

meet the specifications detailed above, in accordance with sections 751 (b) and (d) and 782(h) of the Act and 19 CFR 351.216(d)(1). This partial revocation applies to all entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of this publication of final results.

This notice also serves as a reminder to parties subject to administrative protection orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d)(1997). 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 terms of an APO is a sanctionable violation.

This changed circumstances administrative review, partial revocation of the antidumping duty order and notice are in accordance with sections 751 (b) and (d) and 782(h) of the Act and sections 351.216 and 351.222(g) of the Department's regulations.

Dated: March 19, 1999.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

[FR Doc. 99-7521 Filed 3-26-99; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-351-827]

#### Notice of Final Determination of Sales at Less Than Fair Value: Emulsion Styrene-Butadiene Rubber From Brazil

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

**EFFECTIVE DATE:** March 29, 1999.

**FOR FURTHER INFORMATION CONTACT:** Sunkyu Kim or John Maloney, Office of 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) 482-2613 or (202) 482-1503.

#### The Applicable Statute

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

Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the regulations codified at 19 CFR part 351 (April 1998).

#### Final Determination

We determine that emulsion styrene-butadiene rubber (ESBR) from Brazil is being sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Continuation of Suspension of Liquidation" section of this notice.

#### Case History

Since the preliminary determination in this investigation on October 28, 1998 (see *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Emulsion Styrene-Butadiene Rubber from Brazil*, 63 FR 59509 (November 4, 1998) (Preliminary Determination)), the following events have occurred:

On December 9, 1998, the sole respondent in this case, Petroflex Industria e Comercio S.A. (Petroflex), submitted a letter to the Department stating that Petroflex is "unable to receive Department personnel for verification as scheduled." Furthermore, Petroflex stated that the "company does not anticipate a significant reduction in the final margin to warrant further participation in the Department's investigation" and "has therefore decided to focus its efforts on the injury proceedings at the U.S. International Trade Commission." As a result of Petroflex's decision not to participate in verification, the information provided by the company, which was the basis of our preliminary determination, could not be verified. Therefore, we have applied facts otherwise available in our final determination. For a further discussion, see "Facts Available" section below.

We received a case brief from the petitioners on February 5, 1999. We received no case or rebuttal brief from Petroflex.

#### Scope of Investigation

For purposes of this investigation, the product covered is ESBR. ESBR is a synthetic polymer made via free radical cold emulsion copolymerization of styrene and butadiene monomers in reactors. The reaction process involves combining styrene and butadiene monomers in water, with an initiator system, an emulsifier system, and molecular weight modifiers. ESBR consists of cold non-pigmented rubbers

and cold oil extended non-pigmented rubbers that contain at least one percent of organic acids from the emulsion polymerization process.

ESBR is produced and sold, both inside the United States and internationally, in accordance with a generally accepted set of product specifications issued by the International Institute of Synthetic Rubber Producers (IISRP). The universe of products subject to this investigation are grades of ESBR included in the IISRP 1500 series and IISRP 1700 series of synthetic rubbers. The 1500 grades are light in color and are often described as "Clear" or "White Rubber." The 1700 grades are oil-extended and thus darker in color, and are often called "Brown Rubber." ESBR is used primarily in the production of tires. It is also used in a variety of other products, including conveyor belts, shoe soles, some kinds of hoses, roller coverings, and flooring.

Products manufactured by blending ESBR with other polymers, high styrene resin master batch, carbon black master batch (*i.e.*, IISRP 1600 series and 1800 series) and latex (an intermediate product) are not included within the scope of this investigation.

The products under investigation are currently classifiable under subheading 4002.19.0010 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

#### Period of Investigation

The period of investigation (POI) is April 1, 1997 through March 31, 1998.

#### Facts Available

Section 776(a)(2) of the Act provides that, if an interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested; (C) significantly impedes a proceeding under the antidumping statute; or (D) provides such information but the information cannot be verified, the Department shall, subject to certain exceptions contained in section 782, use facts otherwise available in reaching the applicable determination. In this case, Petroflex refused to allow the Department to verify the sales and cost of production data it provided in its questionnaire responses, thus rendering subsections 782(c)(1) and (e) inapplicable. Accordingly, we have determined that use of facts available is appropriate for Petroflex.

Section 776(b) of the Act provides that adverse inferences may be used

when an interested party has failed to cooperate by not acting to the best of its ability to comply with the Department's requests for information. See also Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 316, 103d Cong., 2d Sess. 870 (1994) (SAA). Petroflex's decision to refuse verification of its submitted data demonstrates that it has failed to act to the best of its ability to comply with a request for information under section 776 of the Act. Thus, the Department has determined that, in selecting among the facts otherwise available, an adverse inference is warranted. Consistent with Department practice in cases where the respondent refuses to participate, as adverse facts otherwise available, we have applied a margin based on the highest margin stated in the petition (there were no calculated margins in this investigation for us to consider). See, e.g., *Notice of Final Determination of Sales At Less Than Fair Value: Stainless Steel Wire Rod from Germany*, 63 FR 40433 (July 29, 1998).

Section 776(c) provides that, when the Department relies on secondary information, such as the petition, when resorting to the facts otherwise available, it must, to the extent practicable, corroborate that information using independent sources that are reasonably at its disposal. To corroborate secondary information, to the extent practicable, the Department will examine the reliability and relevance of the information to be used. With respect to the reliability aspect of corroboration, we reviewed the adequacy and accuracy of the information in the petition during our pre-initiation analysis of the petition, to the extent appropriate information was available for this purpose (e.g., import statistics, call reports, and data from business contacts) as outlined below.

The petitioners identified Petroflex as the sole exporter and producer of ESBR from Brazil. The petitioners based export price on U.S. prices in call reports generated by the petitioners' sales personnel in the normal course of business and obtained from various customers for ESBR grades 1502 and 1712, two grades most commonly exported to the United States. The petitioners adjusted the delivered U.S. prices to ex-factory prices by deducting international freight and insurance expenses. The source of these expenses were official U.S. import statistics. For sales that did not specify "FOB Port" or "Delivered", the petitioners assumed the terms of these sales to be FOB Brazil and did not deduct international freight and insurance expenses. No other adjustments were made.

With respect to normal value, the petitioners obtained from a local business contact in Brazil prices for contemporaneous sales of ESBR grades 1502 and 1712 from Petroflex to a Brazilian customer. The petitioners adjusted these home market prices for estimated inland freight and credit expenses. The interest rates used in the calculation of credit expenses were obtained from publicly available information. The Brazilian inland freight expenses and credit terms were based on information obtained by local business contacts, as noted in an affidavit. After making adjustments for movement expenses and credit expenses, the petitioners calculated ex-factory normal values which were converted to U.S. dollars using publicly available exchange rates. See *Notice of Initiation of Antidumping Investigations: Emulsion Styrene-Butadiene Rubber from Brazil, the Republic of Korea, and Mexico*, 63 FR 20575 (April 27, 1998), and "Office of Antidumping Investigations Initiation Checklist" dated April 21, 1998 (*Initiation Checklist*).

For purposes of the final determination, we reexamined the export price and normal value data provided in the petition in light of information obtained during the investigation and, to the extent that it could be corroborated, found that it continues to be reliable. For export prices, we attempted to corroborate the petition information by comparing the range of prices in the petition to U.S. Customs C.I.F. prices for the HTSUS number which includes subject merchandise (i.e., subheading 4002.19.0010). The price quotes submitted by the petitioners are consistent with the U.S. import statistics. Additionally, the actual information submitted by Petroflex regarding U.S. price in this case, although not dispositive because it is unverified, tends to corroborate information submitted in the petition. With regard to normal value, information obtained from Petroflex during the investigation shows the prices calculated by the petitioners represent a reasonable range of prices for the sale of the foreign like product in the home market.

With respect to the relevance aspect of corroboration, the Department considers information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant. In this proceeding, there was no information that indicated that the margins in the petition are not relevant. Thus, as the highest margin in the petition is reliable and relevant, the

Department concludes that this margin has probative value and is sufficiently corroborated so that it may be used as facts available. See, the Memorandum to Louis Apple, Office Director from the Team on "The Application of Facts Available Rate and Corroboration of Secondary Information for Petroflex Industria e Comercio S.A." dated March 19, 1999.

#### *The All-Others Rate*

The foreign manufacturer/exporter in this investigation is being assigned a dumping margin on the basis of facts otherwise available. Section 735(c)(5) of the Act provides that, where the dumping margins established for all exporters and producers individually investigated are determined entirely under section 776, the Department may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated. Where the data is not available to weight average the facts available rates, the SAA, at 873, provides that we may use other reasonable methods. In this case, the margin assigned to the only company investigated is based on adverse facts available. Therefore, consistent with the SAA, we are using an alternative method. As our alternative, we are basing the all others rate on a simple average of the margins in the petition, 43.85 percent.

#### **Interested Party Comments**

##### *Comment Use of Facts Available for Petroflex*

The petitioners argue that Petroflex refused to allow verification of its questionnaire responses and, therefore, the Department should base its final determination on total facts available. Further, the petitioners assert that Petroflex has not cooperated with the Department in this investigation and that adverse inferences are warranted in assigning a facts available margin to Petroflex. As adverse facts available, the petitioners urge the Department to assign the highest margin calculated in the petition.

##### *DOC Position*

We agree with the petitioners. As discussed above in the "Facts Available" section of the notice, as adverse facts available, we assigned the highest margin calculated in the petition, 71.08 percent, to Petroflex.

*Continuation of Suspension of Liquidation*

In accordance with section 735(c)(4)(A) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of emulsion styrene-butadiene from Brazil, as defined in the "Scope of Investigation" section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after November 4, 1998, the date of publication of our preliminary determination in the **Federal Register**. For these entries, the Customs Service will require a cash deposit equal to the estimated amount by which the normal value exceeds the export price as shown below. This suspension of liquidation will remain in effect until further notice.

Exporter/manufacturer	Weighted-average margin percentage
Petroflex Industria e Comercio S.A. ....	71.08
All Others .....	43.85

The all-others rate applies to all entries of subject merchandise except for the entries of merchandise produced by the exporter/manufacturer listed above.

*ITC Notification*

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

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

Dated: March 19, 1999.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration*  
[FR Doc. 99-7525 Filed 3-26-99; 8:45 am]

BILLING CODE 3510-DS-P

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-580-833]

**Notice of Final Determination of Sales at Less Than Fair Value: Emulsion Styrene-Butadiene Rubber From the Republic of Korea**

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

**EFFECTIVE DATE:** March 29, 1999.

**FOR FURTHER INFORMATION CONTACT:** Sunkyu Kim or James Nunno, AD/CVD Enforcement Group II, Office V, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2613 or (202) 482-0783, respectively.

**Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are references to 19 CFR Part 351 (April 1, 1998).

**Final Determination**

We determine that emulsion styrene-butadiene rubber (ESBR) from the Republic of Korea is being sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Continuation of Suspension of Liquidation" section of this notice, below.

*Case History*

Since the preliminary determination in this investigation on October 28, 1998 (see *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Emulsion Styrene-Butadiene Rubber from the Republic of Korea*, 63 FR 59514 (November 4, 1998) (*Preliminary Notice*)), the following events have occurred:

In November 1998, we received a supplemental response to Section D of the Department's antidumping questionnaire from Korea Kumho Petrochemical Co. Ltd. (KKPC).

In January 1999, we verified the questionnaire responses of KKPC. In February 1999, we issued our verification reports for KKPC. Also in February 1999, KKPC submitted a

revised sales database, reflecting verification revisions, at the Department's request.

On February 16, 1999, the petitioners (*i.e.*, Ameripol Synpol Corporation and DSM Copolymer), and KKPC submitted case briefs. On February 22, 1999, the petitioners and KKPC submitted rebuttal briefs. The Department held a public hearing on February 25, 1999.

*Scope of Investigation*

For purposes of this investigation, the product covered is ESBR. ESBR is a synthetic polymer made via free radical cold emulsion copolymerization of styrene and butadiene monomers in reactors. The reaction process involves combining styrene and butadiene monomers in water, with an initiator system, an emulsifier system, and molecular weight modifiers. ESBR consists of cold non-pigmented rubbers and cold oil extended non-pigmented rubbers that contain at least one percent of organic acids from the emulsion polymerization process.

ESBR is produced and sold, both inside the United States and internationally, in accordance with a generally accepted set of product specifications issued by the International Institute of Synthetic Rubber Producers (IISRP). The universe of products subject to this investigation are grades of ESBR included in the IISRP 1500 series and IISRP 1700 series of synthetic rubbers. The 1500 grades are light in color and are often described as "Clear" or "White Rubber." The 1700 grades are oil-extended and thus darker in color, and are often called "Brown Rubber." ESBR is used primarily in the production of tires. It is also used in a variety of other products, including conveyor belts, shoe soles, some kinds of hoses, roller coverings, and flooring.

Products manufactured by blending ESBR with other polymers, high styrene resin master batch, carbon black master batch (*i.e.*, IISRP 1600 series and 1800 series) and latex (an intermediate product) are not included within the scope of this investigation.

The products under investigation are currently classifiable under subheading 4002.19.0010 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

*Period of Investigation*

The period of investigation (POI) is April 1, 1997, through March 31, 1998.