diverse communities served by the USDA, membership shall include, to the extent practicable, individuals with demonstrated ability to represent minorities, women, and persons with disabilities.

Dated: August 12, 1999.

I.M. Gonzalez,

Under Secretary for Research, Education, and Economics.

[FR Doc. 99–21477 Filed 8–18–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–122–822, A–122–823]

Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada: Preliminary Results of Antidumping Duty Administrative Reviews, Intent To Revoke in Part, Intent Not to Revoke in Part, and Rescission of Review in Part

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

ACTION: Notice of preliminary results of the antidumping duty administrative review, intent to revoke in part, intent not to revoke in part, and rescission of review in part.

SUMMARY: In response to requests from interested parties, the Department of Commerce (the Department) is conducting administrative reviews of the antidumping duty orders on certain corrosion-resistant carbon steel flat products and certain cut-to-length carbon steel plate from Canada. These reviews cover four manufacturers/exporters of corrosion resistant steel and two manufacturers/exporters of cut-to-length steel plate (one respondent manufactured both products), and the period August 1, 1997 through July 31, 1998.

We have preliminarily determined that sales have been made below normal value (''NV'') by various companies subject to these reviews. See ''Preliminary Results of Reviews'' section below for the company-specific rates. If these preliminary results are adopted in our final results of these administrative reviews, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between the export price (''EP'') or constructed export price (''CEP'') and the NV.

EFFECTIVE DATE: August 19, 1999.

FOR FURTHER INFORMATION CONTACT: Gideon Katz at (202) 482–4255 (Dofasco Inc. and Sorevco Inc. (collectively, ''Dofasco'')), Sarah Ellerman at (202) 482–4106 (Continuous Colour Coat (''CCC'')), Mark Hoadley at (202) 482–0666 (Gerdau MRM Steel (''MRM''), National Steel Co. (''National''), and Algoma Steel Co. (''Algoma'')), Elfi Blum at (202) 482–0197 (Stelco, Inc.(''Stelco'')), or Maureen Flannery at (202) 482–3020, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are 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 19 CFR part 351 (April 1998).

Background

On August 19, 1993, the Department published in the **Federal Register** (58 FR 44162) the antidumping duty orders on certain corrosion-resistant carbon steel flat products and certain cut-to-length carbon steel plate from Canada. On August 21, 1998, MRM requested a review of its exports of cut-to-length steel plate and requested that the Department revoke the order on cut-to-length steel plate as it pertains to MRM. On August 31, 1998, Stelco requested a review of its exports of cut-to-length steel plate and that the Department revoke the order on cut-to-length steel plate as it pertains to Stelco. On August 31, 1998, National, Dofasco, Stelco, and CCC requested a review of their exports of corrosion-resistant steel, and Algoma requested a review of its exports of cut-to-length carbon steel plate.

On August 31, 1998, Bethlehem Steel Corporation, U.S. Steel Group (a unit of USX Corporation), Inland Steel Industries, Inc., Gulf States Steel Inc. of Alabama, Sharon Steel Corporation, Geneva Steel, and Lukens Steel Company, petitioners, requested reviews of Algoma and Stelco exports of cut-to-length carbon steel plate.

On August 31, 1998, Bethlehem Steel Corporation, U.S. Steel Group, Inland Steel Industries, Inc., AK Steel Corporation, LTV Steel Co., Inc., and National Steel Corporation, petitioners, requested reviews of CCC, Dofasco, and Stelco exports of corrosion-resistant carbon steel flat products.

On September 29, 1998, in accordance with section 751 of the Act, we published a notice of initiation of administrative reviews of these orders for the period August 1, 1997 through July 31, 1998 (62 FR 50292).

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. On February 26, 1999, the Department published a notice of extension of the time limit for the preliminary results in the review to July 30, 1999. *See Corrosion-Resistant Carbon Steel Flat Products and Cut-to-Length Carbon Steel Plate: Extension of Time Limits for Preliminary Results of Antidumping Administrative Review,* 64 FR 9475.

On July 30, 1999, the Department published a second notice of extension of the time limit for the preliminary results in the review from July 30, 1999 to August 6, 1999. *See Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada: Extension of Time Limits for Preliminary Results of Antidumping Administrative Review,* 64 FR 42338.

On August 6, 1999 the Department extended the time limits for the Preliminary Results in the review to August 16, 1999. *See Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada: Extension of Time Limits for Preliminary Results of Antidumping Administrative Review,* 64 FR 43984.

The Department is conducting these reviews in accordance with section 751(a) of the Act.

Scope of Reviews

The products covered by these administrative reviews constitute two separate ''classes or kinds'' of merchandise: (1) certain corrosion-resistant carbon steel flat products, and (2) certain cut-to-length carbon steel plate.

The first class or kind, certain corrosion-resistant steel, includes flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths

which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, and 7217.90.5090. Included in this review are corrosion-resistant flat-rolled products of non-rectangular cross-section where such 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. Excluded from this review are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (''terne plate''), or both chromium and chromium oxides (''tin-free steel''), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded from this review are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. Also excluded from this review are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%–60%–20% ratio.

The second class or kind, certain cut-to-length plate, includes hot-rolled carbon steel universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters, not in coils and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, of rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the HTS under item numbers 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, and 7212.50.0000. Included in this review are flat-rolled products of non-rectangular cross-section where such 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. Excluded from this review is grade X–70 plate. Also excluded is cut-to-length carbon steel plate meeting the following criteria: (1) 100% dry steel plates, virgin steel, no scrap content (free of Cobalt-60 and other radioactive nuclides); (2) .290 inches maximum thickness, plus 0.0, minus .030 inches; (3) 48.00 inch wide, plus .05, minus 0.0 inches; (4) 10 foot lengths, plus 0.5, minus 0.0 inches; (5) flatness, plus/minus 0.5 inch over 10 feet; (6) AISI 1006; (7) tension leveled; (8) pickled and oiled; and (9) carbon content, 0.03 to 0.08 (maximum).

With respect to both classes or kinds, the HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive of the scope of these reviews.

Verification

As provided in section 782(i) of the Act, we verified information provided by MRM (cost and sales), Dofasco (cost and sales), and Stelco (sales for plate, cost for both corrosion-resistant and plate) using standard verification procedures, including on-site inspections of the manufacturers' facilities and the examination of relevant sales and financial records. Our verification results are outlined in public versions of the verification reports on file with the Central Records Unit, in room B–099 of the Herbert C. Hoover Building.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by the respondents that are covered by the description in the Scope of Reviews section above and sold in the home market during the period of review (POR) to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's September 19, 1998 antidumping questionnaires.

Fair Value Comparisons

To determine whether sales of subject merchandise to the United States were made at less than fair value, we compared the EP or the CEP to NV, as described in the ''United States Price'' and ''Normal Value'' sections of this notice. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transaction prices.

Rescission of Review for Algoma

In *Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from Canada: Final Results of Antidumping Duty Administrative Reviews and Determination to Revoke in Part*, 64 FR 2173 (January 13, 1999) (*''Canadian Steel 4th''*), the Department revoked the order on cut-to-length steel plate as it pertains to Algoma. Before the Department's determination had been finalized, however, we had already initiated our review, at the request of both Algoma and petitioners, of Algoma's exports of cut-to-length plate to the United States for the period August 1, 1997 through July 31, 1998. We now rescind this review insofar as it pertains to Algoma.

Intent To Revoke (MRM) and Intent Not to Revoke (Stelco)

On August 31, 1998, and August 21, 1998, respectively, Stelco and MRM submitted requests, in accordance with 19 CFR 351.222(b), that the Department revoke the order covering cut-to-length carbon steel plate from Canada with respect to their sales of this merchandise.

In accordance with 19 CFR 351.222(b)(2)(iii), these requests were accompanied by certifications from Stelco and MRM that they had not sold the subject merchandise at less than NV for a three-year period, including this

review period, and would not do so in the future. The Department conducted verifications of Stelco's and of MRM's responses for this period of review.

Prior to considering whether it is appropriate to revoke an order pursuant to 19 CFR 351.222(b)(2), the Department ''must be satisfied that, *during each of the three (or five) years*, there were exports to the United States *in commercial quantities* of the subject merchandise to which a revocation or termination will apply.'' 19 CFR 351.222(d)(1) (emphasis added). In other words, the Department must be satisfied that the company participated meaningfully in the U.S. market during each of the three years at issue, and that past margins are reflective of a company's normal commercial activity. *See Canadian Steel 4th; see also Pure Magnesium from Canada: Preliminary Results of Antidumping Administrative Review and Notice of Intent Not To Revoke Order in Part*, 63 FR 26147 (May 12, 1998).

Based on the current record, we preliminarily find that Stelco did not sell merchandise in the United States in commercial quantities during the current administrative review (one of the three consecutive review periods cited by Stelco to support its request for revocation). Stelco made only a few sales totaling 47 tons [1] of subject merchandise in the United States during the POR. By contrast, during the period covered by the antidumping investigation, which was only six months long, Stelco made several thousand sales totaling approximately 30,000 tons.[2] In other words, Stelco's sales for the *entire year* of the current POR amount to only 0.173 percent of its sales volume during the *six months* covered by the investigation. Similarly, during the previous POR Stelco sold approximately 2,000 tons of subject merchandise in the United States. While this amount is small in comparison to the amount sold prior to issuance of the order, it is over 40 times greater than the amount sold during the period covered by the current administrative review.

Because of our preliminary finding that, in the instant period of review, Stelco did not sell subject merchandise in the United States in commercial quantities, we preliminarily determine that Stelco does not qualify for revocation from the order on steel plate under sections 351.222 (b) and (d)(1).

We preliminarily determine that MRM's aggregate sales were made in commercial quantities over the course of its three consecutive review periods of zero margins. *See Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for MRM* (August 12, 1999). Thus, we preliminarily determine that MRM qualifies for a review of whether the order on steel plate should be revoked as to sales of its products.

Pursuant to 19 CFR 351.222(b)(2), in determining whether to revoke an antidumping order in part, (1) we must conclude that the company has sold subject merchandise at not less than normal value to the United States for three consecutive review periods, (2) we must conclude that it is not likely that the companies eligible for revocation will in the future sell the subject merchandise at less than NV, and (3) the company must agree to the immediate reinstatement of the order if the Department concludes that the company, subsequent to the revocation, has sold the subject merchandise at less than NV.

MRM has satisfied the three prongs of 19 CFR 351.222(b)(2). In the two prior reviews of this order, we determined that MRM sold cut-to-length carbon steel plate from Canada at not less than NV. As discussed in detail below, we preliminarily determine that MRM sold cut-to-length carbon steel plate at not less than NV during this review period.

Moreover, the Department's policy in the past has been that, in the absence of evidence to the contrary, three consecutive review periods with no dumping margins is evidence that it is not likely that a company eligible for revocation will in the future sell the subject merchandise at less than NV. *See Dynamic Random Access Memory Semiconductors of One Megabyte or Above From the Republic of Korea, Notice of Final Results of Antidumping Duty Administrative Review and Determination Not To Revoke Order In Part*, 62 FR 39809, 39810 (July 24, 1997). There is no evidence on the record, other than MRM's history of zero margins over the past three review periods, indicating MRM's likelihood to sell at less than NV in the future.

Finally, MRM agreed to the order's immediate reinstatement as it pertains to its sales, as long as any firm is subject to the order, if the Department concludes under 19 CFR 351.216 that, subsequent to revocation, it has sold the subject merchandise at less than NV. Since we preliminarily conclude that all criteria for revocation have been satisfied, we intend to revoke the order as to MRM.

Duty Absorption

On October 28, 1998, the petitioners requested that the Department determine whether antidumping duties had been absorbed during the POR for corrosion-resistant steel for Dofasco, CCC, and Stelco, and for cut-to-length plate for MRM and Stelco. Section 751(a)(4) of the Act provides for the Department, if requested, to determine during an administrative review initiated two or four years after publication of the order, whether antidumping duties have been absorbed by a foreign producer or exporter, if the subject merchandise is sold in the United States through an affiliated importer. In this case, Dofasco, CCC, MRM, and Stelco sold to the United States through an affiliated importer.

Section 351.213(j)(2) of the Department's regulations provides that for transition orders (i.e., orders in effect on January 1, 1995), the Department will conduct duty absorption reviews, if requested, for administrative reviews initiated in 1996 or 1998. Because the order underlying this review was issued prior to January 1, 1995, and this review was initiated in 1998, we will make a duty absorption determination in this segment of the proceeding.

We have preliminarily determined that there is no dumping margin on any of MRM's and Stelco's U.S. sales of cut-to-length plate during the POR. Therefore, we preliminarily find that antidumping duties have not been absorbed by MRM and Stelco on their U.S. sales of cut-to-length plate.

We have preliminarily determined that there is a *de minimis* margin on Dofasco's U.S. sales of corrosion-resistant steel during the POR. Therefore, we preliminarily find that antidumping duties have not been absorbed by Dofasco on its U.S. sales of corrosion-resistant steel. Also for corrosion-resistant steel, there is no evidence on the record that unaffiliated purchasers of subject merchandise sold by CCC and Stelco will ultimately pay the antidumping duties to be assessed on entries during the review period. Accordingly, based on the record, we cannot conclude that the unaffiliated purchasers in the United States will pay the ultimately assessed duty. Therefore, we preliminarily find that for CCC's and Stelco's sales of corrosion-resistant steel, antidumping duties have been absorbed by the producer or exporter during the POR. We will request that all the above companies place on the record evidence that unaffiliated

[1] Stelco's response (public version) to Section A of the Department's questionnaire in the current administrative review of cut-to-length carbon steel products from Canada (Oct. 26, 1998) at Exhibit A–1.

[2] Stelco's response (public version) to Section A of the Department's questionnaire in the antidumping duty investigations of certain flat carbon steel (cut-to-length plate) products from Canada (Sep. 11, 1992) at Exhibit 1.

purchasers will ultimately pay the antidumping duties to be assessed on entries during the review period for the respective class or kind of merchandise.

United States Price

For United States price, we used EP when the subject merchandise was sold directly or indirectly to the first unaffiliated purchaser in the United States prior to importation and CEP was not otherwise warranted by facts on the record.

CCC

The Department calculated EP for CCC based on packed, prepaid or delivered prices to customers in the United States. We made deductions from the starting price, net of discounts and price adjustments, for movement expenses (foreign and U.S. freight, brokerage and handling, and U.S. Customs duties), in accordance with section 772(c)(2) of the Act.

We have determined to treat certain payments, which CCC reported as ''credit notes,'' as price adjustments which should be excluded from the starting price. *See Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for CCC* (August 12, 1999).

It is the Department's standard practice to use the invoice date as the date of sale; we may, however, use a date other than the invoice date if we are satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. *See* 19 CFR 351.401(i). Our questionnaire instructed CCC to report the date of invoice as the date of sale; it also stated, however, that for EP sales ''(t)he date of sale cannot occur after the date of shipment.'' Therefore, we used date of invoice as date of sale, but, in some instances, when shipment date preceded invoice date, we used the date of shipment.

Dofasco

For purposes of these reviews, we treated Dofasco, Inc. and Sorevco, Inc. as one respondent, as we have done in prior segments of the proceeding. *See, e.g., Certain Corrosion-Resistant Carbon Steel Flat Products from Canada: Final Determination of Sales at Less than Fair Value,* 58 FR 37099 (1993), and *Canadian Steel 4th.*

The Department calculated EP for Dofasco based on packed, prepaid or delivered prices to customers in the United States. We made deductions from the starting price, net of discounts and rebates, for movement expenses (foreign and U.S. movement, and post-sale warehousing) in accordance with section 772(c)(2) of the Act. As discussed in prior reviews, certain Dofasco sales have undergone minor further processing in the United States as a condition of sale to the customer. *See Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada: Final Results of Antidumping Duty Administrative Reviews,* 62 FR 18461 (April 15, 1997). In order to determine the value of subject merchandise at the time of exportation of such merchandise to the United States, the Department has deducted the price charged to Dofasco for this minor further processing from gross unit price to determine U.S. price.

It is the Department's current practice normally to use the invoice date as the date of sale; we may, however, use a date other than the invoice date if we are satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. *See* 19 CFR 351.401(i) (62 FR at 27411). Our questionnaire instructed Dofasco to report the date of invoice as the date of sale; it also stated, however, for EP sales, that ''(t)he date of sale cannot occur after the date of shipment.'' In this review, Dofasco's date of shipment in many instances preceded the date of invoice, and therefore we cannot use the date of invoice as the regulations prescribe. Accordingly, as provided for in 19 CFR 351.401(i) of the regulations, we used the dates of sale described below. These sale dates reflect the dates on which the exporter or producer established the material terms of sale. We used the date of order acknowledgment as date of sale, as reported by Dofasco for all Dofasco sales in both the U.S. market and the home market, except for sales made pursuant to long-term contracts. For Dofasco's sales made pursuant to long-term contracts, we used date of the contract as date of sale. In the rare instance of a rush order, we used the date of shipment as date of sale if a coil was shipped before it was acknowledged. We also used shipment date for sales of secondary products for which there is no order acknowledgment. If there was a change in price, we used the date of Dofasco's order reacknowledgement as date of sale.

We used the date of order confirmation as the date of sale, as reported by Sorevco Inc. (''Sorevco'') for its sales in the home market, except when Sorevco shipped more merchandise than the customer originally ordered, and such overages were in excess of accepted industry tolerances. For those sales we used date of shipment as date of sale.

MRM

The Department calculated EP for MRM based on packed, prepaid or delivered prices to customers in the United States. We made deductions from the starting price for movement expenses (foreign and U.S. movement, brokerage and handling, and U.S. Customs duties) and U.S. selling commissions pursuant to section 772(c)(2) of the Act.

In accordance with standard Department practice, we used date of invoice as date of sale for MRM's U.S. and home market sales. *See* 19 CFR 351.401(i).

National

The Department calculated CEP (there were no EP sales) for National based on packed, prepaid or delivered prices to customers in the United States.[3] We made deductions from the starting price, net of discounts and billing adjustments, for movement expenses (foreign and U.S. freight, warehousing, insurance, brokerage and handling, and U.S. Customs duties), pursuant to section 772(c)(2) of the Act.

National sold goods in the United States with and without U.S. further manufacturing. Where appropriate, the Department reduced CEP by National's costs of further manufacturing its goods in the United States, in accordance with section 772(d)(2).

In accordance with section 772(d)(1) of the Act, we further reduced CEP by direct selling expenses (credit, warranty, and technical service expenses), indirect selling expenses, and inventory carrying costs. Finally, we made an adjustment for an amount of profit allocated to selling expenses incurred in the United States, in accordance with section 772(d)(3) of the Act.

In this review period, National's date of shipment always either was the same as or preceded the date of invoice, and, therefore, we have chosen to use date of shipment as date of sale.

Stelco

Corrosion-resistant steel: We calculated EP based on the packed, prepaid or delivered prices to unaffiliated purchasers in the United States. We made deductions from the starting price for movement expenses, including foreign and U.S. freight,

[3] National, a U.S.-based corporation, ships steel flat products to the United States through its partially owned Canadian subsidiary, DNN Galvanizing Corp (''DNN''). DNN, under a tolling agreement, galvanizes National's steel flat products, which leads to their categorization as subject merchandise. National, however, provided U.S. selling functions for these products, and thus, we considered them to be CEP sales.

brokerage and handling, and U.S. Customs duties, and for discounts and rebates, in accordance with section 772(c)(2) of the Act.

Plate: We calculated EP based on the packed, prepaid or delivered prices to unaffiliated purchasers in the United States. We made deductions for movement expenses, including foreign and U.S. freight, brokerage and handling, and U.S. Customs duties, in accordance with section 772(c)(2) of the Act.

In accordance with standard Department practice, we used date of invoice as date of sale for both corrosion-resistant steel and cut-to-length plate for Stelco's U.S. and home market sales. Only in the event where shipment date was before invoice date did we use the date of shipment.

Normal Value

The Department determines the viability of the home market as the comparison market by comparing the aggregate quantity of home market and U.S. sales. We found that each company's quantity of sales in its home market exceeded five percent of its sales to the United States for the relevant class or kind of merchandise. We, therefore, have determined that each company's home market sales are viable for purposes of comparison with sales of the subject merchandise to the United States, pursuant to section 773(a)(1)(C) of the Act. Moreover, there is no evidence on the record supporting a particular market situation in the exporting companies' country that would not permit a proper comparison of home market and U.S. prices. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the price at which the foreign like product was first sold for consumption in the home market, in the usual commercial quantities and in the ordinary course of trade and, to the extent practicable, at the same level of trade as the EP or CEP sale.

In accordance with section 773(a)(4) of the Act, except for National, we used CV as the basis for NV when there were no above-cost contemporaneous sales of identical or similar merchandise in the comparison market. We calculated CV in accordance with section 773(e) of the Act. We included the cost of materials and fabrication, selling, general and administrative expenses (SG&A), and profit. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by the respondents in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the foreign country. For selling expenses, we used the weighted-average home market selling expenses.

We used sales to affiliated customers only where we determined such sales were made at arm's-length prices, *i.e.*, at prices comparable to the prices at which the respondents sold identical merchandise to unaffiliated customers.

For both classes or kinds of merchandise under review and for all respondents (except National), the Department disregarded sales below cost of production (''COP'') in the last completed review. *See Canadian Steel 4th*. We therefore have reasonable grounds to believe or suspect, pursuant to section 773(b)(2)(A)(ii) of the Act, that sales of the foreign like product under consideration for the determination of NV in this review may have been made at prices below COP. Pursuant to section 773(b)(1) of the Act, we initiated COP investigations of sales in the home market by all respondents, except National.

We compared sales of the foreign like product in the home market with model-specific cost of production figures for the POR. In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product plus SG&A expenses and all costs and expenses incidental to placing the foreign like product in packed condition and ready for shipment. In our sales-below-cost analysis, we used home market sales and COP information provided by each respondent in its questionnaire responses. We made adjustments where warranted based on our findings at verification.

After calculating COP, we tested whether home market sales of foreign like merchandise were made at prices below COP and, if so, whether the below-cost sales were made within an extended period of time in substantial quantities and at prices that did not permit recovery of all costs within a reasonable period of time. Because each individual price was compared against the POR-long average COP, any sales that were below cost were also not at prices which permitted cost recovery within a reasonable period of time. Model-specific COPs were compared to reported home market prices less any applicable movement charges, discounts, and rebates.

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given model were at prices less than COP, we did not disregard any below-cost sales of that model because the below-cost sales were not made in substantial quantities within an extended period of time. Where 20 percent or more of a respondent's sales of a given model were at prices less than COP, we disregarded the below-cost sales because they were made in substantial quantities within an extended period of time, in accordance with sections 773(b)(2) (B) and (C) of the Act. Based on this test, we disregarded below-cost sales for both classes or kinds of merchandise under review and for all respondents for which we conducted a cost investigation.

In accordance with section 773(a)(1)(B)(i) of the Act, where possible, we based NV on sales at the same level of trade (LOT) as the U.S. price. *See* the ''Level of Trade Section'' below.

The Department determined in the final results of a previous administrative review, *Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada: Final Results of Antidumping Duty Administrative Reviews*, 62 FR 12725 (Mar. 9, 1998), that it would be inappropriate to resort directly to constructed value (CV), in lieu of foreign market sales, as the basis for NV if the Department finds foreign market sales of merchandise identical or most similar to that sold in the United States to be below cost or otherwise outside the ''ordinary course of trade.'' Therefore, we match a given U.S. sale to foreign market sales of the next most similar model when all sales of the most comparable model fail the cost test. The Department will use CV as the basis for NV only when there are no above-cost sales that are otherwise suitable for comparison.

Therefore, in this proceeding, when making comparisons in accordance with section 771(16) of the Act, we considered all products sold in the home market as described in the ''Scope of Reviews'' section of this notice, above, that were in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade, based on the characteristics listed in Appendix V of our antidumping questionnaire.

Where appropriate, we made adjustments to NV for differences in circumstances of sale (COS), in accordance with sections 773(a)(6) and (a)(8) of the Act and 19 CFR 351.410. For comparisons to EP, we made COS

adjustments to NV by deducting home market direct selling expenses and adding U.S. direct selling expenses. We also made adjustments, where applicable, for home market indirect selling expenses to offset U.S. commissions paid on EP sales pursuant to 19 CFR 351.410(b). For comparisons to CEP, we made COS adjustments by deducting home market direct selling expenses pursuant to section 772(d) of the Act.

CCC

For those models for which there was a sufficient quantity of sales at prices above COP, we based NV on home market prices to unaffiliated parties. Home market starting prices were based on the packed, ex-factory or delivered prices to unaffiliated purchasers in the home market, net of discounts and price adjustments, where applicable.

We made adjustments, where applicable, for packing and movement expenses in accordance with sections 773(a)(6)(A) and (a)(6)(B) of the Act. We also made adjustments for differences in the costs of manufacture for subject merchandise and matching foreign like products, attributable to their differing physical characteristics, pursuant to section 773(a)(6)(C)(ii) of the Act. In accordance with 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, for comparison to EP, we made COS adjustments to NV by deducting home market direct selling expenses (credit) and adding U.S. direct selling expenses (credit). When comparisons were made to EP sales on which commissions were paid, but where no commissions were paid on the matching foreign market sales, we made adjustments for the respondent's home market indirect selling expenses to offset these U.S. commissions pursuant to 19 CFR 351.410(e).

Dofasco

For those models for which there was a sufficient quantity of sales at prices above COP, we based NV on home market prices to unaffiliated parties. We made adjustments, where applicable, for packing and movement expenses in accordance with sections 773(a)(6)(A) and (a)(6)(B) of the Act. We also made adjustments for differences in the costs of manufacture for subject merchandise and matching foreign like products, attributable to their differing physical characteristics, pursuant to section 773(a)(6)(C)(ii) of the Act. In accordance with 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, for comparison to EP, we made COS adjustments to NV by deducting home market direct selling expenses (credit, royalties, and warranty expenses) and adding U.S. direct selling expenses (credit, royalties, and warranty expenses). When comparisons were made to EP sales on which commissions were paid, but where no commissions were paid on the matching foreign market sales, we made adjustments for the respondent's home market indirect selling expenses to offset these U.S. commissions pursuant to 19 CFR 351.410(e).

During verification we discovered that Dofasco did not incorporate all sales order numbers in determining the cost for a few of its CONNUMs. We tested three sales order numbers and compared the costs associated with these to the reported costs for the respective product. We found that the cost calculated for two of the missing sales order numbers exceeded the reported costs for their respective products and that the cost calculated for the other sales order number was less than the cost of its respective product. For those CONNUMs whose sales order numbers we tested, we adjusted their cost in accordance with the test results. For the remaining CONNUMs, we determine that the use of facts available is appropriate, in accordance with section 776(a) of the Act, because, as discovered at verification, Dofasco failed to include all sales order numbers in its cost calculation. Where necessary information is missing from the record, the Department may apply facts available under section 776 of the Act. Further, where that information is missing because a respondent has failed to cooperate to the best of its ability, section 776(b) of the Act authorizes the Department to use facts available that are adverse to the interests of that respondent, which may include information derived from the petition, the final determination, a previous administrative review, or other information placed on the record. Dofasco did not act to the best of its ability in the reporting of its costs. Even though its sales order number documentation was readily available and company officials had knowledge of these sales order numbers, Dofasco failed to ensure that all sales order numbers were included in its cost calculations. This indicates that Dofasco did not act to the best of its ability to comply with the Department's request for information. We are therefore using an adverse inference as facts available for this aspect of Dofasco's cost calculation. For those CONNUMs whose sales order numbers we did not test, as facts available we increased their cost by adding the highest differential for the CONNUMs tested. We have also made other adjustments to Dofasco's reported costs. We increased the variable cost of manufacture by disallowing Dofasco's claimed adjustment for byproduct profits and certain sundry expenses. Finally, we have excluded capital gains and foreign exchange gains as offsets to Dofasco's interest expense. We used adjusted COP and CV values to appropriately reflect Dofasco's expenses associated with painting services provided by an affiliate. For a full discussion, *see Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for Dofasco,* August 12, 1999.

MRM

For those models for which there was a sufficient quantity of sales at prices above COP, we based NV on home market prices to unaffiliated purchasers (MRM made no home market sales to affiliated parties). Home market prices were based on the packed, ex-factory or delivered prices to purchasers in the home market.

We made adjustments to the starting price, net of rebates, for movement expenses in accordance with sections 773(a)(6)(A) and (a)(6)(B) of the Act. In accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, for comparison to EP, we made COS adjustments to NV by deducting home market direct selling expenses (credit expense) and adding U.S. direct selling expenses (credit expense). Because comparisons were made to EP sales on which commissions were paid, but no commissions were paid on home market sales, we made adjustments for the respondent's home market indirect selling expenses to offset these U.S. commissions pursuant to 19 CFR 351.410(e).

As a result of our verification of MRM's response, we reclassified as freight expenses data originally reported as billing adjustments. Also as a result of our verification, we made an upwards adjustment to MRM's cost of manufacture before performing our sales-below-cost test. For a full discussion, *see Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for MRM,* August 12, 1999.

National

We based NV on home market prices to unaffiliated purchasers (National made no home market sales to affiliated parties). Home market prices were based on the packed, ex-factory or delivered prices to purchasers in the home market.

We made adjustments to the starting price, net of billing adjustments and discounts, for movement expenses in

accordance with sections 773(a)(6)(B)(ii) of the Act. In accordance with 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410(c), for comparison to CEP, we made COS adjustments to NV by deducting home market direct selling expenses (credit, warranty, and technical service expenses). We also made adjustments for differences in the costs of manufacturing subject merchandise and matching foreign like products, attributable to their differing physical characteristics, pursuant to section 773(a)(6)(C)(ii) of the Act. Finally, we deducted home market indirect selling expenses to the extent of U.S. indirect selling expenses because all sales in the home market were made at a different level of trade than sales in the U.S. market. See the National subsection of the ''Level of Trade'' section below.

Stelco

For those models for which there was a sufficient quantity of sales at prices above COP, we based NV on home market prices to affiliated parties (when made at prices determined to be at arms-length, in accordance with 19 CFR 351.403) or unaffiliated parties. Home market starting prices were based on the packed, ex-factory or delivered prices to affiliated or unaffiliated purchasers in the home market net of discounts and rebates. We made adjustments, where applicable, for packing and movement expenses, in accordance with sections 773(a)(6)(A) and (a)(6)(B) of the Act. We also made adjustments for differences in the costs of manufacture for subject merchandise and matching foreign like products, attributable to their differing physical characteristics, pursuant to section 773(a)(6)(C)(ii) of the Act. In accordance with 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, for comparison to EP, we made COS adjustments to NV by deducting home market direct selling expenses (credit, advertising, warranties and technical services) and adding U.S. direct selling expenses (credit, advertising, warranties and technical services). There were no commissions paid during the POR on either home market sales or U.S. sales.

We made adjustments to COP and CV on corrosion-resistant steel to appropriately reflect Stelco's expenses associated with painting services provided by an affiliate.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same LOT as U.S. sales. The NV LOT is the level of the starting-price sale in the comparison market or, when NV is based on constructed value, the level of the sales from which we derive SG&A and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT, and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

In the present review, only Dofasco claimed that more than one LOT existed. As discussed below, to evaluate LOTs, we examined information regarding the distribution systems in both the U.S. and Canadian markets, including the selling functions, classes of customer, and selling expenses for each respondent.

CCC

In both the home market and the United States, CCC reported one LOT. CCC reported three customer categories in the home market and two in the U.S. market, but CCC claimed that the selling functions it performed were the same in each market and did not vary according to customer. CCC also reported two channels of distribution, but the Department found no difference in the functions performed through these channels of distribution. CCC did not claim a LOT adjustment.

We analyzed the selling functions performed for various customer categories and channels of distribution in each market. We found that CCC performed substantially similar selling functions regardless of the type of home market customer and, therefore, that one level of trade existed in the home market. We reached the same conclusion regarding the U.S. market.

Finally, we compared the selling functions performed at the home market LOT with those performed at the U.S. LOT and found them substantially similar. Thus, no LOT adjustment was appropriate. For a further discussion of the Department's LOT analysis with respect to CCC, *see Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for CCC,* August 12, 1999.

Dofasco

Dofasco reported three LOTs in the home market. Dofasco defined its LOT categories by customer category: service center, automotive, and construction and converters/manufacturers (''construction''). We examined the selling functions performed at each claimed level and found that there was a significant difference in selling functions offered to these three categories. Of the several reported selling functions, Dofasco performed only two of the same or similar selling functions at both the automotive and service center sales levels. Dofasco reported fourteen selling functions which were different between these two levels. Additionally, sales to automotive customers are sales to end users, while sales to service centers are sales to resellers. Thus, sales to service centers and automotive customers were made at different stages of marketing. Based upon this fact and the different levels of selling functions described above, we preliminarily conclude that sales to the automotive customers and service centers are made at different levels of trade.

Although both automotive and construction customers are OEMs, we note that both quantitatively and qualitatively, the selling functions offered to automotive customers involve significantly greater selling activities and thus represent a distinct stage of marketing. Specifically, of the 16 reported selling functions, Dofasco performed only seven of the same or similar selling functions to both automotive and construction customers. Dofasco's functions for these two customer categories differed with respect to nine other activities. Therefore, given these differences, we preliminarily conclude that automotive and construction constitute separate levels of trade.

There were numerous differences in selling functions between sales to construction and service center customers. Dofasco performed six reported selling functions for sales to service centers and only four selling

functions for sales to construction customers. Of these selling functions, only one was performed for both service centers and construction customers. Additionally, sales to service center customers are sales to resellers, while sales to construction customers are sales to end users. Thus, sales to service centers and construction customers were made at different stages of marketing. Based upon this fact and the different levels of selling functions described above, we preliminarily conclude that sales to service centers and construction customers are made at different levels of trade.

Overall, we determine that the selling functions for the automotive, service center, and construction customer categories are substantially dissimilar to one another and that these sales are made at different stages of marketing. Therefore, we preliminarily determine that the automotive, service center, and construction customer categories should be treated as three LOTs in the comparison market. Dofasco reported the same three LOTs in the U.S. market: automotive, service center, and construction. We preliminarily determine that the results of our analysis of U.S. LOTs are identical to those of the comparison market. In addition, there were only insignificant differences in selling functions at each LOT between the comparison market and the U.S. market. Therefore, we found that the three U.S. LOTs corresponded to the three comparison market LOTs. The Department did not find that there existed a pattern of consistent price differences between the three levels of trade. Therefore, we did not make LOT adjustments when comparing sales at different LOTs. For a further discussion of the Department's LOT analysis with respect to Dofasco, see *Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for Dofasco,* August 12, 1999.

MRM

In both the home market and the United States, MRM reported one LOT and one distribution system with two classes of customers in the home market, distributors and OEMs, and one class of customer, OEMs, in the U.S. market. We analyzed the selling functions and activities performed for customers in each market. We found that MRM performed substantially similar selling functions and activities for both classes of home market customers and, therefore, that one level of trade existed in the home market. Finally, we compared the selling functions performed at the home market LOT with those performed at the U.S. LOT and found them substantially similar. Thus, no LOT adjustment was appropriate.

National

National claimed only one LOT, but reported several different distribution channels in both its home market and the United States based on classes of customers (OEMs and steel service centers) and the existence of warehousing or further manufacturing between National and its customers.

We examined the reported selling functions and found that National provides substantially the same selling functions to its home market customers regardless of distribution channel. We reached the same conclusion regarding the U.S. market.

National does not provide technical services to its service center customers. We did not, however, consider the provision of technical services to constitute a substantial difference between distribution channels. National warehouses some of its products before shipping to customers. Any one sale, however, can contain both warehoused and non-warehoused products and the Department was unable to determine which sales involved more warehoused goods than others.

We compared the channels of distribution and selling functions in the U.S. and home markets. The channels of distribution are similar for both markets with National providing substantially similar selling functions to both its U.S. and home market customers. However, at the level of constructed export sale to the United States, i.e., after eliminating from consideration the selling functions associated with deductions made under section 772 of the Act, we found that National's sales to customers in the United States were made at a different level of trade than its sales to home market customers.

Because there are no sales in the home market made at the same level of trade as sales in the United States, we were not able to determine whether the difference in level of trade affects price comparability. Therefore, we made a constructed export price offset. In accordance with 19 CFR 351.408(f)(2), we deducted indirect selling expenses from NV to the extent of U.S. indirect selling expenses. For a further discussion of the Department's LOT analysis with respect to National, see *Memorandum to the File: Analysis Memorandum for the Preliminary Results of Review for National,* August 12, 1999.

Stelco

Stelco identified one level of trade and two channels of distribution (to end-users or to resellers) in the home market for each class or kind of merchandise. We examined the selling functions performed in each channel and found that Stelco provided many of the same or similar selling functions in each, including inventory maintenance, warranty, technical advice, and freight and delivery arrangements. We found few differences between selling functions for transactions made through the two channels of trade. Overall, we determine that the selling functions between the two sales channels are sufficiently similar to consider them one LOT in the home market for sales of both corrosion-resistant products and plate products.

In the United States, Stelco Inc. sold both products through the two channels of distribution listed above. We found that the selling functions performed for sales to the United States are sufficiently similar between the two channels to consider them one LOT for both corrosion-resistant products and plate products. Additionally, we consider this LOT to be the same as that identified in the home market. Therefore, no adjustment is appropriate.

Preliminary Results of Reviews

As a result of our reviews, we preliminarily determine the weighted-average dumping margins for the period August 1, 1997 through July 31, 1998 to be as follows:

Manufacturer/Exporter	Margin percentage
Certain Corrosion-Resistant Carbon Steel Flat Products	
CCC	1.08
Dofasco	0.11
National	5.65
Stelco	4.24
Certain Cut-to-Length Carbon Steel Plate	
MRM	0.00
Stelco	0.00

The Department will disclose to the parties to the proceeding calculations performed in connection with these preliminary results of review within ten days after the date of public announcement, or, if there is no public announcement, within five days after the date of publication of these preliminary results of review.

Any interested party may request a hearing within 30 days of publication. Any hearing, if requested, will be held 37 days after the date of publication or

the first business day thereafter. Case briefs from interested parties may be submitted not later than 30 days after publication. Rebuttal briefs, limited to issues raised in case briefs, may be filed not later than five days after the date of filing of case briefs. The Department will publish the final results of this administrative review, including its analysis of issues raised in the case and rebuttal briefs, not later than 120 days after the date of publication of this notice.

Upon issuance of the final results of review, the Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b), we calculated importer-specific ad valorem duty assessment rates for each class or kind of merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer for that class or kind of merchandise made during the POR.

If the revocation is made final for MRM, it will apply to all unliquidated entries of this merchandise produced by MRM, exported to the United States and entered, or withdrawn from warehouse, for consumption, on or after August 1, 1998, which will be the effective date of the revocation from the order for MRM.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a) of the Act: (1) the cash deposit rate for each reviewed company will be that established in the final results of review (except that no deposit will be required for firms with *de minimis* margins, i.e., margins less than 0.5 percent); (2) for exporters not covered in this review, but covered in the less than fair value (LTFV) investigation or a previous review, 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, a previous review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will continue to be the ''all others'' rate established in the LTFV investigation, which was 18.71 percent for corrosion-resistant steel products and 61.88 percent for plate (*see Amended Final Determinations of Sales at Less Than Fair Value and Antidumping Orders: Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada,* 60 FR 49582 (Sep. 26, 1995)). These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative reviews.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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 administrative reviews and notices are published in accordance with sections 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 777(i)(1) of the Act (19 U.S.C. 1677f(i)(1)).

Dated: August 10, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–21568 Filed 8–18–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–821–811]

Initiation of Antidumping Duty Investigation: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation

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

EFFECTIVE DATE: August 19, 1999.

FOR FURTHER INFORMATION CONTACT: Rick Johnson at (202) 482–3818, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

INITIATION OF INVESTIGATION:

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 Petition

On July 23, 1999, the Department of Commerce (''the Department'') received a petition filed in proper form by the Committee for Fair Ammonium Nitrate Trade (''COFANT'' or ''petitioner''), whose members are domestic producers of solid fertilizer grade ammonium nitrate. The Department received supplemental information to the petition on August 6, 1999.

In accordance with section 732(b) of the Act, petitioner alleges that imports of fertilizer grade ammonium nitrate from the Russian Federation (''Russia'') 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 petitioner filed the petition on behalf of the domestic industry because it is an interested party as defined in sections 771(9)(C) and (F) of the Act and has demonstrated sufficient industry support with respect to the investigation it is requesting the Department to initiate (*see Determination of Industry Support for the Petition below*).

Scope of Investigation

For purposes of this investigation, the products covered are solid, fertilizer grade ammonium nitrate products, whether prilled, granular or in other solid form, with or without additives or coating, and with a bulk density equal to or greater than 53 pounds per cubic foot. Specifically excluded from this scope is solid ammonium nitrate with a bulk density less than 53 pounds per cubic foot (commonly referred to as industrial or explosive grade ammonium nitrate).

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') at subheading 3102.30.00.00. 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 petition, we discussed the scope with petitioner to ensure that the scope in the petition accurately reflects the product for which the domestic industry is seeking relief. Moreover, as we discussed in the preamble to the Department's regulations (62 FR 27323), we are setting aside a period for parties to raise issues regarding product coverage. In particular, we seek comments on the