



A-570-863
Sunset Review
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March 5, 2018

MEMORANDUM TO: Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

FROM: James Maeder
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations
performing the duties of Deputy Assistant Secretary for
Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Expedited Third Sunset
Review of the Antidumping Duty Order on Honey from the
People's Republic of China

I. Summary

We have analyzed the response of the interested parties in the sunset review of the antidumping duty order covering honey from the People's Republic of China (China). We recommend that you approve the positions described in the *Discussion of the Issues* section of this memorandum. Below is the complete list of the issues in this sunset review for which we received a substantive response:

1. Likelihood of the continuation or recurrence of dumping: and
2. Magnitude of the margin of dumping likely to prevail.

II. Background

On November 1, 2017, the Department of Commerce (Commerce) published the notice of initiation of the third sunset review of the antidumping duty order on honey from China, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).¹ Commerce received a notice of intent to participate from the American Honey Producers Association and the Sioux Honey Association (collectively, the petitioners) as domestic interested parties, within the deadline specified in 19 CFR 351.218(d)(1)(i).² The petitioners claimed interested party status under

¹ See *Initiation of Five-Year (Sunset) Reviews*, 82 FR 50612 (November 1, 2017) (*Notice of Initiation*).

² See Petitioners' Letter, "Honey from the People's Republic of China: Petitioners' Notice of Intent to Participate," dated November 13, 2017.

section 771(9)(E) of the Act, as a trade association whose members are engaged in the business of producing honey in the United States.

Commerce received a complete substantive response to the *Notice of Initiation* from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).³ We received no substantive responses from respondent interested parties with respect to the order covered by this sunset review, nor was a hearing requested. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce is conducting an expedited (120-day) sunset review of the antidumping duty order on honey from China. The order on honey from China remain in effect for all manufacturers, producers, and exporters of the subject merchandise.

III. Scope of the Order

The merchandise subject to this order are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey.

The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form

The subject merchandise is currently classifiable under subheadings 0409.00.00, 1702.90.90, 2106.90.99, 0409.00.0010, 0409.00.0035, 0409.00.0005, 0409.00.0045, 0409.00.0056, and 0409.00.0065 of the Harmonized Tariff Schedule of the United States (HTSUS).⁴ Although the HTSUS subheadings are provided for convenience and customs purposes, {Commerce}'s written description of the merchandise under the order is dispositive.⁵

IV. History of the Order

Commerce published its original final affirmative determination of sales at less than fair value (LTFV) in the *Federal Register* with respect to imports of honey from China,⁶ finding the following weighted-average dumping margins:

<u>Company</u>	<u>Weighted-Average Margin (Percent)</u>
Inner Mongolia Autonomous Region Native Produce and Animal By-Products Import and Export Corporation (Inner Mongolia)	57.13
Kunshan Foreign Trading Company (Kunshan)	49.75

³ See Petitioners' Letter, "Five-Year (Sunset) Reviews of the Antidumping Duty Order on Honey from the People's Republic of China – Petitioners' Substantive Response," dated December 1, 2017 (Petitioners' Substantive Response).

⁴ Prior to January 2012, subject merchandise was classified under the following HTS subheadings: 0409.00.0025, 0409.00.0042, 0409.00.0044, 0409.00.0062, and 0409.00.0064.

⁵ See *Honey from the People's Republic of China: Continuation of Antidumping Order*, 77 FR 74173 (December 13, 2012) (2nd Continuation Order).

⁶ See *Notice of Final Determination of Sales at Less Than Fair Value; Honey from the People's Republic of China*, 66 FR 50608 (October 4, 2001) (*Honey Final*).

Zhejiang Native Produce and Animal and Export Corporation (Zhejiang)	25.88
High Hope International Group Jiangsu Foodstuffs Import and Export Corporation (High Hope)	45.51
Shanghai Eswell Enterprise Company Ltd. (Shanghai Eswell)	45.51
Anhui Native Produce Import and Export Corporation (Anhui Native)	45.51
Henan Native Produce Import and Export Corporation (Henan)	45.51
China-wide Rate	183.80

Commerce later published in the *Federal Register* an amended final determination of sales at LTFV and the antidumping duty order with respect to imports of honey from China, with the following weighted-average dumping margins:⁷

<u>Company</u>	<u>Weighted-Average Margin (Percent)</u>
Inner Mongolia	57.13
Kunshan	49.60
Zhejiang	25.88
High Hope	45.46
Shanghai Eswell	45.46
Anhui Native	45.46
Henan	45.46
China-wide Rate	183.80

⁷ See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Honey from the People's Republic of China, 66 FR 63670 (December 10, 2001) (*LTFV Amended Final and Order*).

Since the publication of the antidumping duty order, Commerce has conducted 15 administrative reviews⁸ and 13 new shipper reviews⁹ of the antidumping duty order on honey from China. In the completed administrative reviews, Commerce found that the producers/exporters continued to dump subject merchandise at levels above *de minimis* with the order in place.

⁸ See *Honey from the People's Republic of China: Amended Final Results of First Antidumping Duty Administrative Review*, 69 FR 32494 (June 10, 2004), see also *Honey from the People's Republic of China: Notice of Court Decision Not in Harmony with Final Results of Review and Notice of Amended Final Results of Review Pursuant to Court Decision*, 82 FR 29840 (June 30, 2017); *Honey from the People's Republic of China: Final Results and Final Rescission In Part, of Antidumping Duty Administrative Review*, 70 FR 38872 (July 6, 2005), see also *Honey from the People's Republic of China: Notice of Amended Final Results Pursuant to Final Court Decision*, 75 FR 19357 (April 14, 2010); *Honey from the People's Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review*, 71 FR 34893 (June 16, 2006), see also *Notice of Correction to the Final Results of the Third Administrative Review of Honey from the People's Republic of China*, 71 FR 40991 (July 19, 2006); *Honey from the People's Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review*, 72 FR 37715 (July 11, 2007); *Honey from the People's Republic of China: Final Results and Rescission, In Part, of Aligned Antidumping Duty Administrative Review and New Shipper Review*, 73 FR 42321 (July 21, 2008) (*Fifth AR and Tenth NSR*); *Honey from the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 796 (January 8, 2009) (*Honey AR6*); *Administrative Review of Honey from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Rescission of Review, In Part*, 75 FR 24880 (May 6, 2010); *Honey from the People's Republic of China: Notice of Rescission of Antidumping Duty Administrative Review*, 75 FR 16752 (April 2, 2010); *Honey from the People's Republic of China: Final Rescission of Antidumping Duty Administrative Review*, 77 FR 34343 (June 11, 2012); *Administrative Review of Honey from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 77 FR 70417 (November 26, 2012); *Honey from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012*, 78 FR 56860 (September 16, 2013) (*Honey AR11*); *Honey from the People's Republic of China: Final Results of the Antidumping Duty Administrative Review; 2012-2013*, 80 FR 27633 (May 14, 2015) (*Honey AR12*); *Honey from the People's Republic of China: Rescission of Antidumping Duty Administrative Review; 2013-2014*, 80 FR 17717 (April 2, 2015) (*Honey NSR13*); *Honey from the People's Republic of China: Rescission of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 22049 (April 14, 2016) (*Honey NSR14*); *Honey from the People's Republic of China: Final Rescission of the New Shipper Review and Final Results of the Administrative Review; 2015-2016*, 83 FR 1015 (January 9, 2018) (*Honey NSR/AR15*).

⁹ *Notice of Final Results of Antidumping Duty New Shipper Review: Honey from the People's Republic of China*, 68 FR 62053 (October 31, 2003), see also *Honey from the People's Republic of China: Amended Final Results of Antidumping Duty New Shipper Review*, 71 FR 4894 (January 30, 2006); *Notice of Final Results of Antidumping Duty New Shipper Review: Honey from the People's Republic of China*, 69 FR 24128 (May 3, 2004); *Honey from the People's Republic of China; Notice of Final Results and Final Rescission, In Part, of Antidumping Duty New Shipper Review*, 69 FR 64029 (November 3, 2004); *Honey from the People's Republic of China; Notice of Final Results of Antidumping Duty New Shipper Reviews*, 70 FR 9271 (February 25, 2005); *Honey from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 70 FR 7714 (February 15, 2005); *Notice of Rescission of Antidumping Duty New Shipper Review: Honey from the People's Republic of China*, 70 FR 59031 (October 11, 2005); *Honey from the People's Republic of China: Rescission and Final Results of Antidumping Duty New Shipper Reviews*, 71 FR 58579 (October 4, 2006); *Honey from the People's Republic of China: Final Results and Rescission, In Part, of Antidumping Duty New Shipper Review*, 72 FR 37713 (July 11, 2007); *Honey from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 72 FR 67702 (November 30, 2007); *Fifth AR and Tenth NSR*; *Honey from the People's Republic of China: Final Results and Rescission of Antidumping Duty New Shipper Reviews*, 76 FR 4289 (January 25, 2011); *Honey from the People's Republic of China: Final Rescission of the New Shipper Review of Shanghai Sunbeauty Trading Co., Ltd.*, 82 FR 15697 (March 30, 2017) (*Sunbeauty NSR*); *Honey NSR/AR15*.

Since the publication of the antidumping duty order, Commerce has completed two sunset reviews of the antidumping duty order on honey from China. In the completed sunset reviews, Commerce determined that revocation of the order would likely lead to a continuation or recurrence of dumping at the same rates established in the amended final affirmative determination in the original investigation.¹⁰ Commerce published notices for the continuation of the antidumping duty order on honey from China following the results of each sunset review.¹¹

Duty Absorption, Changed Circumstances Reviews, and Scope Rulings

There have been no duty-absorption findings in administrative reviews of this order.

Commerce conducted an anticircumvention inquiry regarding the scope at the request of the petitioners. Commerce issued an affirmative determination on the circumvention of the antidumping duty order on honey from China.¹² Specifically, Commerce found that blends of honey and rice syrup, regardless of the percentage of honey they contain, are circumventing the antidumping duty order on honey from China and are within the scope of the order.¹³

There have been no changed-circumstances reviews with respect to the order on honey from China.

V. Legal Framework

In accordance with section 751(c)(1) of the Act, Commerce is conducting this sunset review to determine whether revocation of the antidumping duty order would be likely to lead to a continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, Commerce shall consider both the weighted-average dumping margin determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the periods before, and the periods after, the issuance of the antidumping duty order.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action, H.R. Doc. 103-316, vol. 1 (1994), reprinted in 1994 U.S.C.C.A.N. 4040, 4178 (SAA), the House Report, H. Rep. No.

¹⁰ See *Honey from Argentina and the People's Republic of China; Final Results of the Expedited Five-Year (Sunset) Reviews of Antidumping Duty Orders*, 72 FR 10150 (March 7, 2007), and accompanying Issues and Decision Memorandum (IDM); *Honey from the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order*, 77 FR 59896 (October 1, 2012) (*Honey China Second Expedited Sunset Review*) and accompanying IDM (*Honey Second Sunset IDM*).

¹¹ See *Continuation of Antidumping Duty Orders on Honey from Argentina and the People's Republic of China, and Continuation of Countervailing Duty Order on Honey from Argentina*, 72 FR 42384 (August 2, 2007); 2nd Continuation Order.

¹² See *Honey from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 77 FR 50464 (August 21, 2012).

¹³ *Id.*

103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), Commerce's determination of likelihood will be made on an order-wide, rather than company-specific, basis.¹⁴ In addition, Commerce normally determines that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping when, among other scenarios: (a) dumping continued at any level above *de minimis* after the issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.¹⁵

In addition, as a base period of import volume comparison, it is Commerce's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew the comparison.¹⁶ Also, when analyzing import volumes for second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.¹⁷

Further, section 752(c)(3) of the Act states that Commerce shall provide to the International Trade Commission (ITC) the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, Commerce selects the dumping margin(s) from the final determination in the original investigation, as these rates are the only calculated rates that reflect the behavior of exporters without the discipline of an order in place.¹⁸ However, in certain circumstances, a more recently calculated rate may be more appropriate (*e.g.*, "if dumping margins have declined over the life of an order and imports have remained steady or increased, {Commerce} may conclude that exporters are likely to continue dumping at the lower rates found in a more recent review").¹⁹

In February 2012, Commerce announced it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the methodology found to be WTO-inconsistent (*i.e.*, zeroing/the denial of offsets).²⁰ In the *Final*

¹⁴ See SAA at 879 and House Report at 56.

¹⁵ See SAA at 889-90, House Report at 63-64, and Senate Report at 52. See also *Policies Regarding the Conduct of Five-Year (Sunset) Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin 98.3*, 63 FR 18871, 18872 (April 16, 1998) (*Sunset Policy Bulletin*).

¹⁶ See, *e.g.*, *Stainless Steel Bar from Germany*; *Final Results of the Sunset Review of the Antidumping Duty Order*, 72 FR 56985 (October 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

¹⁷ See *Ferrovaniadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 79 FR 14216 (March 13, 2014) and accompanying Issues and Decision Memorandum.

¹⁸ See SAA at 890; see also *Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order*, 73 FR 11868 (March 5, 2008) (*Persulfates Second Sunset Review*), and accompanying Issues and Decision Memorandum at Comment 2.

¹⁹ See SAA at 890-91.

²⁰ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101, 8103 (February 14, 2012) (*Final Modification for Reviews*).

Modification for Reviews, Commerce stated that “only in the most extraordinary circumstances” would it rely on margins other than those calculated and published in prior determinations.²¹ Commerce further stated that apart from the “most extraordinary circumstances,” it would “limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTO-inconsistent” and that it “may also rely on past dumping margins that were not affected by the WTO-inconsistent methodology, such as dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available, and dumping margins where no offsets were denied because all comparison results were positive.”²²

Pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or *de minimis* shall not by itself require Commerce to determine that revocation of an antidumping duty order would not be likely to lead to a continuation or recurrence of sales at LTFV.²³

VI. Discussion of the Issues

1. Likelihood of Continuation or Recurrence of Dumping

Domestic Interested Parties

- The domestic interested parties believe that revocation of this antidumping duty order would likely lead to a continuation or recurrence of dumping by the manufacturers/producers and exporters of the subject merchandise, as well as material injury to the U.S. industry.²⁴
- With respect to the volume of exports, the domestic interested parties assert that the imposition of the order has had a dramatic impact on the volume of imports of honey from producers and exporters. The domestic interested parties point to record history of the order to demonstrate that the discipline of the order has forced foreign producers of subject merchandise to significantly reduce their volume of sales to the United States.²⁵
- Citing to Commerce’s *Sunset Policy Bulletin*, the domestic interested parties conclude that Commerce should determine that revocation of an antidumping duty order is inappropriate where dumping continued at any level above *de minimis* after the issuance of the order.²⁶ In sum, the domestic interested parties argue that record evidence strongly supports the conclusion that dumping of honey by producers, manufacturers, and exporters from China would be likely to continue or recur if the order were to be revoked.

Commerce Position: As explained in the Legal Framework section above, when determining whether revocation of the order would be likely to lead to continuation of dumping, sections

²¹ *Id.*

²² *Id.*

²³ See *Folding Gift Boxes from the People’s Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

²⁴ See Petitioners’ Substantive Response.

²⁵ *Id.*

²⁶ See *Sunset Policy Bulletin*.

752(c)(1)(A) and (B) of the Act instruct Commerce to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping duty order. According to the SAA, existence of dumping margins after the order “is highly probative of the likelihood of continuation or recurrence of dumping. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed. If imports cease after the order is issued, it is reasonable to assume that the exporters could not sell in the United States without dumping and that, to reenter the U.S. market, they would have to resume dumping.”²⁷ In addition, “declining import volumes accompanied by the continued existence of dumping margins after the issuance of the order may provide a strong indication that, absent an order, dumping would be likely to continue, because the evidence would indicate that the exporter needs to dump to sell at pre-order volumes.”²⁸

Alternatively, the legislative history provides that declining (or no) dumping margins accompanied by steady or increasing imports may indicate that foreign companies do not have to dump to maintain market share in the United States and that dumping is less likely to continue or recur if the order were revoked.²⁹

Commerce examined the weighted-average dumping margins in effect to determine whether dumping continued at above *de minimis* levels during the sunset review period. Commerce has completed three administrative reviews covering this third sunset review period³⁰ and rescinded two administrative reviews covering the sunset review period.³¹ In each of the completed segments, *Honey AR11*, *Honey AR12*, and *Honey NSR/AR15*, Commerce determined that mandatory respondents were ineligible for a separate rate and should be assigned the China-wide rate.³² In addition, Commerce has conducted two new shipper reviews covering the third sunset review period, each of which were rescinded and the exporters’ rate continued to be the China-wide rate.³³ Accordingly, Commerce found that during the third sunset review period producers/exporters continued to dump at levels above *de minimis*. The rate assigned to the China-wide entity during the third sunset review period, as total adverse facts available, is based on the weighted-average dumping margin calculated for Anhui Native Produce Import & Export Corporation (Anhui Native) in *Honey AR6*.³⁴ As explained in the Honey Second Sunset IDM,

²⁷ See SAA at 890.

²⁸ *Id.* at 889, the House Report at 63, and the Senate Report at 52.

²⁹ See SAA at 889-90, House Report at 63, and Senate Report at 52.

³⁰ See *Honey AR11*; *Honey AR12*; *Honey NSR/AR15*.

³¹ See *Honey NSR13*; *Honey NSR14*.

³² See *Honey AR11*, *Honey AR12*, and *Honey AR15*.

³³ See *Sunbeauty NSR*. Shanghai Sunbeauty has appealed Commerce’s final rescission to the Court of International Trade and the appeal is currently ongoing. See *Shanghai Sunbeauty Trading Co. v. United States*, Ct. No. 17-00089.); see also *Honey NSR/AR15*.

³⁴ See *Honey AR12*, *Honey AR11*, *Honey AR6*, *Honey NSR/AR15* and *Sixth Administrative Review of Honey from the People’s Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 73 FR 66221, 66224 (November 7, 2008) (“Corroboration of this rate is not required because this rate is

although the rate for Anhui Native in *Honey AR6* was calculated using the zeroing methodology, because none of the transaction-specific margins were negative, no denial of offsets occurred;³⁵ we have received no information in this third sunset review which contradicts this finding. Moreover, this rate has not been the subject of any litigation. Accordingly, in accordance with the *Final Modification for Reviews*, Commerce did not rely on weighted-average dumping margins that were calculated using a WTO-inconsistent methodology in examining any rates during this third sunset period.³⁶

As noted above, when analyzing import volumes for the second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation, to import volumes since the issuance of the last continuation notice. The last continuation notice for this sunset review was issued in December 13, 2012.³⁷ Therefore, for this sunset review we examined import volumes prior to the initiation of the antidumping duty investigation as compared to import volumes during the third sunset review period (*i.e.*, 2012-2016).³⁸ In the year before the filing of the petition (*i.e.*, 1999), imports of honey from China totaled 50.99 million pounds.³⁹ During the review period from 2012 – 2016, imports of honey from China remained below pre-order levels, fluctuating from zero pounds to 326,295 pounds.⁴⁰ During the third sunset review period, honey imports from China averaged only 142,966 pounds, or just 0.28 percent of the pre-petition level.⁴¹

Based on the foregoing, import statistics for the relevant period show that imports of honey from China remain well below pre-initiation levels.⁴² Additionally, Commerce conducted 15 administrative reviews of the antidumping duty order on honey from China, including three reviews during the third sunset period, and found that the producers/exporters continued to dump at levels above *de minimis*. Given that Commerce has continued to find dumping margins at levels above *de minimis* and imports of honey from China have declined significantly after the imposition of the order, we determine, pursuant to section 752(c)(1) of the Act, that dumping is likely to continue or recur if the order were revoked.

2. Magnitude of the Margins of Dumping Likely to Prevail

Domestic Interested Parties

- The domestic interested parties request that Commerce report to the ITC the dumping margins that were determined in the investigation, as amended and in accordance with the

based on, and calculated from, information submitted by Anhui Native in the course of this administrative review, *i.e.*, it is not secondary information.”)

³⁵ See *Honey Second Sunset IDM* at “Likelihood of Continuation or Recurrence of Dumping.”

³⁶ See *Honey China Second Expedited Sunset Review IDM* at Comment 2.

³⁷ See *2nd Continuation Order*.

³⁸ See Petitioners’ Substantive Response at 50.

³⁹ *Id.* at Attachment 2.

⁴⁰ *Id.* at 50 and Attachment 2.

⁴¹ *Id.*

⁴² See Petitioners’ Substantive Response at 50-52.

Sunset Policy Bulletin, as the magnitude of the margin of dumping likely to prevail if the finding were revoked. The rate is set forth in the “History of the Order” section, above.

Commerce Position: Pursuant to section 752(c)(3) of the Act, the administering authority shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if the order were revoked. Normally, Commerce will select a weighted-average dumping margin from the investigation to report to the ITC.⁴³ Commerce’s preference is to select a weighted-average dumping margin from the LTFV investigation because it is the only calculated rate that reflects the behavior of the producers and exporters without the discipline of an order or suspension agreement in place.⁴⁴ Under certain circumstances, however, Commerce may select a more recent rate to report to the ITC. Finally, as explained above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted average dumping margins that were calculated using the methodology found to be WTO-inconsistent.⁴⁵

In the Honey Second Sunset IDM, Commerce relied on the rates from the *LTFV Amended Final and Order* to demonstrate a likelihood of continuation or recurrence of dumping because, *inter alia*, they are the only calculated rates that reflect the behavior of exporters without the discipline of an order in place.⁴⁶ Furthermore, Commerce determined that the margins calculated in the investigation were calculated without zeroing and are, therefore, consistent with the *Final Modification for Reviews*.⁴⁷ We have received no information in this third sunset review to contradict these findings.

Given that dumping continued following the issuance of the order and given the absence of argument and evidence to the contrary, Commerce finds that the margins calculated in the original investigation are probative of the behavior of producers and exporters of subject merchandise from China if this order were revoked. Consistent with section 752(c) of the Act, Commerce will report to the ITC the margin up to the highest rate from the investigation concerning subject merchandise from China as indicated in the “Final Results of Sunset Review” section of this memorandum.

VII. Final Results of Sunset Review

We determine that revocation of the antidumping duty order on honey from China would likely lead to continuation or recurrence of dumping, and that the magnitude of the dumping margin likely to prevail would be weighted-average margins up to 183.80 percent.

⁴³ See SAA at 890; see also, e.g., *Persulfates Second Sunset Review* 73 FR 11868 (March 5, 2008), and accompanying Issues and Decision Memorandum at Comment 2.

⁴⁴ See *Eveready Battery Company v. United States*, 77 F. Supp. 2d 1327, 1333 (CIT 1999); see also SAA at 890.

⁴⁵ See *Final Modification for Reviews*, 77 FR at 8103.

⁴⁶ See *Honey China Second Expedited Sunset Review IDM* at 5.

⁴⁷ *Id.* at 6.

VIII. Recommendation

Based on our analysis of the responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish this final result of review in the *Federal Register*.

Agree

Disagree

3/5/2018

X



Signed by: GARY TAVERMAN

Gary Taverman

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance