the Tariff Act: (1) The cash deposit rate for the reviewed company will be zero; (2) for previously reviewed or investigated companies not listed above, the rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate of 8.10 percent, the ''all others'' rate established in the LTFV investigation. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final reminder to importers of their responsibility under 19 CFR § 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and subsequent assessment of double antidumping duties.

Notification of Interested Parties

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR § 353.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. This administrative review and notice are in accordance with Section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: April 1, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–8953 Filed 4–7–97; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–351–820]

Notice of Preliminary Results of Antidumping Duty Administrative Review: Ferrosilicon From Brazil

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

EFFECTIVE DATE: April 8, 1997.

FOR FURTHER INFORMATION CONTACT: Jennifer Katt or Sal Tauhidi, AD/CVD Enforcement Group II, Office Four, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–0498 or (202) 482–4851, respectively.

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are references to the provisions effective January 1, 1995, the effective date of the amendments to the Act by the Uruguay Round Agreements Act (URAA).

Preliminary Results

We preliminarily determine that sales of ferrosilicon from Brazil have been made below normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs to assess antidumping duties on all appropriate entries.

Case History

On March 4, 1996 (61 FR 8238), the Department of Commerce (the Department) published in the **Federal Register** a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on Ferrosilicon from Brazil covering the period March 1, 1995, through February 29, 1996. In accordance with 19 CFR 353.22(a)(2), in March 1996, Companhia Brasileira Carbureto De Calcio (CBCC) and Companhia Ferroligas Minas Gerais (Minasligas) (collectively the respondents) requested that the Department conduct an administrative review of their shipments of ferrosilicon to the United States during this period. On April 25, 1996, the Department published a notice of initiation of administrative review (61 FR 18379). The Department is now conducting this administrative review in accordance with section 751 of the Act.

On May 8, 1996, the Department issued an antidumping duty questionnaire to CBCC and Minasligas. This questionnaire instructed the respondents to respond to sections A (corporate structure, accounting practices, markets and merchandise), B (home market sales), C (United States sales) and D (cost of production/constructed value) of the questionnaire. CBCC and Minasligas submitted questionnaire responses in July 1996. The Department issued supplemental questionnaires to CBCC and Minasligas in September 1996, December 1996, and January 1997. Responses to the supplemental questionnaires were received in October 1996, and January 1997.

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for completion of a preliminary determination if it determines that it is not practicable to complete the review within the statutory time limit. On November 26, 1996, the Department extended the time limit for the preliminary results in this case. See Extension of Time Limits of Antidumping Duty Administrative Review, (61 FR 64322) (December 4, 1996).

In accordance with section 782(i) of the Act, we verified the sales and cost questionnaire responses of CBCC and Minasligas during February 1997. The results of these verifications are outlined in the public versions of the verification reports dated March 19, 1997, on file in room B–099 of the main Commerce building.

Scope of Review

The merchandise subject to this review is ferrosilicon, a ferroalloy generally containing, by weight, not less than four percent iron, more than eight percent but not more than 96 percent silicon, not more than 10 percent chromium, not more than 30 percent manganese, not more than three percent phosphorous, less than 2.75 percent magnesium, and not more than 10 percent calcium or any other element. Ferrosilicon is a ferroalloy produced by combining silicon and iron through smelting in a submerged-arc furnace. Ferrosilicon is used primarily as an alloying agent in the production of steel and cast iron. It is also used in the steel industry as a deoxidizer and a reducing agent, and by cast iron producers as an inoculant.

Ferrosilicon is differentiated by size and by grade. The sizes express the maximum and minimum dimensions of the lumps of ferrosilicon found in a given shipment. Ferrosilicon grades are defined by the percentages by weight of contained silicon and other minor elements. Ferrosilicon is most

commonly sold to the iron and steel industries in standard grades of 75 percent and 50 percent ferrosilicon. Calcium silicon, ferrocalcium silicon, and magnesium ferrosilicon are specifically excluded from the scope of this review. Calcium silicon is an alloy containing, by weight, not more than five percent iron, 60 to 65 percent silicon, and 28 to 32 percent calcium. Ferrocalcium silicon is a ferroalloy containing, by weight, not less than four percent iron, 60 to 65 percent silicon, and more than 10 percent calcium. Magnesium ferrosilicon is a ferroalloy containing, by weight, not less than four percent iron, not more than 55 percent silicon, and not less than 2.75 percent magnesium. Ferrosilicon is currently classifiable under the following subheadings of the Harmonized Tariff Schedule of the United States (HTSUS): 7202.21.1000, 7202.21.5000, 7202.21.7500, 7202.21.9000, 7202.29.0010, and 7202.29.0050. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this review is dispositive.

Ferrosilicon in the form of slag is included within the scope of this order if it meets, in general, the chemical content definition stated above and is capable of being used as ferrosilicon. Parties that believe their importations of ferrosilicon slag do not meet these definitions should contact the Department and request a scope determination.

Period of Review

The period of review (POR) is March 1, 1995, through February 29, 1996.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by CBCC and Minasligas, covered by the description in the ''Scope of the Review'' section, above, and sold in the home market during the POR, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product based on the following criteria: (1) The grade of ferrosilicon (*i.e.*, standard, high purity and low aluminum); (2) the percentage range, by weight, of silicon content; and (3) the sieve size.

Although we have used the sieve size category as a matching criterion in past reviews, we are reconsidering the matching criteria for CBCC and Minasligas in light of additional data on the record in this review. Although cost differences among sieve size categories do not exist, we considered whether the merchandise was a ''lump'' or a ''fine'' in making our product comparisons because sales of ferrosilicon fines command significantly lower market prices than sales of ferrosilicon lumps. In addition, it appears that the two products have different end-uses. For purposes of these preliminary results, we considered ferrosilicon pieces with a minimum dimension equal to or greater than one millimeter to be lumps and ferrosilicon pieces with a maximum dimension less than one millimeter to be fines. We did not consider any difference in sieve size ranges within the lump or fine categories in determining the most appropriate product comparison because significant price differences within the lump or fine sieve size category did not exist. Interested parties are requested to comment on these matching criteria in the case briefs submitted in this review.

For those sales where CBCC did not report the actual silicon weight content because the chemical analysis certification documentation had been destroyed, we assumed that the silicon content was 75 percent because it was confirmed at verification that this merchandise was marketed and sold to the U.S. customer as ''75 percent ferrosilicon.''

CBCC and Minasligas reported only one cost of manufacturing (COM) for all three grades of ferrosilicon produced and sold during the POR. Both companies stated that in the normal course of business, their books and records do not capture any cost differences for producing different grades of ferrosilicon. However, at verification, Minasligas was able to identify some cost differences associated with the production of high purity and low aluminum ferrosilicon. Where Minasligas' U.S. sales of high purity or low aluminum ferrosilicon were matched to home market sales of standard grade ferrosilicon, we calculated a difference in merchandise (DIFMER) adjustment between the products as follows: (1) We isolated the additional material, labor and variable overhead costs used in the production of high purity and low aluminum ferrosilicon; (2) we removed these costs from the variable cost of manufacturing (VCOM) reported for standard grade ferrosilicon; and (3) we added these costs to the VCOM reported for high purity and low aluminum ferrosilicon. The DIFMER was then calculated, where appropriate, to be the difference in the variable cost of manufacturing between the product sold to the U.S. and the product sold in the home market. (For a further discussion of the calculation of the DIFMER, see the ''Concurrence Memorandum'' dated April 1, 1997, on file in room B–099 of the main Commerce building.)

Level of Trade

As set forth in section 773(a)(1)(B)(i) of the Act and in the Statement of Administrative Action (SAA) accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Sess at 870. (1994) (SAA), at 829–831, to the extent practicable, the Department will calculate NV based on sales at the same level of trade as the U.S. sale. When the Department is unable to find sale(s) in the comparison market at the same level of trade as the U.S. sale, the Department may compare sales in the U.S. to foreign market sales at a different level of trade. See Final Determination of Sales at Less than Fair Value; Certain Pasta from Italy, 61 FR 30326 (June 14, 1996).

In order to determine whether there is a difference in level of trade, the Department must find that two sales have been made at different stages of marketing, or the equivalent. Different stages of marketing necessarily involve differences in selling functions, but differences in selling functions (even substantial ones) are not alone sufficient to establish a difference in the level of trade. Similarly, seller and customer descriptions (such as ''distributor'' and ''wholesaler'') are useful in identifying different levels of trade, but are insufficient to establish that there is a difference in the level of trade. See Porcelain-on-Steel Cookware from Mexico: Preliminary Results of Antidumping Duty Administrative Review (61 FR 36551 (January 31, 1997)).

In implementing these principles in this review, we examined information regarding the selling activities of the producers/exporters associated with each stage of marketing, or the equivalent. In reviewing the selling functions reported by the respondents, we considered all types of selling activities, both claimed and unclaimed, that had been performed. In analyzing whether separate LOTs existed, we found that no single selling activity was sufficient to warrant a separate LOT (see Notice of Proposed Rulemaking and Request for Public Comments, 61 FR 7307, 7348 (February 27, 1996)). Pursuant to section 773(a)(7)(B)(i) of the Act and the SAA at 827, in identifying levels of trade for EP and home market sales, we considered the selling functions reflected in the starting price of these transactions before any adjustments.

In addition, we examined any claimed LOTs reported by each respondent in response to our initial and supplemental questionnaires. When examining claimed LOTs, we analyzed the selling activities associated with the classes of customers and marketing stages the respondents reported. In applying this analysis, we expect that, if claimed LOTs are the same, the functions and activities of the seller should be similar. Conversely, if a party claims that LOTs are different for different groups of sales, the functions and activities of the seller should be dissimilar. The Department not only examines the types of selling activities, but weighs the overall function performed for each claimed level of trade.

In accordance with section 773(a)(7)(A) of the Act, in comparing U.S. sales to NV sales, the Department will adjust the NV to account for any difference in level of trade if two conditions are met. First, the sales must in fact be made at different levels of trade, which can exist only if there are differences between the actual selling functions performed by the seller at the level of trade of the U.S. sale and the level of trade of the NV sale. Second, there must be a difference in price comparability, as evidenced by a pattern of consistent price differences between sales at the different levels of trade in the market in which NV is determined.

Based on our analysis of the selling functions performed by each respondent, we found that a single level of trade exists in each market. We then compared selling functions in the U.S. market and in the home market and found them to be similar. We find, therefore, that sales in the home market and in the U.S. market are at the same level of trade.

Fair Value Comparisons

To determine whether sales of ferrosilicon by CBCC and Minasligas to the United States were made at less than fair value, we compared the export price (EP) to the normal value (NV), as described in the ''Export Price'' and ''Normal Value'' sections of this notice. In accordance with section 777A(d)(2) of the Act, we compared the EP of individual transactions to the weighted-average NV of contemporaneous sales of the foreign like product.

Export Price

For CBCC and Minasligas, we calculated EP, in accordance with subsections 772 (a) and (c) of the Act because the subject merchandise was sold directly to the first unaffiliated purchaser in the United States prior to importation and constructed export price was not otherwise warranted based on the facts of record.

For both respondents, we calculated EP based on packed prices to the first unaffiliated customers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions, where appropriate, for freight expenses between the plant and the port, foreign brokerage and handling, warehousing expenses, ocean freight, and marine insurance expenses.

The questionnaire instructs respondents to report all costs, charges or expenses incurred in bringing the subject merchandise from the original place of shipment in the exporting country to the unaffiliated customer's place of delivery. At verification we discovered that Minasligas had not reported marine insurance expenses incurred on U.S. sales made on a CIFFO basis, and that CBCC had not reported the chemical analysis and weight inspection fees incurred on U.S. sales. Section 776(a)(2) of the Act provides that if an interested party withholds information that has been requested by the Department, fails to provide such information in a timely manner or in the form or manner requested, significantly impedes a determination under the antidumping statute, or provides information which cannot be verified, the Department shall use facts available in reaching the applicable determination. Because CBCC and Minasligas failed to provide the data requested by the Department regarding marine insurance expenses and chemical analysis and weight inspection fees prior to verification, the Department is compelled to use facts available with regard to these expenses.

Section 776(b) of the Act provides that adverse inferences may be used if the party has failed to cooperate by not acting to the best of its ability to comply with requests for information. See also the Statement of Administrative Action (SAA) at 870. Because CBCC and Minasligas failed to report marine insurance expenses and chemical analysis and weight inspection fees, despite the Department's request for such data, and because the respondents provided no explanation for the lack of data, each company has failed, to date, to cooperate to the best of its ability with respect to these expenses. Thus, the Department has determined that, in selecting among the facts otherwise available to apply to these unreported U.S. expenses, an adverse inference is warranted. Consequently, as facts otherwise available, we have assigned the highest marine insurance expense incurred on a U.S. sale during the POR to all of Minasligas' U.S. sales made on a CIFFO basis and the highest chemical analysis and weight inspection fees incurred on a U.S. sale to all of CBCC's U.S. sales.

We made additional company specific adjustments as follows:

Minasligas

We calculated Minasligas' EP based on FOB Brazilian port and CIFFO prices. We added the amount of marine insurance revenue which was collected by Minasligas with regard to one U.S. sale during the POR. We disallowed Minasligas' claim for duty drawback for mineral coal because it was determined at verification that import duties on mineral coal were suspended upon importation. Therefore, Minasligas does not receive any duty drawback when ferrosilicon is exported. Finally, we corrected the reported date of sale for two transactions to reflect the actual date of sale confirmed at verification.

CBCC

We calculated CBCC's EP based on FOB Brazilian port prices. We disallowed CBCC's claim for interest revenue as an offset to the reported credit expenses and instead used the actual bank charges incurred on each U.S. sale as the cost of extending credit to the U.S. customer. (For a further discussion of this issue, see the ''Normal Value'' section of this notice, below.)

Normal Value

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent's volume of home market sales of foreign like product to the volume of U.S. sales of the subject merchandise in accordance with section 773(a)(1)(C) of the Act. Since the aggregate volume of home market sales of the foreign like product was greater than five percent of the aggregate volume of U.S. sales of the subject merchandise, and there was no evidence indicating that a particular market situation in the exporting country did not permit a proper comparison, we determined that the home market was viable for CBCC and Minasligas. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the prices at which the foreign like products were first sold for consumption in the exporting country. We calculated NV as noted in the ''Price to Price Comparisons'' and ''Price to Constructed Value'' sections of this notice, below.

Cost of Production Analysis

Because we disregarded sales below the cost of production (COP) in the last completed segment of the proceeding for CBCC and Minasligas (*i.e.*, the LTFV investigation) we had reasonable grounds to believe or suspect that sales

of the foreign product under consideration for the determination of NV in this review may have been made at prices below the COP, as provided by section 773(b)(2)(A)(ii) of the Act. Therefore, pursuant to section 773(b)(1) of the Act, we initiated COP investigations of sales by CBCC and Minasligas in the home market. (See the Memorandum to the File from Laurel LaCivita, dated May 3, 1996, on file in room B–099 of the main Commerce building.)

Before making any fair value comparisons, we conducted the COP analysis described below for CBCC and Minasligas.

A. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of each respondent's cost of materials and fabrication employed in producing the foreign like product, plus amounts for selling, general and administrative expenses (SG&A) and packing costs. We relied on the COP amounts reported by CBCC and Minasligas except in the following specific instances where the reported costs were determined to be improperly valued:

CBCC

1. We reallocated the reported labor and overhead expenses for July, 1995, through February 1996, based on the actual production capacity.
2. We recalculated the cost of charcoal for all charcoal consumed in the production process using the purchased unit cost obtained at verification.
3. We recalculated the reported factory overhead for January 1996, to include depreciation expenses on idle assets.

Minasligas

1. We reallocated the reported variable overhead cost based on the actual production tonnage rather than the number of furnaces used.
2. We recalculated the reported weighted-average cost used to average monthly COP costs to correct an error discovered at verification.
3. We adjusted the reported G&A expense to deduct reforestation maintenance costs which had been reported twice in the COP/CV response.
4. We disallowed Minasligas' claim for negative interest expenses and instead, set the interest expense equal to zero.

B. Test of Home Market Prices

We compared the adjusted weighted-average COP for each respondent to home market sales of the foreign like product as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP within an extended period of time in substantial quantities, and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the COP to the reported home market prices less any applicable movement charges, taxes, rebates, commissions and other direct and indirect selling expenses.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of a respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product were at prices less than the COP, we disregarded the below-cost sales because such sales were found to be made within an extended period of time in ''substantial quantities'' in accordance with sections 773(b)(2) (B) and (C) of the Act, and based on comparisons of price to weighted-average COPs for the POR we determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Where all contemporaneous sales of a specific product were at prices below the COP, we calculated NV based on CV, in accordance with section 773(a)(4) of the Act.

We found that, for certain ferrosilicon products, CBCC and Minasligas made home market sales at below COP prices within an extended period of time in substantial quantities. Further, we found that these sales prices did not permit for the recovery of costs within a reasonable period of time. We therefore excluded these sales from our analysis in accordance with section 773(b)(1) of the Act.

D. Calculation of CV

For those ferrosilicon products for which we could not determine the NV based on home market sales either because (1) There were no contemporaneous sales of a comparable product or (2) all contemporaneous sales of the comparison product failed the COP test, we compared export prices to CV. In accordance with section 773(e)(1) of the Act, we calculated CV based on the sum of the COM of the product sold in the United States, plus amounts for home market selling, general and administrative expenses (SG&A), home market profit and U.S. packing costs. We calculated each respondent's CV based on the methodology described in the ''Calculation of COP'' section of this notice, above. In accordance with section 773(e)(2)(A), we used the actual amounts incurred and realized by CBCC and Minasligas in connection with the production and sale of the foreign like product, in the ordinary course of trade, for consumption in the foreign country to calculate home market SG&A and profit. In accordance with section 773(e) of the Act, we added to CV the amount of ICMS/IPI taxes incurred on purchases of raw material inputs for CBCC. For Minasligas, we added to CV the greater of either (1) the actual home market IPI/ICMS taxes paid on raw material inputs or (2) the amount of ICMS tax collected by the Brazilian government on export sales. (See Final Results of Administrative Review: Silicon Metal from Brazil, 62 FR 1970 1976 (January 14, 1997)).

Price to Price Comparisons

Where there were contemporaneous sales of the comparison product that passed the COP test, we based NV on home market prices. For each of the respondents, we made adjustments, where appropriate, for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act. (For a discussion of the calculation of the DIFMER, see the ''Product Comparisons'' section of this notice, above.) In addition, we deducted home market packing costs and added U.S. packing costs in accordance with sections 773(a)(6) (A) and (B) of the Act.

CBCC and Minasligas reported negative U.S. credit expenses (*i.e.*, credit revenue) based on their claims that unique financing arrangements for export sales, called advance exchange contracts (ACCs)), allowed the respondents to receive payment for their U.S. sales prior to the date of shipment. At verification we determined that ACCs work as follows. A producer goes to a Brazilian bank that it has a line of credit with, and applies for an ACC. At this time, the producer must specify the product to be exported. The name of the export country, customer and the value of particular sales may be specified, but these variables are not fixed. On the date the ACC is signed by the bank, the producer receives the value of the ACC in Brazilian Reais. At a later date, the producer must present documentation to the bank proving that the money obtained under the ACC was used to produce merchandise for exportation (*e.g.*, the commercial invoice, bill of lading, etc.). After receiving the merchandise, the U.S. customer pays the bank directly. Once the bank has received payment, the Brazilian bank

charges the producer bank fees equal to the interest charged for the number of days the ACC was outstanding (*i.e.*, the number of days between the date the producer received the money under the ACC and the date the U.S. customer paid the bank).

We have disallowed CBCC's and Minasligas' claimed credit revenue/negative U.S. credit expenses for purposes of the preliminary results because we do not consider the ACCs to be directly related to the U.S. sales made during the POR. Evidence on the record indicating that the ACC was not directly linked with the U.S. sales in question is as follows: (1) The export country, customer, and value of the sale were not fixed on the date the ACC was signed; (2) ACCs were obtained prior to the U.S. date of sale for all of CBCC's U.S. sales and certain sales made by Minasligas. Therefore, the ACC did not pertain to a particular U.S. sale but instead pertained to future *unspecified* shipments; (3) the amount borrowed under certain ACCs did not correspond exactly with the value of the U.S. sale which was later shipped; (4) in certain instances, more than one ACC was used to finance a single U.S. transaction; and (5) certain ACCs were used to finance more than one U.S. export. (For a further discussion of ACCs, see the ''Concurrence Memorandum'' dated April 1, 1997, on file in room B–099 of the main Commerce building.)

In accordance with section 773(a)(6)(C) of the Act, the Department makes circumstance of sale (COS) adjustments to NV in order to account for the difference in credit terms between U.S. and home market sales. Because CBCC and Minasligas receive financing for their export sales prior to the date of shipment and the U.S. customer pays the Brazilian bank directly, the respondents do not forego payment from the U.S. customer but instead pay bank charges on U.S. sales. These bank charges represent the interest expense incurred between the date the respondent received an advance under an ACC and the date the U.S. customer paid the bank. For purposes of calculating U.S. credit expenses, we have used the actual bank charges incurred on each U.S. sale as the cost of extending credit to the customer. (See the CBCC and Minasligas ''Verification Reports'' dated March 19, 1997, on file in room B–099 of the main Commerce building.)

Pursuant to section 773(a)(6) of the Act, we made deductions, where appropriate, from the starting price for rebates, inland freight and IPI taxes. With respect to ICMS taxes for Minasligas, we deducted the difference between the ICMS tax incurred on the home market sale and the claimed ICMS tax on the U.S. sale. For CBCC, we deducted the reported ICMS tax. We made circumstance of sale adjustments to NV for direct expenses, where appropriate, in accordance with section 773(a)(6)(C)(iii) of the Act. In doing so, we deducted home market credit expenses and, where appropriate, added U.S. credit expenses, U.S. chemical analysis and weight inspection fees, and U.S. port charges. Neither CBCC nor Minasligas had any short-term borrowings during the POR. Therefore, we calculated credit expenses for all home market sales using the average ''taxa referential'' rate offered on short-term transactions during the POR by the Central Bank of Brazil. In addition, for sales made on a consignment basis, we recalculated the credit period to include the number of days between the date the consignee was invoiced for the merchandise it consumed and the date the respondent received payment from the home market customer. In addition, we considered the date of sale for consignment sales to be the date that the respondent invoiced the customer for the merchandise the consignee notified the respondent it had consumed.

We made company-specific-adjustments for price-to-price comparisons as follows:

CBCC

We calculated NV based on packed, FOB plant and CIF prices to unaffiliated customers. We added the amount of interest revenue actually collected on home market sales in instances where the customer paid late. Section 773(a)(1)(B) of the Act directs that we calculate NV on the basis of the price at which the ''foreign like product is first sold.'' Foreign like product, in turn, is defined by section 771(16) of the Act as merchandise that is produced in the same country and by the same person as the merchandise which is the subject of the investigation. Therefore, because CBCC sold only self-produced merchandise to the United States, the statute prohibits using sales of merchandise produced by persons other than CBCC in the calculation of normal value. Accordingly, we excluded from the calculation of NV all re-sales of merchandise which was not produced by CBCC.

In addition, we excluded all sales reported in the home market database which were determined to be either cancelled or reported twice in the sales listing. We did not deduct reported IPI taxes for four home market customers because it was determined at verification that the ferrosilicon these customers purchased was used to produce merchandise for exportation. Therefore, these customers were exempt from paying IPI taxes during the POR. Finally, we calculated a packing cost for one sale where no packing cost was reported because the sale was actually packed in bags.

We adjusted for commissions as follows: Where commissions were paid on some, but not all, home market sales used to calculate NV, and no commissions were paid on a U.S. sale used to calculate export price, we deducted the home market commission from NV and added to NV the lesser of either (1) The indirect selling expenses incurred on the U.S. sale or (2) the weighted-average amount of the commissions paid on the home market sales. We recalculated U.S. inventory carrying costs as follows: (1) The credit period was recalculated using the number of days in inventory at the plant confirmed at verification; and (2) because CBCC had no short-term borrowings during the POR, we calculated U.S. inventory carrying costs using the average ''taxa referential'' rate offered on short-term transactions by the Central Bank of Brazil. (See the ''Concurrence Memorandum'' dated April 1, 1997, and the verification report dated March 19, 1997 on file in room B–099 of the main commerce building.)

Minasligas

We calculated NV based on packed, FOB plant and CIF prices to unaffiliated customers. For those home market shipments which Minasligas claimed were made pursuant to long-term contracts, we based the date of sale on the invoice date because, based on information gathered at verification, we did not find the essential terms of sale (*i.e.*, price and quantity) to be fixed on the date of contract. Specifically, we noted that the prices and quantities were frequently modified after the date of the contract, there were no penalties imposed by Minasligas in instances where the customer did not purchase the quantity specified in the contract, and the shipping schedules specified by the customer were frequently changed and/or not met. (For a further discussion of Minasligas' long-term contracts, see the ''Concurrence Memorandum'' dated April 1, 1997, on file in room B–099 of the main Commerce building.) We corrected the reported payment date for one transaction to reflect the actual payment date confirmed at verification.

Price to Constructed Value Comparisons

Where we compared export prices to CV, we deducted from CV the weighted-average home market direct selling

expenses and added the product specific U.S. direct selling expenses in accordance with sections 773(a)(8) and 773(a)(6)(iii) of the Act.

Currency Conversion

For purposes of the preliminary results, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a ''fluctuation.'' In accordance with the Department's practice, we have determined that a fluctuation exists when the daily exchange rate differs from a benchmark by 2.25 percent. The benchmark is defined as the rolling average of rates for the past 40 business days. When we determine that a fluctuation exists, we substitute the benchmark for the daily rate.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the period March 1, 1995 through February 29, 1996:

Manufacturer/exporter	Margin (percent)
CBCC	2.27
Minasligas	7.98

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of the date of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties are invited to comment on the preliminary results. Parties who submit arguments in this proceeding are requested to submit with each argument: (1) A statement of the issue: and (2) a brief summary of the argument. All case briefs must be submitted within 30 days of the date of publication of this notice. Rebuttal briefs, which are limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any such written comments within 120 days from the publication of these preliminary results.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between EP and NV may vary from the percentages stated above. Upon completion of this review, the Department will issue appraisement instructions directly to the Customs Service. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties. For duty assessment purposes, we calculated an importer-specific assessment rate by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of subject merchandise sold to each of the respective importers. This specific rate calculated for each importer will be used for the assessment of antidumping duties on the relevant entries of subject merchandise during the POR.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of ferrosilicon from Brazil entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for CBCC and Minasligas will be the rates established in the final results of administrative review, except if the rate is less than 0.5 percent, *ad valorem* and, therefore, *de minimis* within the meaning of 19 CFR 353.6, the cash deposit rate will be zero; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original less than fair value (LTFV) investigation or a previous review, the cash deposit rate will continue to be the company-specific rate published in the most recent period; (3) if the exporter is not a firm covered in this review, a previous review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 35.95 percent, the ''All Others'' rate made effective by the antidumping duty order (59 FR 11769, March 14, 1994). These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: April 1, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–8956 Filed 4–7–97; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–412–602]

Certain Forged Steel Crankshafts From the United Kingdom; Final Results of Antidumping Duty Administrative Review and Revocation of Antidumping Duty Order

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

ACTION: Notice of Final Results of Antidumping Duty Administrative Review and Revocation of Antidumping Duty Order.

SUMMARY: On December 3, 1996, the Department of Commerce (the Department) published the preliminary results of its administrative review of the antidumping duty order on certain forged steel crankshafts from the United Kingdom (61 FR 64055). This review covers shipments of this merchandise to the United States during the period September 1, 1994 through August 31, 1995.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments and rebuttal comments received, we have corrected certain clerical errors in the margin calculations. The final weighted-average dumping margin for the reviewed firm is listed below in the section entitled ''Final Results of the Review.''

EFFECTIVE DATE: April 8, 1997.

FOR FURTHER INFORMATION CONTACT: David Dirstine, Lyn Johnson, or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW,