contracts submitted by market participants. The Department then calculated a simple average of the UPIS U.S. Base Price and the long-term price as determined by the Department.

Weighting

The Department used the average spot and long-term volumes of U.S. utility and domestic supplier purchases, as reported by the Energy Information Administration (EIA), to weight the spot and long-term components of the observed price. We have continued to use data which reflects the period from 1992–1995, as no more recent data is available. During this period, the spot market accounted for 73.74 percent of total purchases, and the long-term market for 26.26 percent. As in previous determinations, the Department used the Energy Information Administration's (EIA) Uranium Industry Annual to determine the available average spot- and long-term volumes of U.S. utility purchases. We have continued to use data which reflects the period 1992 through 1995. The EIA has withheld certain contracting data from the public versions of the Uranium Industry Annual 1993, Uranium Industry Annual 1994, and the Uranium Industry Annual 1995 (the most recent edition) because this data was business proprietary. The EIA, however, provided this data to the Department and the Department has used it to update its weighting calculation. Accordingly, it may only be released under Administrative Protective Order.

Calculation Announcement

The Department determined, using the methodology and information described above, that the observed market price is $15.34. This reflects an average spot market price of $14.97, weighted at 73.74 percent, and an average long-term contract price of $16.38, weighted at 26.26 percent. The decrease in the observed market price from our preliminary determination reflects the correction of clerical errors, as discussed below, and our inclusion in the calculation of one other contract that was received after our preliminary price calculation. Since this price is between $15.00/lb and $15.99/lb expressed in Appendix A of the suspension agreement with Kazakstan, as amended, Kazakstan receives a quota of 700,000 lbs for the period April 1, 1997, to September 30, 1997. The suspension agreement with Uzbekistan, as amended, specifies that Uzbekistan shall have access to its Appendix A quota of 940,000 lbs for the period of October 13, 1996 to October 12, 1997, provided that the calculated price is at or above $12.00 per pound.

Comments

Consistent with the February 22, 1993, letter of interpretation, the Department provided interested parties the preliminary price determination for this period on March 12, 1997. One interested party submitted comments.

UPIS Index Used

Comment 1: The Ad Hoc Committee of Domestic Uranium Producers (the producers) request that the Department correct a minor data error in its spot price segment of the calculation. According to the producers, the Department inadvertently used the UPIS Short-Term Price Indicator data rather than the UPIS Spot Price Indicator data, which is consistent with previous calculations.

Department's Position: The Department agrees with the producers and has corrected the data error.

Long-Term UPIS Indicators

Comment 2: The producers claimed that the Department erred in its calculation of the simple average of the long-term UPIS indicators.

Department's Position: The Department agrees with the producers and has corrected the clerical error in question.

Long-Term Contract

Comment 3: The producers request that the Department carefully review its calculation of the price for contract #2 because the reported price is higher than prices seen in the UPIS indicator and other similar transactions. The producers request the Department to review the terms of the contract to determine whether the contract is a renegotiated contract, whether the transaction was part of or related to another transaction which was not reported, and whether the reported contract is between related parties. The Department was also asked to verify whether an appropriate deflator has been used in reporting prices with respect to this particular transaction.

Department's Position: In response to the producers' comments, the Department contacted the respondent and confirmed that the survey response contained accurate information, that the contract in question was not a renegotiated contract, was not part of or related to another transaction, did not involve related parties, and that an industry standard deflater was used. Therefore, the Department continues to use price-related information regarding contract #2 in its long-term price determination.

Finally, the Department corrected a clerical error regarding a delivery year in its calculation of the long-term price for contract #3. The Department notes that its response to the producer's third comment applies to this contract as well.

After the analysis of the above comments, the Department has determined that the observed market price for uranium, effective April 1, 1997, is $15.34/lb.

Dated: April 1, 1997.

Joseph A. Spetrini,

Deputy Assistant Secretary for Antidumping Countervailing Duty—Group III.

[FR Doc. 97–9259 Filed 4–9–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–502]

Certain Welded Carbon Steel Pipes and Tubes From Thailand: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review; Certain welded carbon steel pipes and tubes from Thailand.

SUMMARY: In response to requests by Thai Union Steel Co., Ltd. (''Thai Union''), Saha Thai Steel Pipe Co., Ltd. (''Saha Thai'') and its affiliated exporter, S.A.F. Pipe Export Co., Ltd., (''SAF''), respondents, and two importers, Ferro Union Inc. (''Ferro Union''), and ASOMA Corp. (''ASOMA''), the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on certain welded carbon steel pipes and tubes from Thailand. This review covers the following manufacturers/exporters of the subject merchandise to the United States: Saha Thai/SAF and Thai Union. The period of review (POR) is March 1, 1995 through February 29, 1996.

We have preliminarily determined that respondents sold subject merchandise at less than normal value (NV) during the POR. If these preliminary results are adopted in our final results, we will instruct U.S. Customs to assess antidumping duties equal to the differences between the export price and NV.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding should also submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: April 1, 1997.

FOR FURTHER INFORMATION CONTACT: John Totaro or Dorothy Woster, AD/CVD Enforcement Group III, Office VII, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–3362 or (202) 482–1398, respectively.

APPLICABLE STATUTE: Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (hereinafter, ''the Act'') by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations, as amended by the interim regulations published in the **Federal Register** on May 11, 1995 (60 FR 25130).

SUPPLEMENTARY INFORMATION:

Background

On March 11, 1986, the Department published in the **Federal Register** an antidumping duty order on welded carbon steel pipes and tubes from Thailand (51 FR 8341). On March 4, 1996, the Department published a notice of opportunity to request an administrative review of this order covering the period March 1, 1995 through February 29, 1996 (61 FR 8238). Timely requests for an administrative review of the antidumping order with respect to sales by Saha Thai/SAF and Thai Union during the POR were filed by Thai Union, and jointly by Saha Thai, SAF, Ferro Union, and ASOMA. The Department published a notice of initiation of this antidumping duty administrative review on April 25, 1996 (61 FR 18378).

On May 14, 1996, Saha Thai, SAF, Ferro Union, and ASOMA sought to withdraw their request for review and requested that the Department terminate the review with respect to sales by Saha Thai/SAF during the POR. The domestic interested parties, Allied Tube & Conduit Corporation, Laclede Steel Company, Sawhill Tubular Division of Armco, Inc., and Wheatland Tube Company, (''petitioners''), objected to partial termination of the review on the grounds that, on March 29, 1996, they had submitted to the Department a timely request for review of sales by these companies and served Saha Thai with a copy of this request. Although there is no official record of petitioners' request, given the remedial nature of the antidumping law and the fact that Saha Thai received notice of petitioners' request, the Department elected to continue the ongoing review of these sales. See Memorandum to Robert S. LaRussa from Stephen J. Powell, July 11, 1996.

On May 24, 1996, the petitioners requested that the Department verify the responses of both Saha Thai and Thai Union.

Because the Department determined that it was not practicable to complete this review within statutory time limits, on November 1, 1996, we published in the **Federal Register** our notice of extension of time limits for this review (61 FR 56512). As a result, we extended the deadline for these preliminary results. The deadline for the final results will continue to be 120 days after publication of these preliminary results.

Scope of the Review

The products covered by this administrative review are certain welded carbon steel pipes and tubes from Thailand. The subject merchandise has an outside diameter of 0.375 inches or more, but not exceeding 16 inches. These products, which are commonly referred to in the industry as ''standard pipe'' or ''structural tubing,'' are hereinafter designated as ''pipe and tube.'' The merchandise is classifiable under the Harmonized Tariff Schedule (HTS) item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085 and 7306.30.5090. Although the HTS subheadings are provided for convenience and Customs purposes, our written description of the scope of the order is dispositive. This review covers sales by Saha Thai/SAF and Thai Union, during the period March 1, 1995 through February 29, 1996. In addition, based on our analysis, we have found that Thai Tube Co. Ltd. (''Thai Tube''), a producer of subject merchandise, for which we did not initiate an administrative review, is affiliated to Saha Thai.

Verification

As provided in section 782(i) of the Act, we verified information provided by the respondents, Saha Thai and Thai Union, using standard verification procedures, including onsite inspection of the manufacturers' facilities, examination of relevant financial records, and analysis of original documentation used by Saha Thai and Thai Union to prepare responses to requests for information from the Department. Our verification results are outlined in the public versions of the verification reports (Memorandum to Roland L. MacDonald from Theresa L. Caherty, John B. Totaro and Dorothy A. Woster, March 31, 1997 (''Saha Thai Verification Report''), Memorandum to Roland L. MacDonald from Theresa L. Caherty, John B. Totaro and Dorothy A. Woster, March 31, 1997 (''Thai Union Verification Report''), and Memorandum to the File from Steven Presing, January 30, 1997).

Duty Absorption

On May 24, 1996, the petitioners requested a duty absorption review of Saha Thai/SAF and Thai Union pursuant to section 751(a)(4) of the Act. Section 751(a)(4) requires the Department, if requested, to determine during an administrative review initiated two years or four years after publication of the order, whether antidumping duties have been absorbed by a foreign producer or exporter subject to the order, if the subject merchandise is sold in the United States through an importer who is affiliated with such foreign producer or exporter. For transition orders as defined in section 751(c)(6)(C) of the Tariff Act, i.e., orders in effect as of January 1, 1995, section 351.213(j)(2) of the Department's proposed antidumping regulations provide that the Department will make a duty absorption determination, if requested, for any administrative review initiated in 1996 or 1998. See Notice of Proposed Rulemaking, 61 FR 7308, 7366 (February 27, 1996).

Because the order on certain welded carbon steel pipes and tubes from Thailand has been in effect since 1986, this qualifies as a transition order. Therefore, the Department will first consider a request for an absorption determination during a review initiated in 1996. This being a review initiated in 1996, the Department considered the petitioners' request.

The statute provides for a determination on duty absorption if the subject merchandise is sold in the United States through an affiliated importer. In the previous administrative review of sales by Saha Thai/SAF, we determined that Saha Thai/SAF was not affiliated with its two U.S. distributors. See Certain Welded Carbon Steel Pipes and Tubes From Thailand: Preliminary Results of Antidumping Duty Administrative Review, 61 FR 21159 (May 9, 1996); Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review, 61 FR 56515

(Nov. 1, 1996). Because we find no evidence on the record of this review to change this previous determination we do not consider Saha Thai/SAF to be affiliated with any U.S. importer. During the POR, Thai Union made all U.S. sales through a trading company (July 10, 1996 Sect. A Quest., at 11). We find no evidence on the record that demonstrates an affiliation between Thai Union and this company. Therefore, because neither Saha Thai/SAF and Thai Union are making sales in the United States through affiliated importers, we preliminarily find that the statutory prerequisite for conducting a duty absorption inquiry is not met.

Use of Facts Available

Saha Thai

We preliminarily determine that the use of total adverse facts available is appropriate with respect to Saha Thai's submitted data in accordance with section 776(a)(2)(C) and section 776(b) of the Act because we find that Saha Thai has significantly impeded this review by failing to comply with our requests for complete information on affiliates. In response to the Department's requests that Saha Thai list all affiliated companies pursuant to section 771(33), Saha Thai failed to disclose its affiliation with Thai Tube, a producer of subject merchandise, and two resellers of subject merchandise and members of the Siam Steel Group. (See Memorandum to Robert S. LaRussa from Joseph A. Spetrini, March 31, 1997 on file in the Central Records Unit, Room B099 of the main Commerce Building)

On December 12, 1996, in advance of the scheduled cost verification of Saha Thai, the Department issued a verification agenda. The agenda stated that the Department would review Saha Thai's list of affiliated parties from its questionnaire responses and would obtain a diagram describing the relationship between these parties and Saha Thai. (Verification Agenda at 4). The agenda also stated that the Department would try to obtain a published list of affiliated parties to compare with Saha Thai's submitted list, and would document any previously unidentified affiliated companies.

At verification, the Department learned that members of Saha Thai's board of directors, who are also shareholders of Saha Thai, have ownership interests in two of Saha Thai's home market customers. We also determined that these two customers are resellers of subject merchandise. The information obtained at verification indicates an affiliation between Saha Thai and these resellers under section 771(33)(F) through common control of the identified directors. Sales to these resellers represent a significant portion of Saha Thai's home market sales and the Department's analysis of Saha Thai's home market sales data indicates that these sales failed the ''arm's length'' test. However, because the information that identified this potential affiliation was received late in the proceeding, we were unable to fully explore the nature of the affiliation between Saha Thai and the two resellers and to make a timely determination of whether Saha Thai is affiliated with these two resellers. If Saha Thai had properly disclosed this information during the information gathering phase of this proceeding, the Department would have requested downstream sales data of these resellers and calculated normal value for these sales based on downstream prices pursuant to section 773(a)(5).

In response to the Department's inquiries into Saha Thai's affiliation with the Siam Steel Group, an organization of Thai steel companies of which Saha Thai is a member, Saha Thai provided the Department with additional information concerning affiliations and affiliated party transactions. Saha Thai informed the Department that Siam Steel International, a member of the Siam Steel Group, had become Saha Thai's largest shareholder. Saha Thai's managing director is also chairman of Siam Steel International. By virtue of Siam Steel's equity interest and common management, Saha Thai and Siam Steel International are affiliated under section 771(33) (E) and (F). Saha Thai also provided the Department with information demonstrating that Siam Steel International had a substantial ownership interest in one of Saha Thai's home market customers.

The Department also found evidence that, contrary to Saha Thai's statement, one of the members of the Siam Steel Group may be a producer of subject merchandise. Moreover, this information indicated additional potential affiliations among the members of the Siam Steel Group by virtue of common management by two related families. Saha Thai had failed to disclose this information in response to the Department's questionnaires. Because complete information regarding the Siam Steel Group was not disclosed in a timely manner, the Department was prevented from further exploring the nature of the interrelationships and sales transactions between members of the Siam Steel Group. (For a more detailed discussion of issues raised at verification, *See* the Cost Verification Reports.)

At verification, Saha Thai confirmed the identity of the chairman of Saha Thai's board of directors. (Saha Thai Verification Report at 3). Following verification of Saha Thai, the Department obtained public information which indicated that members of the chairman's family manage Thai Tube, another Thai producer of welded carbon steel pipes and tubes, and that a family member is the managing director of Thai Tube. The existence of this familial relationship between Saha Thai's Chairman and Thai Tube's managing director, as indicated in a March 27, 1997 letter from Saha Thai's counsel, is a strong indication of affiliation between Saha Thai and Thai Tube under section 771(33)(F). (A complete discussion of post-verification findings, some of which is proprietary, is contained in Memorandum from Joseph A. Spetrini to Robert S. LaRussa, March 31, 1997.) We were unable to pursue the issue of affiliation in a timely manner because the Department did not receive the information indicating affiliation between Saha Thai and Thai Tube until a few weeks before the deadline for the preliminary results. Therefore, because Saha Thai impeded our investigation of this issue by failing to provide complete information on affiliat4d parties as requested by the Department, an adverse inference is warranted under section 776(b). As adverse facts available, we determine that Saha Thai and Thai Tube are affiliated.

Under Department practice, the affiliation between Saha Thai and Thai Tube, both producers of subject merchandise, would invoke an inquiry to determine whether they should be treated as a single entity for purposes of calculating a dumping margin. See section 351.401(f) of the Proposed Regulations, 61 FR 7308, 7381 (Feb. 27, 1996); Certain Fresh Cut Flowers From Colombia; Final Results of Antidumping Duty Administrative Reviews, 61 FR 42833, 42853 (Aug. 19, 1996). However, because Saha Thai failed to identify its affiliation with Thai Tube in response to the Department's questionnaires, the Department did not learn of this affiliation until shortly before the deadline for the preliminary results. Therefore, the Department was prevented from requesting additional information from both Saha Thai and Thai Tube necessary to complete the collapsing analysis in a timely manner. Therefore, as adverse facts available, we preliminarily find that Saha Thai and Thai Tube constitute a single enterprise for margin calculation purposes.

Saha Thai's failure to report complete information on affiliated parties prevented the Department from: (1) further exploring the nature of the affiliation with the resellers to determine whether it was necessary to receive downstream sales data; (2) further exploring the nature of affiliations and affiliated party transactions between members of the Siam Steel Group; and (3) determining whether Saha Thai and Thai Tube should be treated as a single entity for purposes of calculating a dumping margin. We must therefore consider whether Saha Thai's submitted sales and cost data is usable under section 782(e) of the Act.

Section 782(e) provides that the Department shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet the applicable requirements established by the Department if: (1) The information is submitted by the deadline established for its submission; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability in providing the information and meeting the requirements established by the Department with respect to the information; and (5) can be used without undue difficulties.

When examined in light of the requirements of section 782(e), the facts of this review demonstrate that Saha Thai's sales data is substantially incomplete and unusable and leaves the Department with no reasonable basis upon which to calculate a dumping margin. The verification disclosed evidence of affiliations that Saha Thai failed to provide in response to the Department's questionnaires. Information obtained during and after verification demonstrates that Saha Thai failed to submit this information within the established deadlines as required by subsection (e)(1). Given the affiliation between Saha Thai and Thai Tube, there is no assurance that the Department has reviewed the entire, rather than merely a part, of the producer. When the Department collapses affiliated producers, it calculates a dumping margin by merging the sales data of the producers into a consolidated response. See Notice of Final Determination of Sales at Less than Fair Value: Certain Pasta from Italy, 61 FR 30326 (June 14, 1996). Because Saha Thai failed to disclose its affiliation with Thai Tube in a timely manner, the Department is unable to request necessary sales data from Thai Tube. Moreover, given the evidence of additional affiliated party transactions in the home market, there is no assurance that the Department has complete information on which to calculate NV. Thus, we find that Saha Thai's submitted sales data is so fundamentally flawed that it cannot serve as a reliable basis on which to calculate EP and NV as required by section 782(e)(3). Because we find the sales data to be unusable, the reliability of the cost data is irrelevant because at a minimum the Department needs reliable U.S. sales data to calculate an accurate dumping margin. Therefore, Saha Thai's sales and cost data cannot be used without undue difficulties as required by subsection (e)(5). On this basis, we determine that it is appropriate to resort to total facts available.

The Department finds that Saha Thai did not act to the best of its ability to comply with requests for information on affiliates. Saha Thai demonstrated an understanding of the affiliated party definition under section 771(33) by identifying companies affiliated by virtue of stock ownership and common management. Its failure to provide complete responses to our affiliation inquiries despite numerous opportunities to do so can only be viewed as a failure to cooperate with our requests for information. The failure to identify an affiliated producer further evidences its lack of cooperation. Saha Thai failed to fully disclose its affiliates in a timely manner. It is therefore appropriate, under section 776(b) of the Act, for the Department to use an inference adverse to the interests of Saha Thai in selecting from the facts available. Because Saha Thai did not act to the best of its ability to comply with the Department's requests, the requirement of section 782(e)(4) is not met.

Section 776(b) states that adverse facts available information may be derived from the petition, the final determination in the LTFV investigation, a previous administrative review under section 751 or determination under section 753, or other information placed on the record. See also Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. 316, Vol. 1, 103d Cong., at 829–831 (1994) (''the SAA''). The SAA notes that the Department may employ an adverse inference ''to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.'' *Id.* at 870. Thus, ''[i]n employing adverse inferences, one factor the [Department] will consider is the extent to which a party may benefit from its own lack of cooperation.'' *Id.* To ensure that Saha Thai does not benefit from failing to cooperate with the Department's requests for information on affiliates, we will employ an adverse inference in selecting from the facts available and treat Saha Thai and Thai Tube as a single entity. We will continue to explore the affiliation issue for purposes of the final results.

We determine that the highest calculated margin from any prior administrative review, 29.89 percent, is appropriate for our total adverse facts available margin. This rate was calculated in the 1987–88 administrative review of this proceeding, for another respondent, Thai Union Steel Co., Ltd. See Circular Welded Carbon Steel Pipes and Tubes from Thailand; Notice of Amendment to Final Results of Antidumping Administrative Review, 59 FR 65753 (December 21, 1994). As information derived from a previous review under section 751 concerning the subject merchandise, this margin constitutes ''secondary information'' under section 776(c). Section 776(c) provides that the Department shall, to the extent practicable, corroborate ''secondary information'' used for facts available by reviewing independent sources reasonably at its disposal. The SAA provides that to ''corroborate'' means simply that the Department will satisfy itself that the secondary information to be used has probative value. SAA at 870. As noted in Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 57391, 57392 (November 6, 1996), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources from which the Department can derive calculated dumping margins; the only source for margins is administrative determinations. Thus, in an administrative review, if the Department chooses as total adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period.

As to the relevance of the margin used for adverse facts available, the Department stated in the Tapered Roller Bearings determination that it will ''consider information reasonably at its disposal as to whether there are circumstances that would render a margin irrelevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin.'' *Id.;* see also Fresh Cut Flowers from Mexico; Preliminary Results of Antidumping Duty Administrative Review, 60 FR 49567. We have examined the history of this case and determined that 29.89 percent, the rate the Department calculated for Thai Union in the 1987–88 administrative review, is the highest calculated rate for any prior segment of the proceeding. In addition, the Court of International Trade (CIT) affirmed the Department's calculation of the 29.89 percent rate for Thai Union (a recalculation pursuant to a remand order from the CIT, Slip Op. 94–7, (January 14, 1994)). In these preliminary results, we have determined that there is no evidence on the administrative record for the 1987–88 review which indicates that this rate is irrelevant or inappropriate as a total facts available rate for Saha Thai.

Thai Union

We preliminarily determine that the use of total adverse facts available is appropriate with respect to Thai Union's submitted data in accordance with section 776(a)(2)(D) and section 776(b) of the Act because we find that Thai Union provided cost of production (COP) data that could not be verified and because Thai Union failed to reconcile its reported costs with its normal books and records. The last administrative review that included Thai Union as a respondent (1987–88) found that Thai Union sold substantial quantities of the subject merchandise in the home market at prices below production costs (See Certain Circular Welded Carbon Steel Pipe and Tube from Thailand Preliminary Results of Antidumping Administrative Review, 55 FR 42596 (Oct. 22, 1990)). For this reason, in accordance with section 773(b)(2)(A)(ii) of the Act, the Department initiated a COP investigation of Thai Union in the instant administrative review.

In the initial questionnaire, the Department instructed Thai Union to report COP and constructed value (CV) figures based on the actual costs incurred by Thai Union during the POR as recorded in its normal accounting system. Thai Union was also requested to describe how these figures reconciled to the actual costs reported in its cost accounting system and used by the company to prepare its financial statements. Thai Union provided contradictory explanations of its cost and financial accounting systems and failed to provide the Department with copies of its original cost accounting sheets despite repeated requests to do so. Thai Union never informed the Department that it used a process other than its normal accounting system and normal cost allocation methods to prepare its COP/CV responses.

Thai Union's responses contained substantial omissions and incomplete responses to the Department's requests for clarification of its submitted cost data. Thai Union failed to provide supporting documentation for its reported production yield data, reconciliation of its inventory expenses, calculation of general and administrative expenses, methodology for allocation of costs, and explanation of its chart of accounts. Thai Union also failed to report its subject merchandise using the Department's model match methodology and did not provide an explanation for its refusal to do so. (For a more detailed discussion of the deficiencies in Thai Union's questionnaire responses, see Memorandum to Robert S. LaRussa from Joseph A. Spetrini, March 31, 1997.)

On January 14, 1997, in advance of the scheduled COP/CV verification of Thai Union, the Department issued a verification agenda which stated that Thai Union's reported cost data must be reconciled to the company's general ledger, cost accounting system, and financial statements. The agenda indicated specific steps that would be followed at verification to reconcile the submitted cost data to the normal accounting books and records, and instructed Thai Union to contact the Department if it had any questions concerning the agenda or if it determined that any of the verification procedures could not be performed. Thai Union did not contact the Department regarding the verification agenda prior to verification. In accordance with section 782(i) of the Act, from January 20 through January 24, 1997, the Department conducted a verification of Thai Union's submitted cost data.

At verification, Thai Union was unable to reconcile its submitted cost data to its books and records or financial statements. (A detailed discussion of the Department's verification of Thai Union's cost data is not possible in a public notice due to the proprietary nature of such information.) Because the company was unable to reconcile its submitted costs to its normal accounting books and records and was unable to tie its books and records to its financial statements, the verification could not proceed in an orderly and timely manner. Thai Union was unable to demonstrate to the Department that the submitted COP and CV data was based on the company's actual production experience and could not be verified using the Department's standard verification procedures.

Because Thai Union submitted COP data that could not be verified, it is appropriate to use facts available in accordance with section 776(a)(D) of the Act. As discussed above, we must therefore consider whether Thai Union's submitted cost data is usable under section 782(e) of the Act. When examined in light of these requirements, the facts in this case indicate that Thai Union's cost data is so fundamentally flawed as to render it unusable. First, because Thai Union repeatedly failed to provide the Department with requested information such as worksheets to support its calculated COP/CV figures, the requirement of 782(e)(1) that information be submitted within the established deadline is not met. Second, Thai Union was unable to reconcile its submitted costs to its normal accounting books and records at verification. The COP and CV data submitted to the Department by Thai Union was not based on the company's actual production experience and could not be verified as required by section 782(e)(2).

Third, because of the extensive defects in its cost data, Thai Union's submitted COP data is unusable and cannot serve as a reliable basis for reaching the applicable determination as required by section 782(e)(3). Insofar as the Department can only make price-to-price comparisons (normal value to export price) using those home market sales that pass the cost test under section 773(b) of the Act, the systematically flawed nature of Thai Union's COP data prevents the Department from making this determination and thus from making proper price-to-price comparisons. Also, the Department is unable to calculate reliable difference in merchandise figures (DIFMERs) using Thai Union's unverified COP data. When comparing normal value to export price, the Department is required to account for the effect of physical differences between the merchandise sold in each market. See, section 773(a)(6)(C) of the Act. In this case DIFMERs would have been required for a majority of the United States and home market sales matches. However, because DIFMER

data is based on COP information from Thai Union's questionnaire responses, which as discussed above could not be verified, the Department is unable to determine the effect of physical differences in making sales comparisons.

In the absence of home market sales data (i.e., when the home market is viable but there are insufficient sales that pass the cost test to compare with U.S. sales), the Department would normally resort to the use of CV to calculate NV under section 773(a)(4). However, the CV data reported by Thai Union includes the unverifiable cost data. Therefore, the use of facts available for COP data precludes the use of the submitted CV data. In addition, although the Department elected not to verify Thai Union's sales data, the Department determines that it is not appropriate to accept Thai Union's sales data because its cost data could not be verified. The Department has declined to use a respondent's sales data when its cost data is unverifiable to avoid manipulation of the margin calculation. See Certain Pasta from Italy, 61 FR 30326. Based on these circumstances, we find it appropriate to resort to total facts available.

We find that Thai Union did not act to the best of its ability to comply with the Department's requests for information. As detailed above, Thai Union failed to provide complete responses to the Department's numerous requests for information. Despite our instructions to do so, Thai Union was unable to reconcile its reported cost data with its normal books and records kept in the ordinary course of business. Also, Thai Union never informed the Department of any difficulties it encountered in complying with the Department's requests for information prior to verification. It is therefore appropriate, according to section 776(b) of the Act, for the Department to use an inference adverse to the interests of Thai Union in selecting from the facts available. Because Thai Union has not acted to the best of its ability to comply with our requests for information, we find that section 782(e)(4) provides a further basis for declining to use Thai Union's submitted cost and sales data.

Section 776(b) states that adverse facts available information may be derived from the petition, the final determination in the LTFV investigation, a previous administrative review under section 751 or determination under section 753, or other information placed on the record. See also SAA at 829–31. For a total adverse facts available margin for Thai Union, we considered both the highest calculated margin from this proceeding, 29.89 percent, (the margin calculated for Thai Union in the 1987–88 administrative review) and the average of the estimated margins in the petition, 37.55 percent.

Because the highest calculated margin from this proceeding is the rate currently assigned to Thai Union, we find that this rate is not adverse to Thai Union. Accordingly, consistent with section 776(b)(1) of the Act, to ensure that Thai Union does not benefit from failing to cooperate with our requests for information, we conclude that the average of the estimated margins in the petition is the most appropriate information on the record to form the basis for a adverse facts available margin. See *e.g.*, Notice of Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe from South Africa 61 FR 24271, 24273 (May 14, 1996).

As information derived from the petition, this margin constitutes ''secondary information'' under section 776(c). Section 776(c) of the Act provides that where the Department relies on ''secondary information,'' the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. The SAA, accompanying the URAA, clarifies that information from the petition is ''secondary information.'' SAA at 870. The SAA also clarifies that ''corroborate'' means to determine that the information used has probative value. *Id*. However, where corroboration is not practicable, the Department may use uncorroborated information. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Pasta From Turkey, 61 FR 30309, 30312 (June 14, 1996).

To corroborate the data contained in the petition we examined the basis for the estimated margins. To calculate United States price, the petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on a quote from a U.S. importer and the U.S. Customs value for Thailand imports of the subject merchandise during November 1984. The petitioners were also unable to secure home market or third country prices for the merchandise subject to this investigation, therefore, they used CV as the basis for foreign market value. To calculate CV, the petitioners applied U.S. industry cost of manufacturing data, adjusted for Thailand wage rates. Thailand wage rates were based upon an average industrial wage taken from the United Nations Statistical Yearbook. The cost of hot-rolled coil was calculated from Japanese export statistics on coil shipments to Thailand for September 1994. Adjustments were made to the coil price for freight, insurance and delivery charges from Japan to Thailand. For galvanized products, estimates of zinc costs were obtained from price quotes of zinc traders in Thailand. Certain Circular Welded Carbon Steel Pipes and Tubes From Thailand; Initiation of Antidumping Duty Investigation, 50 FR 12068, 12068 (March 27, 1985); Antidumping Duty Petition, February 28, 1985; Memorandum for Alan F. Holmer from Gilbert B. Kaplan, March 20, 1985. Petitioners based United States price on a price quote confirmed by an independent public source (i.e., import statistics). Further, the CV methodology was reasonable and based on available information including public data. Therefore, we find that the margins in the petition have probative value. See, Steel Pipe from South Africa 61 FR at 24273; Pasta from Turkey, 61 FR at 30312.

Accordingly, we have corroborated, to the extent practicable, the data contained in the petition and have relied upon this information for the adverse facts available rate in this review. We have assigned to Thai Union a margin of 37.55 percent, the average of the margins calculated in the petition on subject merchandise.

Preliminary Results of the Review

As a result of our application of total adverse facts available to Saha Thai and Thai Union, we preliminarily determine that the following weighted-average dumping margins exist:

Manufacturer/exporter	Period	Margin
Saha Thai/ SAF	3/1/95–2/29/96	29.89
Thai Union ...	3/1/95–2/29/96	37.55

Parties to the proceeding may request disclosure within five days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter. Case briefs and/or other written comments from interested parties may be submitted not later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final

results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days from the date of publication of these preliminary results.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between export price and NV may vary from the percentage stated above. Upon completion of this review, the Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon the publication of the final results of these administrative reviews for all shipments of welded carbon steel pipes and tubes from Thailand entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by Section 751(a)(2)(c) of the Act: (1) The cash deposit rate for the reviewed companies will be that established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit 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, or the original 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; (4) the cash deposit rate for all other manufacturers or exporters will continue to be 15.67 percent, the ''All Others'' rate made effective by the LTFV investigation. 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.

These preliminary results of review are published pursuant to Section 751(a)(1) of the Act and 19 CFR 353.22.

Dated: April 1, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–9260 Filed 4–9–97; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[Docket No. 970404079–7079–01]

RIN 0651–09

Secretarial Business Development Missions to Brazil, Argentina, and Chile

AGENCY: International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: This notice serves to inform the public of Secretarial Business Development Missions to Brazil, May 12–13, and Argentina and Chile, May 15–19, 1997 (''the missions'' or ''trade missions'') and the opportunity to apply for participation in the missions; sets forth objectives, procedures, and participation criteria for the missions; and requests applications.

DATES: Applications should be submitted to Cheryl Bruner by April 25, 1997, in order to ensure sufficient time to obtain in-country appointments for applicants selected to participate in the mission. Applications received after that date will be considered only if space and scheduling constraints permit. The missions are scheduled for: Brazil—May 12–13, and Argentina and Chile, May 15–19, 1997.

ADDRESSES: Request for and submission of applications—Applications are available from: Cheryl Bruner, Project Officer and Director of the Office of Business Liaison or Katy Ruth at 202–482–1360 or via facsimile at 202–482–4054. Numbers listed in this notice are not toll-free. An original and two copies of the required application materials should be sent to the Project Officer noted above. If a party is interested in both missions, an application must be submitted for each mission. Applications sent by facsimile must be immediately followed by submission of the original application to Ms. Bruner at the following address: Office of Business Liaison, Room 5062, U.S. Department of Commerce, 14th and Constitution, N.W., Washington, D.C. 20230.

FOR FURTHER INFORMATION CONTACT: Cheryl Bruner or Katy Ruth at 202–482–1360. Information is also available via the International Trade Administration's (ITA) Internet home page at ''http://www.ita.doc.gov/uscs/doctm''.

SUPPLEMENTARY INFORMATION:

Trade Mission Description

Secretary of Commerce, William M. Daley, will lead two trade missions to Latin America in May, each with a U.S. business delegation. The Mission to Brazil will include stops in Rio de Janeiro and Sao Paulo. While in Brazil, the Secretary will attend the Americas Business Forum in Belo Horizonte, an event separate from the trade mission. Members of the U.S. private sector delegation on the Brazil Trade Mission are encouraged to attend the Forum at their option. After the Brazil trade mission, the Secretary will meet another U.S. business delegation in Argentina which will participate in the trade mission there and in Chile. The overall focus of the trip will be the commercial opportunities, including joint ventures, presented by the development and liberalization in Brazil's, Argentina's and Chile's infrastructure and other economic sectors, and the promotion of the United States as a destination for foreign tourists. Specific sectors to be highlighted include electric power generation, information technologies (including telecommunications and computers), environmental technologies, transportation infrastructure and infrastructure finance. The United States and Foreign Commercial Service will provide logistical support for these activities at each stop.

The itinerary of the Brazil Mission will be as follows:

May 11 (Sun):
  Leave United States
May 12 (Mon):
  Arrive Rio de Janeiro
  Leave Rio de Janeiro
  Arrive Sao Paulo
May 13 (Tues):
  Depart Sao Paulo
  Arrive Belo Horizonte (Belo Horizonte portion of trip at participant's option)
May 14 (Wed):
  Belo Horizonte (Americas Business Forum)
May 15 (Thurs):
  Depart Belo Horizonte

The itinerary for the Argentina and Chile Mission will be as follows:

May 15 (Thurs):
  Arrive Buenos Aires
May 16 (Fri):
  Buenos Aires
May 17 (Sat):
  Leave Buenos Aires
  Arrive Santiago
May 18 (Sun):
  Santiago
May 19 (Mon):
  Santiago
May 20 (Tues):