and that labor (*i.e.*, direct labor and packing labor) constitutes only two of respondents' FOPs.¹⁰⁴ The Department finds that labor constitutes a very small portion of the respondents' total NV when labor was valued using the shrimp processing wage data from the primary surrogate country, Bangladesh, for this remand.¹⁰⁵ In comparison, the Department notes that the primary FOP, shrimp by count specific-size, when summed represents the majority of the respondents' total NV when labor is valued using the shrimp processing wage data from the primary surrogate country, Bangladesh.¹⁰⁶ Thus, when considering what data considerations have a more significant impact in the accurate calculation of the respondents' antidumping duty margins, the Department finds that it must place more weight in the SV selection of the primary FOP, count size-specific shrimp, over SV selections of other minor FOPs, such as labor¹⁰⁷, when selecting the primary surrogate country for this review.

¹⁰³ See Attachment I.

¹⁰⁴ See Memorandum to the File through Scot Fullerton, Program Manager, Office V, from Julia Hancock, Senior Case Analyst, Subject: Business Proprietary Information for Draft Results of Redetermination of Camau III (May 6, 2014) ("BPI Memo for Draft Results") at Attachments 1-3 (Camau Output, Minh Phu Output, and Nha Trang Output).

¹⁰⁵ *Id.*

¹⁰⁶ *Id.*

¹⁰⁷ The Department notes the contribution of labor to the respondents' normal value is minor for this review. However, the Department finds that the calculation of normal value is dependent on the industry under review and the contribution of labor to a respondent's normal value will vary on case-by-case basis.

The Department notes that the primary input, count size-specific shrimp, accounts for the majority of the respondents' total NV when labor is valued using either only wage data from the primary surrogate country, Bangladesh, or under the averaging methodology using in the *Camau II Remand Redetermination*.¹⁰⁸ However, as explained above in Section A in the discussion of the suitability of a simple averaging approach for valuing labor, the Department noted that such an approach would be based on an extremely limited data set (from countries listed in the Surrogate Country Memo) that would not take full account of possible wage variation. The simple averaging approach based on such small datasets, often just two data points, therefore would not necessarily produce significant accuracy-enhancing benefits. In fact, with such small datasets, often just two data points, averaging could take the calculated wage rate further away from the true mean.

Based on the above analysis, the Department finds that the Bangladeshi data, collectively, are the best data available for valuing all of the FOPs, including labor, because the collective Bangladeshi data, especially the count size-specific Bangladeshi SV for the primary FOP, shrimp, are integral in calculating accurate antidumping duty margins for the respondents. The Department finds that the selection of other Bangladeshi SVs, such as the primary FOP, count size-specific shrimp, and the surrogate financial ratios, are more important with respect to accurate calculation of the antidumping duty margins than the SV selection of labor. Accordingly, the Department finds that it should continue to value all the respondents' FOPs, including labor, using the Bangladeshi data, collectively.

¹⁰⁸ See BPI Memo for Draft Results at Attachments 1-3 and Attachments 4-6 (Camau Normal Value Calculation from Camau II Results Redetermination, Minh Phu Normal Value Calculation from Camau II Results Redetermination, and Nha Trang Normal Value Calculation from Camau II Results Redetermination).

In considering the below section of the Department's analysis of Labor Valuation, the

Department considered the following questions:

- *Is there anything about the interrelationship between the Bangladeshi data for the respective FOPs that makes the use of such data relatively more accuracy enhancing than using FOP data from another surrogate country with a GNI closer to Vietnam's?*

Although the Court suggested in the *Camau III Remand Order* that the Department might want to look outside the primary surrogate country, Bangladesh, for valuing the respondents' labor FOP, the Department finds that sourcing data from another potential surrogate country when there are available data from the primary surrogate country does not provide significant accuracy-enhancing benefits.¹⁰⁹ The Department could, as suggested by the Court, apply a best data available standard to the wage rates on the record but there is no justification to apply such a standard only to labor, which is a far less significant FOP.¹¹⁰ The Department notes that, in the *Final Results*, Petitioner requested that the Department conduct such an analysis for calculating the surrogate financial ratios by looking outside the primary surrogate country, Bangladesh, and consider the financial statements on the record from the other potential surrogate country, the Philippines.^{111,112} In the *Final Results*, the Department stated "it is not the Department's practice to use financial statements outside the primary surrogate country if financial statements from companies in the primary surrogate country are available."^{113,114} Applying a best data available standard in its SV selection for the respondents' labor FOP by looking outside the primary surrogate country would be inconsistent with the Department's normal practice for selecting the

¹⁰⁹ See Attachment 1.

¹¹⁰ See BPI Memo for Draft Results at Attachments 1-3.

¹¹¹ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2J.

¹¹² Ad Hoc Shrimp Trade Action Committee ("Petitioner").

¹¹³ See, e.g., *6th Vietnamese Fish Fillets AR*, and accompanying Issues and Decision Memorandum at Comment IV.

¹¹⁴ See *Final Results*, and accompanying Issues and Decision Memorandum at Comment 2J.

surrogate financial ratios.¹¹⁵ The financial ratios, as stated above, comprise a more significant portion of the respondents' NV than the respondents' labor FOP.¹¹⁶ Thus, the Department finds that there is no merit in looking outside the primary surrogate country, Bangladesh, for valuing labor when there is available data on the record.

The Department finds that if we chose to conduct a best data available standard for valuing the respondents' labor FOP, the Department would have to apply this standard in every case for each FOP. By conducting such a data analysis for every FOP reported by a respondent in a case, it would no longer be able to value FOPs under a primary surrogate country methodology. However, as explained in *Clearon*, the primary surrogate country methodology is the best methodology for calculating the respondent's NV because relying on data from the primary surrogate country prevents the mixing of values from secondary countries, which add distortions in the calculations.¹¹⁷ There are sound and reasonable economic reasons why the Department prefers to rely on data from the primary surrogate country. Specifically, the Department is calculating a proxy price paid in the primary surrogate country and including secondary country prices undermines and makes less accurate the calculation of what the primary surrogate country producer would pay to use the FOPs to produce the subject merchandise.¹¹⁸ Accordingly, the Department only resorts to price data outside the primary surrogate country when the record does not contain price data for that FOP from the primary surrogate country or if the price data from the primary surrogate country is found to be aberrational or unreliable.¹¹⁹ The reasons provided for looking outside the primary surrogate

¹¹⁵ See e.g., 6th *Vietnamese Fish Fillets AR*, and accompanying Issues and Decision Memorandum at Comment IV.

¹¹⁶ See BPI Memo for Draft Results at Attachments 1-3.

¹¹⁷ See *Clearon* at 6.

¹¹⁸ *Id.*, at 7.

¹¹⁹ *Id.*

country for valuing the respondents' labor FOP do not exist because there are shrimp processing wage rate data on the record from Bangladesh. Moreover, the Department finds that there is no record evidence that these wage data are aberrational or unreliable.¹²⁰

Based on this, the Department finds that there is no reason to look outside the primary surrogate country, Bangladesh, for valuing the respondents' labor FOP because, as explained above, the Bangladeshi data, in applying our methodology, are the best data available for valuing the respondents' FOPs. Furthermore, using the labor value from the primary surrogate country is the best methodology because deriving the respondents' NV using surrogate data from a primary surrogate country limits the amount of distortions introduced into the calculations.¹²¹ In addition, the Department finds that it should not make cross-border price comparisons and search for the best data available on a FOP-by-FOP basis because, as explained above, that would necessarily preclude the primary surrogate country approach. Accordingly, in conclusion, the Department will value the respondents' labor FOP using the shrimp processing wage data from the primary surrogate country, Bangladesh, for this review.

D. Calculation of Antidumping Duty Margins

Using the labor data from the primary surrogate country, Bangladesh for valuing labor for this remand redetermination, we recalculated the following margins:

¹²⁰ See *Camau I Remand Redetermination* at 19-20; for discussion on unreliability of the Bangladeshi shrimp processing wage rate, please see discussion on undervaluation in section A of the Analysis section of this remand redetermination.

¹²¹ See *Clearon* at 8.

Exporter	Amended Final Margin
<p>Camau Frozen Seafood Processing Import Export Corporation (“CAMIMEX”) aka Camimex aka Camau Seafood Factory No. 4 aka Camau Seafood Factory No. 5 aka Camau Frozen Seafood Processing Import & Export aka Camau Frozen Seafood Processing Import Export Corp. (CAMIMEX-FAC 25) aka Frozen Factory No. 4 aka</p> <p>Camau Frozen Seafood Processing Import Export Corporation</p>	0.80%
<p>Minh Phu Group: Minh Phat Seafood Co., Ltd. aka Minh Phat Seafood aka Minh Phu Seafood Export Import Corporation (and affiliates Minh Qui Seafood Co., Ltd. and Minh Phat Seafood Co., Ltd.) aka Minh Phu Seafood Corp. aka Minh Phu Seafood Corporation aka Minh Qui Seafood aka Minh Qui Seafood Co., Ltd. aka Minh Phu Seafood Pte aka Minh Phat aka Minh Qui</p>	1.15%
<p>Nha Trang Seafoods Group: Nha Trang Seaproduct Company (“Nha Trang Seafoods”) aka Nha Trang Seaproduct Company Nha Trang Seafoods aka Nha Trang Seaproduct Company Nha Trang Seafoods aka NT Seafoods Corporation (“NT Seafoods”) aka Nha Trang Seafoods – F.89 Joint Stock Company (“Nha Trang Seafoods – F.89”) aka NTSF Seafoods Joint Stock Company (“NTSF Seafoods”)</p>	<i>de minimis</i>
<p>Amanda Foods (Vietnam) Limited (“Amanda Foods”)</p>	1.03%

<p>Bac Lieu Fisheries Joint Stock Company aka Bac Lieu Fisheries Company Limited (“Bac Lieu”) aka Bac Lieu Fisheries Company Limited aka Bac Lieu Fisheries Limited Company aka Bac Lieu Fisheries Company Limited aka Bac Lieu Fis aka Bac Lieu Co. Ltd. aka Bac Lieu Fisheries aka Bac Lieu Fisheries Co. Ltd.</p>	<p>1.03%</p>
<p>C.P. Vietnam Livestock Company Limited aka C.P. Vietnam Livestock Corporation (“C.P. Vietnam”) aka C.P. Vietnam Livestock Corporation aka C.P. Vietnam Livestock Co. Ltd. Aka CP Livestock</p>	<p>1.03%</p>
<p>Cadovimex Seafood Import-Export and Processing Joint Stock Company (“CADOVIMEX-VIETNAM”) aka Cadovimex-Vietnam aka Cai Doi Vam Seafood Import-Export Company (“Cadovimex”) aka Cai Doi Vam Seafood Import-Export Company (Cadovimex) aka Cai Doi Vam Seafood aka Cai Doi Vam Seafood Im-Ex Company (Cadovimex) aka Cai Doi Vam Seafood Processing Factory aka Caidoivam Seafood Company (Cadovimex) aka Caidoivam Seafood Im-Ex Co. aka Cadovimex Seafood Import-Export and Processing Joint Stock Company aka Cai Doi Vam Seafood Import-Export Company aka Cadovimex</p>	<p>1.03%</p>
<p>Cafatex Fishery Joint Stock Corporation (“Cafatex Corp.”) aka Cafatex Fishery Joint Stock Corporation (“CAFATEX CORP.”) aka Cantho Animal Fisheries Product Processing Export Enterprise (Cafatex) aka Cafatex aka Cafatex Vietnam aka</p>	<p>1.03%</p>

<p>Xi Nghiep Che Bien Thuy Suc San Xuat Kau Cantho aka Cas aka Cas Branch aka Cafatex Saigon aka Cafatex Fishery Joint Stock Corporation aka Cafatex Corporation aka Taydo Seafood Enterprise aka Cafatex Corp. aka Cafatex Corporation</p>	
<p>Cam Ranh Seafoods Processing Enterprise Pte aka Cam Ranh Seafoods Processing Enterprise Company (“Camranh Seafoods”) aka Camranh Seafoods aka Branch of Camranh Seafoods Processing Enterprise Pte – Quang Ninh Seaproduct Factory aka Quang Ninh Seaproduct Factory (Camranh Seafoods’ Branch)</p>	1.03%
<p>CATACO Sole Member Limited Liability Company Can Tho Agricultural and Animal Products Import Export Company (“CATACO”) aka Can Tho Agricultural and Animal Product Import Export Company (“CATACO”) aka Can Tho Agricultural Products aka CATACO aka Can Tho Agricultural and Animal Products Imex Company</p>	1.03%
<p>Can Tho Import Export Fishery Limited Company (“CAFISH”)</p>	1.03%
<p>Coastal Fishery Development aka Coastal Fisheries Development Corporation (“Cofidec”) aka Coastal Fisheries Development Corporation (Cofidec) aka COFIDEC aka Coastal Fisheries Development Corporation aka Coastal Fisheries Development Co. aka Coastal Fisheries Development Corp.</p>	1.03%

<p>Cuulong Seaproducts Company (“Cuu Long Seapro”) aka Cuu Long Seaproducts Limited (“Cuulong Seapro”) aka Cuulong Seapro aka Cuulong Seaproducts Company (“Cuulong Seapro”) aka Cuu Long Seaproducts Company (“Cuu Long Seapro”) aka Cuu Long Seaproducts Company aka Cuu Long Seapro aka Cuulong Seaproducts Company (“Cuu Long Seapro”) aka Cuu Long Seaproducts Limited (Cuulong Seapro) aka Cuulong Seapro aka Cuulong Seaproduct Company aka Cuulong Seaproducts Company</p>	<p>1.03%</p>
<p>Danang Sea Products Import Export Corporation aka Danang Seaproducts Import Export Corporation (“Seaprodex Danang”) aka Danang Seaproducts Import Export Corporation aka Danang Seaproduct Import-Export Corporation aka Danang Seaproducts Import Export aka Tho Quang Seafood Processing & Export Company aka Seaprodex Danang aka Tho Quang Seafood Processing and Export Company aka Tho Quang aka Tho Quang Co.</p>	<p>1.03%</p>
<p>Grobest & I-Mei Industrial Vietnam aka Grobest aka Grobest & I-Mei Industrial (Vietnam) Co., Ltd. aka Grobest & I-Mei Industrial (Vietnam) Co., Ltd. (“Grobest”) aka Grobest & I-Mei Industry Vietnam</p>	<p>1.03%</p>
<p>Investment Commerce Fisheries Corporation (“Incomfish”) aka Incomfish aka Investment Commerce Fisheries Corp. aka Incomfish Corp. aka Incomfish Corporation aka Investment Commerce Fisheries aka Investment Commerce Fisheries Corporation aka</p>	<p>1.03%</p>

Incomfish Corporation	
Kim Anh Company Limited (“Kim Anh”)	1.03%
Minh Hai Export Frozen Seafood Processing Joint Stock Company aka Minh Hai Jostoco aka Minh Hai Export Frozen Seafood Processing Joint-Stock Company (“Minh Hai Jostoco”) aka Minh Hai Export Frozen Seafood Processing Joint Stock Company (“Minh Hai Jostoco”) aka Minh Hai Export Frozen Seafood Processing Joint-Stock Company aka Minh Hai Joint Stock Seafood Processing Joint-Stock Company aka Minh Hai Export Frozen Seafood Processing Joint-Stock Co., aka Minh-Hai Export Frozen Seafood Processing Joint-Stock Company	1.03%
Minh Hai Joint-Stock Seafoods Processing Company (“Seaprodex Minh Hai”) aka Sea Minh Hai aka Minh Hai Joint-Stock Seafoods Processing Company aka Seaprodex Minh Hai aka Seaprodex Min Hai aka Seaprodex Minh Hai (Minh Hai Joint Stock Seafoods Processing Co.) aka Seaprodex Minh Hai Factory aka Seaprodex Minh Hai Factory No. 69 aka Seaprodex Minh Hai Workshop 1 aka Seaprodex Minh Hai-Factory No. 78 aka Workshop I Seaprodex Minh Hai	1.03%
Minh Hai Sea Products Import Export Company (“Seaprimex Co”) aka Minh Hai Sea Products Import Export Company (Seaprimex Co) aka Ca Mau Seafood Joint Stock Company (“SEAPRIMEXCO”) aka Seaprimexco Vietnam aka Seaprimexco aka Ca Mau Seafood Joint Stock Company (“Seaprimexco”) aka Minh Hai Seaproducts Import Export Corporation aka	1.03%

<p>Seaprimexco aka Minh Hai Seaproducts Co Ltd. (Seaprimexco) aka Ca Mau Seafood Joint Stock Company (“Seaprimexco Vietnam”)</p>	
<p>Ngoc Sinh Private Enterprise aka Ngoc Sinh Seafoods aka Ngoc Sinh Seafoods Processing and Trading Enterprise aka Ngoc Sinh Fisheries aka Ngoc Sinh Private Enterprises aka Ngoc Sinh Seafoods Processing and Trading Enterprises aka Ngoc Sinh aka Ngoc Sinh Seafood Processing Company aka Ngoc Sinh Seafoods (Private Enterprise)</p>	1.03%
<p>Nhat Duc Co., Ltd. aka Nhat Duc Co., Ltd. (“Nhat Duc”)</p>	1.03%
<p>Nha Trang Fisheries Joint Stock Company (“Nha Trang Fisco”) aka Nha Trang Fisheries Joint Stock Company aka Nhatrang Fisheries Joint Stock Company aka Nha Trang Fisco aka Nhatrang Fisco aka Nha Trang Fisheries, Joint Stock aka Nha Trang Fisheries Joint Stock Company (Nha Trang Fisco)</p>	1.03%
<p>Phu Cuong Jostoco Seafood Corporation aka Phu Cuong Seafood Processing and Import-Export Co., Ltd. aka Phu Cuong Seafood Processing and Import Export Company Limited aka Phu Cuong Jostoco Corp.</p>	1.03%
<p>Phuong Nam Co., Ltd. (“Phuong Nam”) aka Western Seafood Processing and Exporting Factory (“Western Seafood”) aka Phuong Nam Foodstuff Corp. aka Phuong Nam Co. Ltd.</p>	1.03%

<p>Sao Ta Foods Joint Stock Company (“Fimex VN”) aka Sao Ta Foods Joint Stock Company aka Fimex VN aka Sao Ta Seafood Factory aka Saota Seafood Factory</p>	<p>1.03%</p>
<p>Soc Trang Aquatic Products and General Import Export Company (“Stapimex”) aka Soc Trang Seafood Joint Stock Company (“Stapimex”) aka Soc Trang Seafood Joint Stock Company aka Soc Trang Aquatic Products and General Import Export Company aka Stapimex aka Soc Trang Aquatic Products and General Import Export Company- (Stapimex) aka Stapimex Soc Trans Aquatic Products and General Import Export Company aka Stapmex</p>	<p>1.03%</p>
<p>Thuan Phuoc Seafoods and Trading Corporation aka Thuan Phuoc aka Frozen Seafoods Factory No. 32 aka Frozen Seafoods Fty aka Seafoods and Foodstuff Factory aka My Son Seafoods Factory aka Seafoods and Foodstuff Factory Vietnam</p>	<p>1.03%</p>
<p>UTXI Aquatic Products Processing Company aka UT XI Aquatic Products Processing Company aka UT-XI Aquatic Products Processing Company aka UTXI aka UTXI Co. Ltd. aka Khanh Loi Seafood Factory aka Hoang Phuong Seafood Factory aka UTXI Aquatic Products Processing Corporation (“UTXICO”) aka UTXI Aquatic Products Processing Corporation aka UTXICO</p>	<p>1.03%</p>

Viet Hai Seafood Co., Ltd. aka Vietnam Fish One Co., Ltd. ("Fish One") aka Viet Hai Seafoods Company Ltd. ("Vietnam Fish One Co. Ltd.")	1.03%
Vietnam-wide Entity	25.76%

III. INTERESTED PARTIES' COMMENTS

*Petitioners*¹²² *Comments*

- Do not object nor have further comments on the draft results of redetermination.

*Defendant-Intervenors*¹²³ *Comments*

- Fully support the Department's decision to value labor using data from the primary surrogate country, Bangladesh, which fully addresses the CIT's concerns outlined in the *Camau III Remand Order*.¹²⁴ This is in accordance with the CIT's decision affirming the Department's valuation of labor using data from the primary surrogate country, Bangladesh, in the subsequent, sixth administrative review of this antidumping duty order.¹²⁵

Department's Position: Because interested parties have not raised any objection to the Department's analysis, the Department continues to find that there is no reason to look outside the primary surrogate country, Bangladesh, for valuing the respondents' labor FOP because, as explained above, the Bangladeshi data, in applying our methodology, are the best data available

¹²² Ad Hoc Shrimp Trade Action Committee consists of: Nancy Edens; Papa Rod, Inc.; Carolina Seafoods; Bosarge Boats, Inc.; Knight's Seafood, Inc.; Big Grapes, Inc.; Versaggi Shrimp Co.,; and Craig Wallis (collectively known as "Petitioners").

¹²³ Camau Frozen Seafood Processing Import Export Corporation, Minh Phat Seafood Co., Ltd., Minh Phu Seafood Corporation, Minh Qui Seafood Co., Ltd., and Viet I-Mei Frozen Foods Co., Ltd. (successor-in-interest to Grobest & I-Mei Industrial (Vietnam) Co., Ltd.), (collectively, "Defendant-Intervenors").

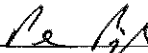
¹²⁴ See *Camau III Remand Order* at 17-18.

¹²⁵ See *Ad Hoc Shrimp Trade Action Committee v. United States*, Slip Op. 14-59 (CIT 2014).

for valuing the respondents' FOPs. Furthermore, using the labor value from the primary surrogate country is the best methodology because deriving the respondents' NV using surrogate data from a primary surrogate country limits the amount of distortions introduced into the calculations.¹²⁶ Accordingly, in conclusion, the Department will value the respondents' labor FOP using the shrimp processing wage data from the primary surrogate country, Bangladesh, for this review.

III. FINAL RESULTS OF REDETERMINATION

Pursuant to the Court's order and based on the analysis of the data available on the record, the Department finds that data from the primary surrogate country, Bangladesh, are the best available information on the record to value the labor FOP.



Paul Piquado
Assistant Secretary
for Enforcement and Compliance

27 JUNE 2014
Date

¹²⁶ See *Clearon* at 8.

Attachment I: Questions From Camau III Remand Order

- Is the data from Bangladesh with regard to the other FOPs so superior in quality to that from any other potential surrogate that the accuracy-enhancing benefits of using such data outweigh the accuracy loss resulting from the wage rate undervaluation?
- Is accuracy/data quality with regard to the other FOPs more important than accuracy with regard to labor?
- How great is the effect of an undervalued wage rate on the accuracy of the resulting dumping margin?
- How great is the administrative effort involved in analyzing data for the purpose of adjusting the Bangladeshi wage data to increase accuracy?
- Does this effort outweigh its accuracy-enhancing benefits?
- Is there anything about the interrelationship between the Bangladeshi data for the respective FOPs that makes the use of such data relatively more accuracy enhancing than using FOP data from another surrogate country with a GNI closer to Vietnam's?
- Conversely, does Commerce's inability to explain and account for the labor undervaluation suggest that perhaps another surrogate country choice may be more reasonable?
- Are there additional data from Bangladesh that Commerce could use to adjust the wage data to correct, or at least diminish or ameliorate, the likely undervaluation?

Attachment II: Wage Rates and GNIs¹²⁷

Country Name	2008 GNI*	Source	USD/HR
Bangladesh	520	National Statistics	\$0.21
Chad	540		N/A
Mali	580		N/A
Ghana	630		N/A
Cambodia	640		N/A
Haiti**	660		N/A
Benin	700		N/A
Kenya	730		N/A
Comoros	750		N/A
Lao PDR	760		N/A
Mauritania**	840		N/A
Pakistan	950	ILO 5B	\$0.33
Zambia	950		N/A
Yemen, Rep.	960		N/A
Cote d'Ivoire	980		N/A
Senegal	980		N/A
Solomon Islands	1,010		N/A
Sao Tome and Principe	1,030		N/A
India	1,040	ILO 6A	\$0.70
Papua New Guinea	1,040		N/A
Lesotho	1,060		N/A
Nicaragua	1,080	ILO 6A	\$1.22
Sudan	1,100		N/A
Djibouti	1,130		N/A
Cameroon	1,150		N/A
Nigeria	1,170		N/A
Guyana	1,450	ILO 6A	\$0.64
Bolivia	1,460		N/A
Mongolia	1,670		N/A
Honduras	1,740		N/A

¹²⁷ The GNIs from this chart are from the GNI-band that was downloaded from the World Bank's *World Bank Development Report* for the *Preliminary Results*. See *Preliminary Results*, 76 FR 12054; Preliminary Surrogate Value Memo at 6. The wage rates are all the wage rates on the record, see Attachment III; Preliminary Surrogate Value Memo at Exhibit 6 (wage data for Pakistan (2002 data at ISIC Rev. 31 "Manufacturing of Food Products"), and Sri Lanka (2008 data per hour for total population (men and women)) and *Camau II Final Remand Redetermination* at Attachment (wage data for Bangladesh, India, Nicaragua, Guyana, Indonesia, and the Philippines).

Sri Lanka	1,780	ILO 5B	\$0.45
Congo, Rep.	1,790		N/A
Egypt, Arab Rep.	1,800	ILO 5B	\$0.94
Indonesia	1,880	ILO 5B	\$0.41
Philippines	1,890	ILO 6A	\$2.41

Attachment III: Calculation of All Wage Rates from Attachment II

INTERNATIONAL LABOUR ORGANIZATION Geneva

LAORSTA Labour Statistics Database
Copyright International Labour Organisation 1998-2010

Selection: Year: 1999-2008
Country(ies): AD AE AF AG AI AL AM AN AR AS AT AU AX AZ BA BD BE BF BG BH BI BM BN BO BR BS BT BY BZ CA CC CG CF CH CL CM CN CO CR CU CV CZ DD DE DG DK DM DO DZ EC EE EG EH ER ET FF FI FJ FK FG GA GG GD GE GF GG GI GL GM GN GP GR GT GU GW GY HA HR HT HU ID IL IN IR IS IT JG JM JK KE KG KH KM KN KR KS KY KZ

Group of types: Main statistics (annual)
Table: Wages
Extracted on 10/09/2010

Table with columns: COUNTRY_CODE, COUNTRY_NAME, COU, CURR, GURNEY, SOURCE, CODE_SOURCES, ESUBJECT, CODE_SYNTYP, OF THE WORKER, C CODE WORKER, CODE SEX, TABLE, CODE_TANG, CLASSIFICATION, CODE_CLASS, CLASS, CODE SUB-DIV, D0000, D0001, D0002, D0003, D0004, D0005, D0006, D0007, D0008, NOTES. The table contains a large number of rows representing different countries and their labor statistics for wages in 1999-2008.

Table with 17 columns: Country, State, Locality, Industry, Occupation, Wage, Sex, Race, Education, Experience, Year, and Count. Rows include data for various states like Indiana, Illinois, Pennsylvania, and West Virginia, with counts ranging from 0 to 354,689.

Production workers: Figures in thousands, December.
Production workers: Figures in thousands, December.
Production workers: Figures in thousands, December.
Production workers: Figures in thousands, December.

Country	Classification Code	Sub-Classification Code	Reported Year	Earnings	NC/Hour	Currency
India*	ISIC Rev-3	15 Manufacture of Food Products and	2005	200.03	25.00375	Rupee
Philippines*	ISIC Rev-3	15 Manufacture of Food Products and	2002	79	79	Peso
Guyana	ISIC Rev-3	Total	2007	345090	118.1815068	Guyana Dollar
Nicaragua	ISIC REV-2-3	31 Manufacture of Food, Beverages a	2006	17.91	17.91	Cordoba

Sources: Chapter ILO A Data

*Letter from Picard Kentz & Rowe, "Domestic Producers' Surrogate Value Submission," (March 24, 2011) at Attachment 3.

1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Tanzania	IFS	73864..ZF...	CPI:URBAN AREAS-ALL FAMILIES	86.3	90.9	95.2	100.0	107.3	114.8	126.6	142.0	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Swaziland	IFS	73464..ZF...	CPI	86.0	92.3	95.4	100.0	105.3	115.3	130.749	140.3	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Sudan	IFS	73264..ZF...	CPI: GREATER KHARTOUM MED SAL	78.9	85.0	92.2	100.0	107.2	115.747	132.3	147.2	n.a.
2.00E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Namibia	IFS	72864..ZF...	CONSUMER PRICE INDEX	87.6	93.9	97.8	100.0	105.1	112.1	123.7	134.6	n.a.
2.01E+03	2.01E+03	2.01E+07	Stock	1.00E+00	Index number	Units	Sierra Leone	IFS	72464..ZF...	CONSUMER PRICE INDEX	n.a.	n.a.	n.a.	n.a.	100.0	111.5	131.0	n.a.	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Senegal	IFS	72264..ZF...	CPI: DAKAR: ALL AFRICANS	97.9	97.8	98.3	100.0	102.1	108.1	114.3	113.1	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Seychelles	IFS	71864..ZF...	CPI:ALL INCOME LEVELS	92.4	95.4	99.1	100.0	99.6465	104.9	143.8	189.4	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Nigeria	IFS	69464..ZF...	CPI:ALL INC. IN URBAN/RURAL AREAS	64.7	73.8	84.6	100.0	108.2	114.1	127.3	141.956	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Mozambique	IFS	68864..ZF...	CONSUMER PRICE INDEX	73.0	82.8	93.3	100	113.2	122.5	135.1	139.5	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Morocco	IFS	68664..ZF...	CPI:8MAJOR CITIES LOW INC.	96.4	97.6	99.0	100.0	103.3	105.394	109.3	110.4	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Mauritius	IFS	68464..ZF...	CPI MAIN ISLAND L.T. 6000RUP.	87.6	91.0	95.2911	100.0	108.9	118.5	130.1	133.4	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Mali	IFS	67864..ZF...	CONSUMER PRICES 2005=100	98.3	97.0	94.0	100.0	101.5	103.0	112.4	114.8	n.a.
1.98E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Malawi	IFS	67664..ZF...	CPI:COMPOSITE 2005=100	71.0	77.8	86.6	100.0	114.0	123.0	133.8	145.0	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Madagascar	IFS	67464..ZF...	CPI CAPITAL CITY	75.1	74.1	84.4	100.0	110.8	122.2	133.5	145.4	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Lesotho	IFS	66664..ZF...	CONSUMER PRICE INDEX	86.3	92.1	96.7	100.0	106.0	114.6	126.8	135.9	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Guinea-Bissau	IFS	65464..ZF...	CONSUMER PRICE INDEX:2005=100	99.4	95.9	96.8	100.0	102.0	106.7	117.8	115.9	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Ghana	IFS	65264..ZF...	CPI NATIONAL	60.9	77.1	86.9	100.0	110.915	122.8	143.1	170.7	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Gambia, The	IFS	64864..ZF...	CPI LOW INC. BANJUL&KOMBO	71.4	83.5	95.4	100.0	102.056	107.5	112.3	117.4	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Ethiopia	IFS	64464..ZF...	CPI: ADDIS ABABA(EXCL. RENT)	73.7	86.8	89.6	100	112.3	131.7	190.1	206.2	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Equatorial Guinea	IFS	64264..ZF...	CONSUMER PRICES	84.6	90.8	94.7	100.0	104.4	107.3	114.4	n.a.	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Congo, Dem. Rep. of	IFS	63664..ZF...	CPI KINSHASA ALL INCOME	70.2	79.3	82.4	100.0	113.1	132.2	155.1	n.a.	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Congo, Republic of	IFS	63464..ZF...	CPI:BRAZZAVILLE-EUROPEAN FAM.	95.3	94.7	97.0	100.0	106.5	109.4	117.4	123.3	n.a.
1.98E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Chad	IFS	62864..ZF...	CONSUMER PRICES	99.7	97.9	92.7	100.0	108.0	98.3	108.5	119.3	n.a.
1.98E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Central African Rep.	IFS	62664..ZF...	CONSUMER PRICES	95.3	99.2	97.2	100.0	106.7	107.7	117.7	121.8	n.a.
1.98E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Cape Verde	IFS	62464..ZF...	CONSUMER PRICES (CAPITAL CITY)	100.3	101.5	99.6	100.0	105.369	110.0	117.5	118.6	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Cameroon	IFS	62264..ZF...	CPI:YAOUNDE-MIDDLE CLASS AFR.	97.2	97.8	98.0	100.0	105.1	106.1	111.7	115.2	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Burundi	IFS	61864..ZF...	CPI: BIJUMBURA HOUSEHOLD	73.7	81.7	88.1	100.0	102.8	111.4	138.2	153.4	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Botswana	IFS	61664..ZF...	CPI ALL INC.GRP.URB.&SEMIURB.	78.8	86.1	92.0724	100.0	111.6	119.5	134.6	145.4	n.a.
1.99E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Angola	IFS	61464..ZF...	CPI, LUANDA, 2005 = 100	28.6	56.7	81.3	100.0	113.3	127.2	143.0	162.7	n.a.
1.97E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Algeria	IFS	61264..ZF...	CPI CAPITAL CITY	92.6	95.0	98.4	100.0	102.5	106.1	110.858	117.2	n.a.
1.98E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Djibouti	IFS	61164..ZF...	CONSUMER PRICES	92.2	94.1	97.0	100.0	103.5	108.6	121.6	123.7	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Sub-Saharan Africa	IFS	60364..ZF...	CPI	76.3	84.9	91.5	100.0	107.6	115.9	133.4	146.061	n.a.
2.00E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Vietnam	IFS	58264..ZF...	CONSUMER PRICES 2005=100	83.0288	85.7	92.4	100.0	107.4	116.3	143.2	153.289	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Thailand	IFS	57864..ZF...	CPI: URBAN	91.4	93.1	95.7	100.0	104.6	107.0	112.8	111.9	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Singapore	IFS	57664..ZF...	CPI	97.5	97.9	99.5767	100.0	101.0	103.1	109.861	110.524	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Philippines	IFS	56664..ZF...	CPI:ALL INC HHLDLS-459 ITEMS	84.7	87.7	92.9	100.0	106.2	109.2	119.4	123.3	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Pakistan	IFS	56464..ZF...	CPI:12MAJOR CITIES ALL INC.	82.9	85.3	91.7	100.0	107.9	116.1	139.7	158.7	n.a.
1.96E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Nepal	IFS	55864..ZF...	CPI: NATIONAL URBAN	86.1	91.0	93.6	100.0	107.6	114.1	126.6	141.3	n.a.
2.01E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Maldives	IFS	55664..ZF...	CONSUMER PRICES NATIONAL	n.a.	n.a.	n.a.	100.0	103.6	111.1	124.7	129.7	n.a.
1.95E+03	2.01E+03	2.01E+07	Average	1.00E+00	Index number	Units	Malaysia	IFS	54864..ZF...	CPI PENINSULAR MALAYSIA	94.7	95.7	97.1243	100.0	103.6	105.7	111.5	112.1	n.a.

Calculation of All Wage Data on Record

Country	Reported Year	Earnings	NC/Hour	CPI Base Yea	CPI 2009	CPI Inflatior	Inflated	xchange Rate NC/U	USD/Hour	GNI	GTA Export Statistics by Value: warmwater shrimp, 0306.13.00.03, 0306.13.00.06, 0306.13.00.09, 0306.13.00.12, 0306.13.00.15, 0306.13.00.18, 0306.13.00		
											2007	2008	2009
											Bangladesh	2009	14.55
Egypt	2007	173	3,931,818	117.7	155.6	1.3223512	5.20	5.544550	\$0.94	1800	39251	0	
Guyana	2007	345090	118,1815	119.7	133.2	1.1125054	131.48	203.950000	\$0.64	1450	37,196,861	39,556,168	
India	2005	200.03	25,00375	100.0	135.2	1.35204	33.81	48.405300	\$0.70	1040	957,173,237	839,256,061	829,938,202
Indonesia	2008	775891.5	4041,101	132.4	140.9	1.0638128	4298.98	10389.900000	\$0.41	1880	931,802,786	1,044,282,575	938,616,908
Nicaragua	2006	17.91	17.91	109.1	150.7	1.3806945	24.73	20.339500	\$1.22	1080	45,761,221	49,882,192	46,222,669
Pakistan	2002	2865.91	14,04858	82.9	158.7	1.9143781	26.89	81.712900	\$0.33	950	27042595	31228820	
Philippines	2002	79	79	84.7	123.3	1.45455	114.91	47.679700	\$2.41	1890	72,608,407	67,250,877	54,763,636
Sri Lanka	2008	49.88	49.88	156.208	160.909	1.030094	51.38111313	114.945	0.447006	1780	18465795	9668616	12290269

Country Name	2008 GNI*
Bangladesh	520
Chad	540
Mali	580
Ghana	630
Cambodia	640
Haiti**	660
Benin	700
Kenya	730
Comoros	750
Lao PDR	760
Mauritania**	840
Pakistan	950
Zambia	950
Yemen, Rep.	960
Cote d'Ivoire	980
Senegal	980
Solomon Islands	1010
Sao Tome and Principe	1030
India	1040
Papua New Guinea	1040
Lesotho	1060
Nicaragua	1080
Sudan	1100
Djibouti	1130
Cameroon	1150
Nigeria	1170
Guyana	1450
Bolivia	1460
Mongolia	1670
Honduras	1740
Sri Lanka	1780
Congo, Rep.	1790
Egypt, Arab Rep.	1800
Indonesia	1880
Philippines	1890

*2008 GNI per capita, Atlas Method (current US dollars), as reported by the World Bank.

**GNI data for Haiti and Mauritania was obtained from the World Bank's World Development Report for 2008.