indicates that these adjustments were made and reported on a transaction-specific basis. Therefore, we allowed the rebates since they meet the requirements for ''price adjustments'' under 19 CFR 351.401 (c) and (g).

Comment 6: Petitioners note the following errors in the model match program: (1) incorrect modification of values in the DIFFCODE field; (2) incorrect characteristic value in the ROLLU/H field; (3) incomplete assignment of values for the additional product characteristics reported by respondent for CWEIGHTU/H; (4) improper inclusion of home market credit expense in the calculation of net cost of production; (5) incorrect concatenation of the home market control numbers for certain resales; (6) multiple matches to U.S. product characteristics based upon the home sales source; and (7) failure to retain invoice field.

Petitioners noted the following errors in the margin program: (1) incorrect recalculation of credit expense; (2) incorrect conversion of U.S. packing expense; (3) failure to account for indirect expenses in offset for home market commission.

Respondent notes the following clerical errors: (1) incorrect inclusion of the inventory carrying cost date in the MOVECOP field; (2) incorrect linking of cost records to sales records for certain control numbers; and (3) incorrect assignment of certain variable costs to home market control numbers selected as matches. Respondent also notes a further correction to petitioners' proposed correction to the recalculation of credit expenses.

Department's Position: We agree with both petitioners and respondent and have modified the calculations for the final results of review accordingly.

Final Results of Review

As a result of our review, we determine that the following weighted-average dumping margin exists for the period June 30, 1996, through July 1, 1997:

Manufacturer/exporter	Margin (percent)
Nippon Steel Corporation	12.51

The Department will determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. We will calculate importer-specific duty assessment rates on a unit value per metric ton basis. To calculate the per metric ton unit value for assessment, we summed the dumping margins on U.S. sales, and then divided this sum by the total metric tons of all U.S. sales examined. The Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of these final results for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date provided by section 751(a)(1) of the Act: (1) the cash deposit rate for the reviewed company will be the rate listed above; (2) 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 (3) the cash deposit rate for all other manufacturers or exporters will continue to be the ''all others'' rate of 36.41 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 also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 the antidumping duties occurred and the subsequent assessment of double antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d)(1), that continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the 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.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: March 8, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–6290 Filed 3–15–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–427–816, A–475–826, A–580–836, A–560–805, A–533–817, A–588–847, A–894–801, A–851–801]

Initiation of Antidumping Duty Investigations: Certain Cut-To-Length Carbon-Quality Steel Plate From the Czech Republic, France, India, Indonesia, Italy, Japan, the Republic of Korea, and the Former Yugoslav Republic of Macedonia

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

EFFECTIVE DATE: March 16, 1999.

FOR FURTHER INFORMATION CONTACT: James Terpstra (France, India, and the Republic of Korea) at (202) 482–3965; Wendy Frankel (Italy, Japan) at (202) 482–5849; David Goldberger (Indonesia) at (202) 482–4136, Irene Darzenta Tzafolias (Former Yugoslav Republic of Macedonia) at (202) 482–6320 and James Maeder (Czech Republic) at (202) 482–3330, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigations

The Applicable Statute and Regulations

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 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR part 351 (1998).

The Petitions

On February 16, 1999, the Department of Commerce (the Department) received petitions filed in proper form by Bethlehem Steel Corporation, Gulf States Steel, Inc., IPSCO Steel Inc., Tuscaloosa Steel Corporation,[1] the United Steelworkers of America, and the U.S. Steel Group (a unit of USX

[1] **Note:** Tuscaloosa Steel Corporation is not a petitioner in the investigations involving the Czech Republic, France, and Italy.

Corporation) (collectively the petitioners). The Department received supplemental information to the petitions on February 25 and 26, 1999, and March 1, 1999.

In accordance with section 732(b) of the Act, the petitioners allege that imports of certain cut-to-length carbon steel plate (CTL plate) from the Czech Republic, France, India, Indonesia, Italy, Japan, the Republic of Korea (Korea), and the Former Yugoslav Republic of Macedonia (FYR Macedonia) are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring an industry in the United States.

The Department finds that the petitioners filed these petitions on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C) and (D) of the Act, and they have demonstrated sufficient industry support with respect to each of the antidumping investigations that they are requesting the Department to initiate (*see Determination of Industry Support for the Petitions* below).

Scope of Investigations

The products covered by this scope are certain hot-rolled carbon-quality steel: (1) Universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat-rolled products, hot-rolled, of a nominal or actual thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are cut-to-length (not in coils).

Steel products to be included in this scope are of rectangular, square, circular or other shape and of rectangular or non-rectangular cross-section where such non-rectangular cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been ''worked after rolling'')—for example, products which have been beveled or rounded at the edges. Steel products that meet the noted physical characteristics that are painted, varnished or coated with plastic or other non-metallic substances are included within this scope. Also, specifically included in this scope are high strength, low alloy (HSLA) steels. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.

Steel products to be included in this scope, regardless of Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which: (1) Iron predominates, by weight, over each of the other contained elements, (2) the carbon content is two percent or less, by weight, and (3) none of the elements listed below is equal to or exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese, or
1.50 percent of silicon, or
1.00 percent of copper, or
0.50 percent of aluminum, or
1.25 percent of chromium, or
0.30 percent of cobalt, or
0.40 percent of lead, or
1.25 percent of nickel, or
0.30 percent of tungsten, or
0.10 percent of molybdenum, or
0.10 percent of niobium, or
0.41 percent of titanium, or
0.15 percent of vanadium, or
0.15 percent zirconium.

All products that meet the written physical description, and in which the chemistry quantities do not equal or exceed any one of the levels listed above, are within the scope of these investigations unless otherwise specifically excluded. The following products are specifically excluded from these investigations: (1) Products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances; (2) SAE grades (formerly AISI grades) of series 2300 and above; (3) products made to ASTM A710 and A736 or their proprietary equivalents; (4) abrasion-resistant steels (*i.e.*, USS AR 400, USS AR 500); (5) products made to ASTM A202, A225, A514 grade S, A517 grade S, or their proprietary equivalents; (6) ball bearing steels; (7) tool steels; and (8) silicon manganese steel or silicon electric steel.

The merchandise subject to these investigations is classified in the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise under investigation is dispositive.

During our review of the petitions, we discussed the scope with the petitioners to ensure that the scope in the petitions accurately reflects the merchandise for which the domestic industry is seeking relief. Moreover, as we discussed in the preamble to the Department's regulations (62 FR at 27323), we are setting aside a period for parties to raise issues regarding product coverage. In particular, we seek comments on the specific levels of alloying elements set out in the description above, the clarity of grades and specifications excluded from the scope, and the physical and chemical description of the product coverage. The Department encourages all parties to submit such comments by March 29, 1999. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) At least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the ''industry'' as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether ''the domestic industry'' has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of

time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.[2]

Section 771(10) of the Act defines the domestic like product as ''a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation,'' *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition. Moreover, the petitioners do not offer a definition of domestic like product distinct from the scope of the investigations.

In this case, ''the article subject to investigation'' includes certain products which have not previously been included within the scope of investigations involving cut-to-length carbon steel products. To this end, the Department has reviewed reasonably available information to determine whether the products within the scope of the investigations constitute one or more than one domestic like product(s).

Some steel products classified as alloy steels based on the HTSUS are recognized as carbon steels by the industry and/or the marketplace. For example, *The Book of Steel*, a 1996 publication by Sollac, a flat-rolled steel division of Usinor, one of the largest steel companies in the world, identifies HSLA as falling within categories of plain carbon sheet steels (*see* chapter 44). Also, *Carbon and Alloy Steels*, published in 1996 by ASM International, a major materials society, indicates that HSLA steels are not considered to be alloy steels, but are in fact similar to as-rolled mild-carbon steel and are generally priced by reference to the base price for carbon steels (*see* page 29). *Carbon and Alloy Steels* also distinguishes between carbon-boron and alloy-boron steels; the former may contain boron at levels which would classify it as alloy under the HTSUS, but would not classify it as an alloy steel commercially because, unlike the alloy-boron steels, higher levels of other alloying elements are not specified (*see e.g.*, pages 159 and 161).

The Department has considered that, with respect to certain steel products, such as HSLA, the petitioners indicate that these steel products are manufactured by similar processes, are priced from similar bases, are marketed in comparable ways, and are used for similar applications as carbon steels.

Further, we confirmed this description with product experts at the Department and the ITC. Other than the fact that the AISI technically defines alloy steels based on alloy levels comparable to those in the HTSUS, none of the individuals cited reasons why the products in question might be treated as distinct from cut-to-length carbon steels. For these reasons, the Department determines that for purposes of these investigations, the domestic like product definition is the single domestic like product defined in the *Scope of the Investigations* section above.

Based on our analysis of the information and arguments presented to the Department and the information independently obtained and reviewed by the Department, we have determined that there is a single domestic like product which is defined in the *Scope of Investigations* section above. Moreover, the Department has determined that the petitions (and subsequent amendments) contain adequate evidence of industry support and, therefore, polling is unnecessary (*see Import Administration Antidumping Investigation Initiation Checklist, Re: Industry Support*, March 3, 1999, hereinafter the *IA Initiation Checklist*, on file in the Central Records Unit (CRU) of the main Department of Commerce building). The Department received no opposition to the petitions. For all countries, the petitioners established industry support representing over 50 percent of total production of the domestic like product.

Accordingly, the Department determines that these petitions are filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Export Price and Normal Value

The following are descriptions of the allegations of sales at less than fair value upon which our decisions to initiate these investigations are based. A more detailed description of these allegations is provided in the *IA Initiation Checklist*. Should the need arise to use any of this information in our preliminary or final determinations for purposes of facts available under section 776 of the Act, we may re-examine the information and revise the margin calculations, if appropriate.

Czech Republic

The petitioners identified Nova Hut a.s. (Nova Hut), Vitkovice a.s. (Vitkovice), and ZDB a.s. (ZDB) as possible exporters of CTL plate from the Czech Republic. The petitioners further identified Nova Hut and Vitkovice as the primary producers of subject merchandise in the Czech Republic, and Vitkovice as the primary exporter of the subject merchandise to the United States.

The petitioners based export price (EP) on a U.S. price offering for CTL plate produced by Vitkovice. The petitioners made deductions from EP for U.S. port charges (from a U.S. port tariff schedule); CIF charges, including ocean freight and insurance (from official U.S. import statistics); and duties (from the HTSUS).

The petitioners note that the Department has never had occasion to determine whether the Czech Republic is a non-market economy country (NME) to the extent that sales or offers for sale of such or similar merchandise in the Czech Republic do not permit calculation of normal value (NV) under 19 CFR 351.404. In previous investigations, however, the Department has determined that Czechoslovakia, the predecessor of both the Czech Republic and the Slovak Republic, was a NME. *See e.g., Final Determination of Sales at Less Than Fair Value: Carbon Steel Wire Rod from Czechoslovakia*, 49 FR 19370 (May 7, 1984). In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the Czech Republic has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product appropriately is based on factors of production valued in a surrogate market economy country, in accordance with section 773(c) of the Act. The petitioners constructed a NV based on the factors of production methodology pursuant to section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the Czech Republic's NME status and the granting of separate rates to individual exporters. *See e.g., Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the PRC*, 59 FR 22585 (May 2, 1994).

With respect to NV, the petitioners based the factors of production, as defined by section 773(c)(3) of the Act (raw materials, labor, energy and capital cost), for CTL plate on the quantities of

[2] *See Algoma Steel Corp. Ltd.*, v. *United States*, 688 F. Supp. 639, 642–44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass Therefore from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380–81 (July 16, 1991).

inputs used by a production facility of one of the petitioners, adjusted for known differences in production efficiencies on the basis of available information. The petitioners selected this particular facility claiming that its production process was similar to that of Vitkovice. The petitioners asserted that detailed information is not available regarding the quantities of inputs used by Vitkovice. Thus, they have assumed, for purposes of the petition, that Vitcovice uses the same inputs in the same quantities as the petitioners, except where a variance from their cost model can be justified on the basis of available information. Based on the information provided by the petitioners, we believe that their use of adjusted factors of production of one of their own facilities represents information reasonably available to the petitioners and is appropriate for purposes of the initiation of this investigation.

The petitioners selected Brazil as the primary surrogate, stating that the per-capita Gross National Product (GNP) of Brazil is similar to that of the Czech Republic.[3] Moreover, of the five countries that are most similar to the Czech Republic with regard to per-capita GNP, Brazil is the most significant producer of CTL plate. Brazil has two CTL plate producers with a combined annual production capacity of nearly two million metric tons. The only other surrogate candidate that produces CTL plate is Chile. The petitioners claim that Chile has one plate mill, but they do not know its annual capacity. However, the petitioners note that Chile's total 1997 hot-rolled flat steel production was 457,000 metric tons, only a portion of which was CTL plate. Thus, the petitioners maintain that Brazil is the most suitable surrogate among the potential surrogates, because, pursuant to section 773(c)(4) of the Act, it is at a comparable level of economic development and it is the most significant producer of comparable merchandise of any other potential surrogate. Based on the information provided by the petitioners, we believe that the petitioners' use of Brazil as a surrogate country is appropriate for purposes of the initiation of this investigation.

In accordance with section 773(c)(4) of the Act, the petitioners valued factors of production, where possible, using reasonably available, public surrogate country data. Specifically:

- **Coal** was valued based on Brazilian import values reported in U.S. dollars, as published in the October 1998 Brazilian edition of the World Trade Atlas.
- **Iron** ore was valued using the public price information of a Brazilian iron ore producer.
- **Scrap** was valued based on a July 3, 1997, report by Credit Suisse First Boston Corporation.
- **Labor** was valued using the regression-based wage rate for the Czech Republic provided by the Department, in accordance with 19 CFR 351.408(c)(3).
- **Electricity and natural gas** were valued using the rate for Brazil published in a quarterly report of the OECD's International Energy Agency from the third quarter of 1998.
- **Underfiring fuels and repair and maintenance materials** were valued using the costs of the petitioner whose production process is similar to Vitkovice's, because the petitioners were unable to find Brazilian values for them.
- **For selling, general, and administrative (SG&A) expenses, financial expenses, and profit,** the petitioners applied rates derived from the 1997 public financial statements of the two Brazilian producers of the subject merchandise, COSIPA and USIMINAS.
- **Depreciation** was valued using the product-specific depreciation rate of the petitioner whose production process is similar to Vitkovice's, explaining that the rate they could derive from the Brazilian producers' information would not be product specific.

Based on the information provided by the petitioners, we believe that their surrogate values represent information reasonably available to them and are acceptable for purposes of the initiation of this investigation.

Based on comparisons of EP to NV, the petitioners estimated the dumping margin for CTL plate from the Czech Republic to be 76.38 percent.

France

The petitioners identified Creusot Loire Industrie (CLI) and GTS Industries as possible exporters of CTL plate from France. The petitioners further identified these exporters as the primary producers of subject merchandise in France. The petitioners based EP on a U.S. price offering to an unaffiliated U.S. purchaser for two products. The petitioners made deductions from EP for CIF charges, including ocean freight and insurance (from official U.S. import statistics); and duties (from the HTSUS).

In addition, the petitioners provided, as a second basis for EP, the average unit value (AUV) for three of the HTSUS categories accounting for the largest volume of imports from France during the first eleven months of 1998, the most current data available. The petitioners maintain that the products within these categories, while representing a range of sizes, are nevertheless indicative of average pricing because the products within these categories represent the largest volume commercial products. The petitioners also maintain that the values for CTL plate in the IM–145 approximate the FOB price of the merchandise, packaged and ready for delivery at the foreign port (*see* 19 USC section 1401a and 19 CFR 152.101).

With respect to NV, the petitioners provided home market prices for common grades and sizes of CTL plate obtained from foreign market research. These products are comparable to the products exported to the United States, which serve as the basis for EP. The price used in the calculation of NV was an ex-factory price, exclusive of taxes.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of CTL plate in the home market were made at prices below the cost of production (COP), within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing (COM), SG&A expenses, and packing expenses. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in France using publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997 financial statements of a French steel producer. Based upon the comparison of the adjusted price of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in France on constructed value (CV). The petitioners calculated CV using the same COM, SG&A and financial expense figures

[3] The petitioners acknowledge that the Department's regulations indicate that GDP is the appropriate basis for determining comparability but argue that GNP is reasonable as a basis for initiating.

used to compute French home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based upon the aforementioned French steel company's 1997 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) CV compared to U.S. price offers (7.99 to 30.06 percent); and (2) CV compared to AUV (11.37 to 42.50 percent).

India

The petitioners identified Steel Authority of India Ltd. (SAIL) as an exporter of CTL plate from India. According to the petitioners, SAIL accounted for a large percentage of the subject merchandise exported to the United States during the January-November 1998 time period. The petitioners based EP on a U.S. price offering to unaffiliated purchasers. The petitioners made deductions from EP for CIF charges, including ocean freight and insurance (from official U.S. import statistics); and duties (from the HTSUS).

With respect to NV, the petitioners provided home market prices for common grades and sizes of CTL plate obtained from foreign market research. These products are comparable to the products exported to the United States which serve as the basis for EP. The price used in the calculation of NV was an ex-factory price, exclusive of taxes.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of certain CTL plate in the home market were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses, and packing expenses. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in India using market research and publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997 financial statements of an Indian steel producer. Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in India on CV. The petitioners calculated CV using the same COM, SG&A and financial expense figures used to compute Indian home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based on the aforementioned Indian steel company's 1997 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) HMP compared to U.S. price offers (44.51 percent); and (2) CV compared to U.S. price offers (72.49 percent).

Indonesia

The petitioners identified PT Gunawan Dianjaya Steel (Gunawan), PT Jaya Pari Steel Corp., Ltd., Tbk.(Jaya Pari), and PT Krakatau Steel (Krakatau) as possible exporters of CTL plate from Indonesia. The petitioners based EP on a U.S. price offer for several products manufactured by Gunawan and sold to an unaffiliated U.S. purchaser. The petitioners made deductions from EP for foreign inland freight (based on foreign market research), U.S. port charges (from a U.S. port tariff schedule); CIF charges, including ocean freight and insurance (from official U.S. import statistics); duties (from the HTSUS); and U.S. movement expenses, including inland freight, based on the petitioners' experience.

With respect to NV, the petitioners used a delivered home market price, exclusive of taxes, for a common grade and size of CTL plate produced by Gunawan, obtained from foreign market research. This product is comparable to one of the products exported to the United States, which serves as the basis for EP. The petitioners deducted inland freight expenses based on information from foreign market research. The petitioners made a circumstance-of-sale adjustment for credit expenses based on information from foreign market research.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of CTL plate in the home market were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses, and packing expenses. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in Indonesia using publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997 financial statements of an Indonesian steel producer. Based upon the comparison of the adjusted price of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Indonesia on CV. The petitioners calculated CV using the same COM, SG&A and financial expense figures used to compute Indonesian home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based upon an Indonesian steel producer's 1997 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) HMP compared to U.S. price offers (17.59 percent); and (2) CV compared to U.S. price offers (52.42 percent).

Italy

The petitioners identified Ilva Laminati Piani SpA (ILP), Palini & Bertoli SpA (PB), Siderurgica Villalvernia SpA (SV), and Ferriera Siderscal SpA (FS) as possible exporters of CTL plate from Italy. The petitioners further identified these exporters as the primary producers of subject merchandise in Italy. The petitioners based EP on a U.S. price offering to an unaffiliated U.S. purchaser for two products. The delivery terms were FOB duty paid and Ex-Dock duty paid. The petitioners made deductions from EP for CIF charges, including ocean freight and insurance (from official U.S. import statistics).

In addition, the petitioners provided, as a second basis for EP, the AUV for the three HTSUS categories accounting for the largest volume of imports from Italy during the first eleven months of 1998. The petitioners maintain that the products within these categories, while representing a range of sizes, are nevertheless indicative of average pricing because the products within these categories represent the largest volume commercial products. The petitioners maintain that the values for CTL plate in the IM–145 approximate the FOB price of the merchandise,

packaged and ready for delivery at the foreign port (*see* 19 USC section 1401a and 19 CFR 152.101).

With respect to NV, the petitioners used an ex-factory home market price, exclusive of taxes, for a common grade and size of CTL plate obtained from foreign market research. This product is comparable to the products exported to the United States which serve as the basis for EP.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of CTL plate in the home market were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses, and packing expenses. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in Italy using market research and publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997 financial statements of an Italian steel producer. Based upon the comparison of the adjusted price of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Italy on CV. The petitioners calculated CV using the same COM, SG&A and financial expense figures used to compute Italian home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based upon the aforementioned Italian producer's 1997 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) CV compared to U.S. price offers (39.55 to 93.30 percent); and (2) CV compared to AUV (30.75 to 89.72 percent).

Japan

The petitioners identified Kawasaki Steel Corporation (Kawasaki), Kobe Steel, Ltd. (Kobe Steel), Nippon Steel Corporation (Nippon Steel), NKK Corporation (NKK), and Sumitomo Metal Industries, Ltd. (Sumitomo) as exporters of CTL plate from Japan. The petitioners further identified these exporters as the only Japanese producers known to the petitioners to have exported the subject merchandise from Japan. The petitioners based EP on a price offering to unaffiliated purchasers in the United States. The petitioners made deductions from EP for U.S. port charges (from a U.S. freight forwarder); CIF charges, including ocean freight and insurance (from official U.S. import statistics); duties (from the HTSUS), foreign movement charges (from foreign market research), and a Japanese trading company mark-up (from foreign market research).

With respect to NV, the petitioners obtained, from foreign market research, home market delivered prices from Nippon Steel, NKK, Kawasaki, and Sumitomo for a product similar to that for which the U.S. price quote was obtained. Based on the terms of the home market sales, the petitioners deducted foreign movement charges (obtained from foreign market research) from the home market prices. The petitioners also adjusted home market prices for differences in packing and credit expenses in the U.S. and Japanese markets (obtained from foreign market research), and for differences in the merchandise for which the U.S. and Japanese price quotes were obtained, based on their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in Japan (obtained from market research and publicly available data).

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of CTL plate in the home market were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses, and packing expenses. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in Japan using market research and publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997/1998 financial statements of the Japanese steel producers. Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Japan on CV. The petitioners calculated CV using the same COM, SG&A and financial expense figures used to compute Japanese home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based upon the aforementioned Japanese producers' 1997/1998 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) HMP compared to U.S. price offers (3.06 to 3.44 percent); and (2) CV compared to U.S. price (56.24 to 59.12 percent).

Republic of Korea

The petitioners identified Daekyung Corporation, Dongkuk Steel Mill Co., Ltd., Korea Iron & Steel (KISCO), and Pohang Iron and Steel Co Ltd. (POSCO) as possible exporters of CTL plate from Korea. The petitioners based EP on U.S. price offerings for the subject merchandise in the United States. The petitioners made deductions from EP for CIF charges, including ocean freight and insurance (from official U.S. import statistics); and duties (from the HTSUS).

In addition, the petitioners provided, as a second basis for EP, the AUV for three of the HTSUS categories accounting for the largest volume of imports from Korea during the first eleven months of 1998, the most current data available. The petitioners maintain that the products within these categories, while representing a range of sizes, are nevertheless indicative of average pricing because the products within these categories represent the largest volume commercial products. The petitioners also maintain that the values for CTL plate in the IM–145 approximate the FOB price of the merchandise, packaged and ready for delivery at the foreign port (*see* 19 USC section 1401a and 19 CFR 152.101).

With respect to NV, the petitioners provided home market prices for common grades and sizes of CTL plate obtained from foreign market research. These products are comparable to the products exported to the United States which serve as the basis for EP.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of CTL plate in the home market were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department

conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses, and packing. To calculate COM, the petitioners relied upon their own production experience, adjusted for known differences between costs incurred to produce CTL plate in the United States and in Korea using publicly available data.

To calculate SG&A and financial expenses, the petitioners relied upon the 1997 audited financial statements of a Korean steel producer. Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Korea on CV. The petitioners calculated CV using the same COM, SG&A and financial expense figures used to compute Korean home market costs. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit. Profit was based upon the aforementioned Korean producer's 1997 financial statements.

The petitioners provided estimated dumping margins in two ways: (1) CV to U.S. price offers (14.57 to 63.00 percent); and (2) CV to AUV (1.26 to 34.91 percent).

The Former Yugoslav Republic of Macedonia

The petitioners identified Rudnici i Zelezara Skopje (Makstil) as the sole CTL plate producer in FYR Macedonia. The petitioners based EP on U.S. price offerings for the sale of the subject merchandise in the United States. The petitioners made deductions from EP for CIF charges, including ocean freight and insurance (from official U.S. import statistics); and duties (from official U.S. import statistics).

In addition, the petitioners provided, as a second basis for EP, the AUV for two of the HTSUS categories accounting for all imports of CTL plate from FYR Macedonia during the first eleven months of 1998, the most current data available. The petitioners maintain that the products within these categories, while representing a range of sizes, are nevertheless indicative of average pricing because the products within these categories represent the largest volume commercial products. The petitioners also maintain that the values for CTL plate in the IM–145 approximate the FOB price of the merchandise, packaged and ready for delivery at the foreign port (*see* 19 USC section 1401a and 19 CFR 152.101).

With respect to NV, the petitioners stated that despite significant efforts, they were unable to obtain any home market or third country market prices for sales of Macedonian CTL plate. The petitioners instead calculated the weighted-average CIF export price of CTL plate from FYR Macedonia to Germany, France and Italy, for the period January through August 1998, based on publicly available data. The petitioners identified these three European countries as likely to represent significant export markets for Macedonian CTL plate because they are three large, steel-consuming markets that are geographically proximate to FYR Macedonia. Because the petitioners had no information pertaining to international freight and insurance charges within Europe, no adjustment was made to the CIF export price for those charges.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of Macedonian CTL plate in the above-specified third-country markets were made at prices below the COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation. Pursuant to section 773(b)(3) of the Act, COP consists of COM, SG&A, and packing expenses. To calculate COM, the petitioners relied upon their own production experience during the period January through September 1998, adjusted for known differences between the costs incurred to produce CTL plate in the United States and in FYR Macedonia using publicly available data.

To calculate SG&A and financial expenses, the petitioners stated that they conducted extensive research efforts to obtain the financial statements of the Macedonian CTL producer or any other steel-related producer in FYR Macedonia without success. Therefore, they relied upon their own experience during 1998 to calculate these expenses. While it is the Department's practice, under section 773(e)(2)(A) of the Act, to calculate general expenses (and profit) in connection with the production and sale of a foreign like product, in the ordinary course of trade, for consumption in the foreign country (*i.e.*, country of manufacture), such information was not reasonably available to the petitioners or to the Department in this case. Therefore, we have accepted the petitioners' calculation methodology for purposes of initiating this investigation.

Based upon the comparison of the weighted-average export price of the foreign like product in third countries to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. We also note that in this case, making no adjustment to COP for general expenses would still result in sales below cost. Accordingly, the Department is initiating a country-wide cost investigation.

Because the third-country export price used in the petition was below the calculated COP, pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, the petitioners based NV on CV. The petitioners calculated CV using the same methodology as that described above for third country COP. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit which they based on their own experience. As noted above, while it is the Department's practice, under section 773(e)(2)(A) of the Act, to calculate general expenses and profit in connection with the production and sale of a foreign like product, in the ordinary course of trade, for consumption in the foreign country (i.e., country of manufacture), such information was not reasonably available to the petitioners or to the Department in this case. Therefore, we have accepted the petitioners' calculation methodology for purposes of initiating this investigation. We also note that in this case, making no adjustment to CV for general expenses and profit would still result in significant margins when CV is compared to EP.

The petitioners provided estimated dumping margins in two ways: (1) CV compared to U.S. price offers (44.24 to 119.42 percent); and (2) CV compared to AUV (22.95 to 34.97 percent).

Initiation of Cost Investigations

Pursuant to section 773(b) of the Act, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales in the home markets of France, India, Indonesia, Italy, Japan, Korea, and sales in third countries for FYR Macedonia were made at prices below the fully allocated COP and, accordingly, requested that the Department conduct country-wide sales-below-COP investigations in connection with the requested antidumping investigations in France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia. The Statement of

Administrative Action (SAA), submitted to the Congress in connection with the interpretation and application of the URAA, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316 at 833 (1994). The SAA, at 833, states that ''Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation.''

Further, the SAA provides that ''new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' . . . exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices.'' *Id*. Based upon the comparison of the adjusted prices from the petitions for the representative foreign like products to their costs of production, we find the existence of ''reasonable grounds to believe or suspect'' that sales of these foreign like products in France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations (*see* country-specific sections above).

Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of CTL plate from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia are being, or are likely to be, sold at less than fair value.

Critical Circumstances

The petitioners have alleged that critical circumstances exist with respect to imports of subject merchandise from the Czech Republic, Indonesia, Japan, and FYR Macedonia. The petitioners have supported their allegations with the following information. For the Czech Republic and FYR Macedonia, the petitioners state that there is a history of injurious dumping because Canada has imposed antidumping measures on CTL plate from these countries. For Indonesia and Japan, the petitioners made alternative claims that the importers knew, or should have known, that CTL plate was being sold at less than normal value and that there was likely to be material injury by reason of such sales. Specifically, for both countries, the petitioners allege that the margins calculated in the petitions exceed the 25 percent threshold used by the Department to impute importer knowledge of dumping and the likelihood of material injury due to that dumping.

The petitioners also have alleged that imports from the Czech Republic, Indonesia, Japan, and FYR Macedonia have been massive over a relatively short period. The petitioners allege that there was sufficient pre-filing notice of these antidumping petitions and that the Department should compare imports during June–August 1998 (base period) to imports during September–November 1998 (comparison period) for purposes of this determination. According to the import statistics contained in the petitions, for the periods June–August 1998 and September–November 1998, imports of CTL plate from the Czech Republic increased by 154 percent, imports from Indonesia increased by 15 percent, imports from Japan increased by 294 percent, and imports from FYR Macedonia increased by 129 percent. Taking into consideration the foregoing, we find that the petitioners have alleged the elements of critical circumstances and supported them with information reasonably available.

For these reasons, we are initiating critical circumstances investigations for the above-specified countries and will make preliminary determinations based on available information at the appropriate time, in accordance with section 733(e)(1) of the Act.

Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, and is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. The petitioners explained that the industry's injured condition is evident in the declining trends in net operating profits, net sales volumes, profit-to-sales ratios, and capacity utilization. The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, lost sales, and pricing information. The Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation (*see IA Initiation Checklist*).

Initiation of Antidumping Investigations

Based upon our examination of the petitions on certain cut-to-length carbon-quality steel plate and the petitioners' responses to our supplemental questionnaires clarifying the petitions, as well as our discussion with the authors of the foreign market research reports supporting the petitions on France, India, Indonesia, Italy, Japan, and Korea, and other measures undertaken to confirm the information contained in these reports (*see IA Initiation Checklist*), we have found that the petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of certain cut-to-length carbon-quality steel plate products from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of this notice.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition (as appropriate).

International Trade Commission Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will determine, by April 2, 1999, whether there is a reasonable indication that imports of certain cut-to-length carbon-quality steel plate from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and FYR Macedonia are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 777(i) of the Act.

Dated: March 8, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–6293 Filed 3–15–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–557–805]

Extruded Rubber Thread From Malaysia; Final Results of Antidumping Duty Administrative Review

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

SUMMARY: On November 9, 1998, the Department of Commerce published in the **Federal Register** the preliminary results of the administrative review of the antidumping duty order on extruded rubber thread from Malaysia. This review covers four manufacturers/exporters of the subject merchandise to the United States (Filati Lastex Elastofibre (Malaysia) (Filati), Heveafil Sdn. Bhd./Filmax Sdn. Bhd (collectively Heveafil), Rubberflex Sdn. Bhd. (Rubberflex), and Rubfil Sdn. Bhd. (Rubfil)). The period of review (POR) is October 1, 1996, through September 30, 1997.

We gave interested parties an opportunity to comment on our preliminary results. We have based our analysis on the comments received and have changed the results from those presented in the preliminary results of review.

EFFECTIVE DATE: March 16, 1999.

FOR FURTHER INFORMATION CONTACT: Shawn Thompson or Irina Itkin, AD/CVD Enforcement Group II, Office 5, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482–1776 or (202) 482–0656, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 9, 1998, the Department of Commerce (the Department) published in the **Federal Register** its preliminary results of the 1996–1997 administrative review of the antidumping duty order on extruded rubber thread from Malaysia (63 FR 60295). The Department has now completed this administrative review, in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).

Scope of the Review

The product covered by this review is extruded rubber thread. Extruded rubber thread is defined as vulcanized rubber thread obtained by extrusion of stable or concentrated natural rubber latex of any cross sectional shape, measuring from 0.18 mm, which is 0.007 inch or 140 gauge, to 1.42 mm, which is 0.056 inch or 18 gauge, in diameter. Extruded rubber thread is currently classifiable under subheading 4007.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of this review is dispositive.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Act are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR part 351 (1998).

Facts Available

A. Rubfil

In accordance with section 776(a)(2)(A) of the Act, we determine that the use of facts available is appropriate as the basis for Rubfil's dumping margin. Specifically, Rubfil failed to respond to the Department's questionnaire, issued in November 1997. Because Rubfil did not respond to the Department's questionnaire, we must use facts otherwise available to calculate Rubfil's dumping margin.

Section 776(b) of the Act provides that adverse inferences may be used with respect to a party that has failed to cooperate by not acting to the best of its ability to comply with requests for information. *See* Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 316, 103rd Cong., 2d Sess. 870 (SAA). The failure of Rubfil to reply to the Department's questionnaire demonstrates that it has failed to act to the best of its ability in this review and, therefore, an adverse inference is warranted.

As adverse facts available for Rubfil, we have used the highest rate calculated for any respondent in any segment of this proceeding. This rate is 54.31 percent.

B. Corroboration of Secondary Information

As facts available in this case, the Department has used information derived from a prior administrative review, which constitutes secondary information within the meaning of the SAA. *See* SAA at 870. Section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate secondary information from independent sources reasonably at its disposal. The SAA provides that ''corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value. *See* SAA, H.R. Doc. 316, Vol. 1, 103rd Cong., 2d Sess. 870 (1994).

To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. Thus, in an administrative review, if the Department chooses as total adverse facts available a calculated dumping margin from the same or a prior segment of this proceeding, it is not necessary to question the reliability of the margin for that time period. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant. Where circumstances indicate that the selected margin may not be appropriate, the Department will attempt to find a more appropriate basis for facts available. *See, e.g., Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996) (where the Department disregarded the highest margin as adverse best information available because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin).

For Rubfil, we examined the rate applicable to extruded rubber thread from Malaysia throughout the course of the proceeding. With regard to its probative value, the rate specified above is reliable and relevant because it is a calculated rate from the 1994–1995 administrative review. There is no information on the record that demonstrates that the rate selected is not an appropriate total adverse facts available rate for Rubfil. Thus, the Department considers this rate to be appropriate adverse facts available.

Normal Value Comparisons

To determine whether sales of extruded rubber thread from Malaysia to