Dated: April 23, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–485–806]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Hot-Rolled Carbon Steel Flat Products From Romania

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

EFFECTIVE DATE: May 3, 2001.

FOR FURTHER INFORMATION CONTACT: Christopher Riker or Charles Riggle at (202) 482–0186, (202) 482–0650, respectively; AD/CVD Enforcement, Office 5, Group II, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

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 of Commerce (the Department) regulations refer to the regulations codified at 19 CFR part 351 (2000.)

Preliminary Determination

We preliminarily determine that certain hot-rolled carbon steel flat products (HRS) from Romania are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the *Suspension of Liquidation* section of this notice.

Case History

This investigation was initiated on December 4, 2000. *See Notice of Initiation of Antidumping Duty Investigations: Certain Hot-Rolled Carbon Steel Flat Products From Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine,* 65 FR 77568 (December 12, 2000) (*Initiation Notice*). Since the initiation of these investigations,[1] the following events have occurred:

The Department set aside a period for all interested parties to raise issues regarding product coverage. See *Initiation Notice* at 77569. We received no comments from any parties in this investigation. The Department did, however, receive comments regarding product coverage in the investigation of hot-rolled carbon steel products from the Netherlands. In that investigation we received comments from Duracell Global Business Management Group on December 11, 2000, from Energizer on December 15, 2000, from Bouffard Metal Goods, Inc., and Truelove & Maclean, Inc., on December 18, 2000, and from Corus Staal BV and Corus Steel U.S.A., Inc. (collectively referred to as Corus), from Thomas Steel Strip Corporation on December 26, 2000, and from Rayovac Corporation on March 12, 2001.

On December 28, 2000, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of the products subject to this investigation are threatening or are materially injuring an industry in the United States producing the domestic like product. *See Hot-Rolled Steel Products from Argentina, China, India, Indonesia, Kazakhstan, Netherlands, Romania, South Africa, Taiwan, Thailand, and Ukraine,* 66 FR 805 (January 4, 2001).

On January 4, 2001, the Department issued an antidumping questionnaire to the government of Romania, the mandatory respondent in this case. We also sent copies of the questionnaire to Gavazzi Steel and Sidex S.A. (Sidex), both of whom had been identified as producers/exporters of the subject merchandise by the petitioners. On January 30, 2001, we received a letter from Sidex stating that Gavazzi Steel, a producer of the subject merchandise in Romania, did not sell the subject merchandise to the United States during the period of investigation (POI) and that only HRS produced by Sidex was exported to the United States during the POI. On February 1 and February 26, 2001, we received questionnaire responses from Sidex, Sidex Trading, SRL, Sidex International, Plc (jointly, the Sidex Exporters), Metalexportimport, S.A. (MEI), Metanef, S.A. (Metanef) and Metagrimex, S.A. (Metagrimex). We issued supplemental questionnaires to Sidex and the Sidex Exporters, MEI, Metanef and Metagrimex on March 12, 2001, and received responses on March 31, 2001. On February 1, 2001, we invited interested parties to provide comments on the surrogate country selection and publicly available information for valuing the factors of production. We received comments from both the petitioners and the respondents regarding surrogate country selection on February 6, 2001. Between February 6 and April 11, 2001, the petitioners and the respondents submitted additional comments regarding issues they believed the Department should consider for the purposes of the preliminary determination.

On April 11, 2001, counsel for Sidex and the Sidex Exporters, Metanef, MEI and Metagrimex submitted a letter from the Embassy of Romania which stated that Gavazzi Steel made no exports of subject merchandise to the United States during the POI.

Period of Investigation

The POI for HRS from Romania is April 1, 2000 through September 30, 2000. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (*i.e.,* November 2000).

Scope of the Investigation

For purposes of this investigation, the products covered are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight length, of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*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 thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of this investigation.

Specifically included within the scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF

[1] The petitioners in these investigations are Bethlehem Steel Corporation, Gallatin Steel Company, IPSCO Steel Inc., LTV Steel Company, INc., National Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., U.S. Steel Group (a unit of USX Corporation), Weirton Steel Corporation, the Independent Steelworkers Union, and the United Steelworkers of America (collectively the petitioners). Weirton Steel Corporation is not a petitioner in the investigation involving (HRS) from the Netherlands.

steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of this investigation, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated: 1.80 percent of manganese, or 2.25 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 0.15 percent of vanadium, or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of this investigation unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, *e.g.,* American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506). Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.
- Ball bearing steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.
- ASTM specifications A710 and A736.
- USS abrasion-resistant steels (USS AR 400, USS AR 500).
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to this investigation is classified in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel flat products covered by this investigation, including: vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00.

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

Nonmarket Economy Status

The Department has treated Romania as a non-market-economy (NME) country in all past antidumping investigations. *See, e.g., Final Determination of Sales at Less Than Fair Value: Certain Small Diameter Carbon and Alloy Seamless, Standard, Line and Pressure Pipe From Romania,* 65 FR 39125 (June 23, 2000). A designation as a NME remains in effect until it is revoked by the Department (*see* section 771(18)(C) of the Act).

On January 3, 2001, we received a letter from the Romanian Undersecretary of State requesting market economy status. In response, the Department issued a letter outlining the proper form and procedures for making a request for market economy status. *See Letter from Gary Taverman to the Government of Romania* (January 5, 2001). There has been no further communication from the Romanian government on this issue.

When the Department is investigating imports from a NME, section 773(c)(1) of the Act directs us to base normal value (NV) on the NME producer's factors of production, valued in a comparable market economy that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the *Normal Value* section, below.

Separate Rates

It is the Department's policy to assign all exporters of subject merchandise subject to investigation in a NME country a single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. For purposes of this ''separate rates'' inquiry, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China,* 56 FR 20588 (May 6, 1991) (*Sparklers*), as amplified in *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China,* 59 FR 22585 (May 2, 1994) (*Silicon Carbide*). Under this test, exporters in NME countries are entitled to separate, company-specific margins when they can demonstrate an absence of government control over exports, both in law (*de jure*) and in fact (*de facto*).

Evidence supporting, though not requiring, a finding of *de jure* absence of government control includes the following: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies.

De facto absence of government control with respect to exports is based on the following four criteria: (1) Whether the export prices are set by or subject to the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has autonomy in making decisions regarding the selection of management; and (4) whether each exporter has the authority to negotiate and sign contracts. (*See Silicon Carbide,* 59 FR at 22587.)

We have determined, according to the criteria identified in *Sparklers* and *Silicon Carbide,* that the evidence of record demonstrates an absence of

government control, both in law and in fact, with respect to exports by Metagrimex, Metanef, MEI and the Sidex Exporters. In the case of Metagrimex, that company was established as a privately-owned limited-liability trading company after Romania began its extensive privatization program in 1990; the company has never been state-owned nor controlled by provincial or local governments. In the case of Metanef and MEI, although these companies were previously state-owned, they have since become privately-held trading companies in accordance with legislative enactments decentralizing the companies' control. Moreover, a review of the corporate governance rules of each of these three companies indicates that they are only limited by their respective articles of incorporation and bylaws. Specifically, the information on the record shows that MEI, Metagrimex and Metanef are autonomous in selecting their management, negotiating and signing contracts, setting their own export prices, and retaining their own profits.[2] In the case of Sidex and the Sidex Exporters, although Sidex remains primarily state-owned, the record evidence indicates that the government exercises no control over the daily operations of the company, and that the company operates independently in the selling of the subject merchandise. In the case of Sidex, we note that one of the seven directors of the company is a government official. Otherwise, Sidex and the Sidex Exporters appear to operate independent of government control with respect to the selection of their management, negotiating and signing contracts, setting their own export prices and retaining their own profits.

For a complete discussion of the Department's preliminary determination that Metagrimex, Metanef, MEI and the Sidex Exporters are entitled to separate rates, *see* the April 23, 2001, memorandum, *Assignment of Separate Rates for Respondents in the Antidumping Duty Investigation of Certain Hot-Rolled Carbon Steel Flat Products from Romania,* which is on file in the Central Records Unit (CRU), room B–099 of the main Commerce Department Building.

[2] We note that an issue has been raised as to whether it is appropriate to assign a margin to any Romanian company other than Sidex, becasue the evidence on the record may suggest that Sidex has a more direct role in U.S. sales of HRS than is typically seen in NME cases. This issue will be examined closely at verification.

Romania-Wide Rate

As in all NME cases, the Department implements a policy whereby there is a rebuttable presumption that all exporters comprise a single entity under common government control, the ''NME entity.'' Therefore, the Department assigns a single NME rate to the NME entity, unless an exporter can demonstrate eligibility for a separate rate. If all exporters, accounting for all exports of subject merchandise to the United States during the POI, demonstrate eligibility for a separate rate, the Department will calculate an ''all others'' rate as it does in market economy cases. However, if record evidence suggests that all exporters have not responded to at least the Department's initial shipment information query, the Department will rely on its presumption that there is an additional entity under government control and will assign a country-wide rate to the NME entity. Such is the situation in this investigation. Specifically, we have been unable to confirm through a comparison of the reported data to public sources, that no other company exported HRS to the United States during the POI.

In an effort to confirm that all sales of HRS from Romania were indeed accounted for in the reported sales volumes for each of the respondents in this investigation, we compared the total sales quantity for all four respondents to total imports of HRS from Romania as reported by the U.S. Customs Service. According to the U.S. Customs Service, total imports of HRS from Romania during the POI were significantly higher than the total sales quantity reported to the Department by the four respondents. *See Memorandum to the File from Valerie Ellis Regarding IM–145 data for POI Imports from Romania* (April 19, 2001). Given this, we believe that additional exporters of the subject merchandise exist that have not responded to the Department's questionnaire.

Section 776(a)(2) of the Act provides that, if an interested party (A) withholds information requested by the Department, (B) fails to provide such information by the deadline, or in the form or manner requested, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified, the Department shall use, subject to sections 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. Pursuant to section 782(e) of the Act, the Department shall not decline to consider submitted information if all of the following requirements are met: (1) The information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties.

In selecting from among the facts otherwise available, section 776(b) of the Act authorizes the Department to use an adverse inference, if the Department finds that an interested party failed to cooperate by not acting to the best of its ability to comply with the request for information. *See, e.g., Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review,* 62 FR 53808, 53819–20 (October 16, 1997). Section 776(b) of the Act also provides that an adverse inference may include reliance on information derived from the petition. *See also* Statement of Administrative Action (SAA) accompanying the URAA, H.R. Rep. No. 103–316 at 870 (1994).

The SAA, at 870, and section 351.308(c)(1) of the Department's regulations, clarify that information from the petition is ''secondary information.'' If the Department relies on secondary information as facts available, section 776(c) of the Act provides that the Department shall, to the extend practicable, corroborate such information using independent sources reasonably at its disposal. The SAA further provides that corroboration means simply that the Department will satisfy itself that the secondary information to be used has probative value. However, where corroboration is not practicable, the Department may use uncorroborated information.

On January 4, 2001, we sent an antidumping questionnaire to the Government of Romania requesting that they transmit the questionnaire to all of the companies in Romania who produce or export the subject merchandise to the United States. There is no record evidence as to whether or not they did so. Although we received questionnaire responses from the exporters named in the petition, as well as from additional trading companies not named in the petition, as discussed above, Customs data indicate that these exporters do not account for all exports of the subject merchandise to the United States during the POI. As a result, the Department presumes that there is an additional NME entity that has not responded to our questionnaire and determination of a country-wide rate is appropriate. Because the information necessary to

calculate a country-wide rate is not available on the record, we have determined the country-wide rate based on the facts available, pursuant to section 776(a)(1) of the Act. In addition, pursuant to section 776(b) of the Act, we are using an adverse inference in selecting among the facts otherwise available because the NME entity failed to cooperate to the best of its ability by not responding to the Department's questionnaire. As adverse facts available, we have assigned a rate of 88.62 percent, the highest rate contained in the petition, as the Romania-wide rate.

To corroborate the petition rate of 88.62 percent, we examined the basis of the rate contained in the petition. In accordance with section 776(c) of the Act, to the extent practicable, we examined the key elements of the export price and normal value calculations on which the petition margin calculation was based. The U.S. price in the petition was based on import average unit values. Based on a comparison of the U.S. Census Bureau's official IM–145 import statistics with the average unit values in the petition, we find the export price suggested in the petition to be consistent with those statistics. The normal value was based on a factors of production analysis using public information, reasonably available to the petitioners, to value the factors. The petitioners estimated the factors of production by using a U.S. company's experience in manufacturing a like product during the first nine months of 2000. Where appropriate, the factors were adjusted for known differences using publicly available *UN Commodity Trade Statistics.* We compared the factors used by the petitioners in the petition to the factors provided by the respondents and find them to be similar. In addition, the information used to value the factors comes from public, published sources. For these reasons, we find the petition rate used as adverse facts available to be corroborated for the purposes of this investigation.

Fair Value Comparisons

To determine whether sales of the subject merchandise by Metagrimex, Metanef, MEI and the Sidex Exporters to the United States were made at LTFV, we compared the export price (EP) to the NV, as described in the *Export Price* and *Normal Value* sections of this notice, below. In accordance with section 777A(d)(1)(A)(i) of the Act, we compared POI-wide weighted-average EPs to weighted-average NVs.

Export Price

We used EP methodology in accordance with section 772(a) of the Act, because the Sidex Exporters, Metagrimex, Metanef and MEI sold the merchandise directly to unaffiliated customers in the United States prior to importation, and CEP methodology was not otherwise indicated.

1. The Sidex Exporters

We calculated EP based on packed FOB Galati prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant to the port of embarkation and brokerage and handling in Romania. Because domestic brokerage and handling and inland freight were provided by NME companies, we based those charges on surrogate rates from Egypt. (*See* the *Normal Value* section for further discussion.)

2. Metanef

We calculated EP based on packed FOB Galati prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant to the port of embarkation and brokerage and handling in Romania. As with the Sidex Exporters, because domestic brokerage and handling and inland freight were provided by NME companies, we based those charges on surrogate rates from Egypt. (*See* the *Normal Value* section for further discussion.)

3. Metagrimex

We calculated EP based on packed FOB Galati prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant to the port of embarkation and brokerage and handling in Romania. As with the Sidex Exporters and Metanef, because domestic brokerage and handling and inland freight were provided by NME companies, we based those charges on surrogate rates from Egypt. (*See* the *Normal Value* section for further discussion.)

4. MEI

We calculated EP based on packed FOB Galati prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant to the port of embarkation and brokerage and handling in Romania. As with the other Romanian companies, because domestic brokerage and handling and inland freight were provided by NME companies, we based those charges on surrogate rates from Egypt. (*See* the *Normal Value* section for further discussion.)

Normal Value

A. Surrogate Country

Section 773(c)(4) of the Act requires the Department to value the NME producer's factors of production, to the extent possible, in one or more market economy countries that: (1) are at a level of economic development comparable to that of the NME country; and (2) are significant producers of comparable merchandise. The Department initially determined that the Philippines, the Dominican Republic and El Salvador are the countries most comparable to Romania in terms of overall economic development. We subsequently included Egypt, Ecuador and Algeria among the countries which are economically comparable to Romania because Egypt's per-capita GNP and overall economic development were also similar to that of Romania. *See* the January 22 and March 30, 2001 memoranda from Jeff May, Director, Office of Policy to Gary Taverman, Director, Office 5, AD/CVD Enforcement.

According to the information on the record, we have determined that Egypt is a significant producer of products comparable to the subject merchandise among the above-referenced potential surrogate countries, and provides the necessary factor price information for most of the factors of production. Accordingly, where possible, we have calculated NV using Egyptian prices to value the Romanian producer's factors of production. We have obtained and relied upon publicly available information whenever possible. Where we did not have reliable Egyptian values, we used values for inputs from the Philippines, which, to a lesser degree, produces comparable products to the subject merchandise, as well. Where the producer purchased factor inputs from a market-economy supplier in significant quantities and paid in a convertible currency, we used the actual prices paid to value all of the input.

B. Factors of Production

In accordance with section 773(c) of the Act, we calculated NV based on factors of production reported by Sidex, the company in Romania that produced hot-rolled carbon steel flat products, for the exporters that sold hot-rolled carbon steel flat products to the United States

during the POI. To calculate NV, the reported unit factor quantities were multiplied by publicly available Egyptian and, where necessary, Philippine values.

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices to make them delivered prices. We added to surrogate values a surrogate freight cost using the distance from the seaport to the factory or the reported distance from the domestic supplier to the factory, whichever distance was shorter. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp.* v. *United States,* 117 F. 3d 1401 (Fed. Cir. 1997). For those freight values not contemporaneous with the POI, we adjusted for inflation using consumer price indices published in the International Monetary Fund's International Financial Statistics.

We valued material inputs and packing material by Harmonized Tariff Schedule (HTS) number, using imports statistics from the UN Commodity Trade Statistics for 1998. Where a material input was purchased in a market-economy currency from a market-economy supplier, we valued all of the input at the actual purchase price in accordance with section 351.408(c)(1) of the Department's regulations. For a complete analysis of surrogate values, *see* the April 23, 2001 memorandum, *Factors of Production Valuation for Preliminary Determination (Valuation Memorandum),* on file in the CRU.

We valued labor using the method described in 19 CFR 351.408(c)(3).

To value electricity, we used the electricity rates for Egypt reported in the January 2000 Middle East and North Africa Region Infrastructure Development Unit publication *Republic of Yemen Comprehensive Development Review (Phase I) Power and Energy Sector Report.*

We based our calculation of depreciation, selling, general and administrative (SG&A) expenses and profit from the financial statements of Alexandria National Iron and Steel Works, an Egyptian producer of products comparable to the subject merchandise. We were unable to calculate an appropriate overhead ratio from any of the information on the record.

To value truck and rail freight rates, we used a 1999 rate, adjusted for inflation, provided by the Egyptian Consulting House, a member of AGN International. For barge transportation, we valued barge rates using an Egyptian rate from an Egyptian freight forwarder for steel coil and coal in bulk from Alexandria to Hulwan, Egypt, as adjusted for inflation.

For brokerage and handling, we used a 1999 rate provided by a trucking and shipping company located in Alexandria, Egypt. For further details, see *Valuation Memorandum.*

Verification

As provided in section 782(i) of the Act, we will verify all information relied upon in making our final determination.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the Customs Service to suspend liquidation of all imports of subject merchandise from Romania entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the Customs Service to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated in the chart below. These suspension of liquidation instructions will remain in effect until further notice.

Exporter/manufacturer	Margin (percent)
Sidex Trading, SRL & Sidex International, Plc	22.97
Metanef, S.A	32.36
Metagrimex, S.A	33.40
Metalexportimport,S.A	25.60
Romania-Wide	88.62

The Romania-wide rate applies to all entries of the subject merchandise except for entries from exporters/producers that are identified individually above.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant portion of exports of the subject merchandise or, if in the event of a negative determination, a request for such postponement is made by the petitioners. The Department's regulations, at 19 CFR 351.210(e)(2), require that requests by the respondents for postponement of a final determination be accompanied by a request for extension of provisional measures from a four-month period to not more than six months.

On April 11, 2000, we received a request from the respondents for postponement of the final determination and an extension of the provisional measures. Because the preliminary determination in this case is affirmative, the requesting respondents account for a significant percent of the exports to the United States and there is no compelling reason to deny the respondents' request, we have extended the deadline for issuance of the final determination in this case until the 135th day after the date of publication of this preliminary determination in the **Federal Register**.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, the ITC will determine by the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

In accordance with 19 CFR 351.224, the Department will disclose to the parties the details of its antidumping calculations. Case briefs will be due two weeks after the issuance of the final verification report in conjunction with this investigation. Rebuttal briefs must be filed within five business days after the deadline for submission of case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Public versions of all comments and rebuttals should be provided to the Department and made available on diskette. Section 774 of the Act provides that the Department will hold a hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. In the event that the Department receives requests for hearings from parties to more than one HRS case, the Department may schedule a single hearing to encompass all cases. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request within 30 days of the publication of this notice. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

As noted above, the final determination will be issued within 135 days after the date of publication of this preliminary determination.

This determination is issued and published pursuant to sections 733(f) and 777(i)(1) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the Assistant Secretary for Import Administration.

Dated: April 23, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–817]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products From Thailand

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

EFFECTIVE DATE: May 3, 2001.

FOR FURTHER INFORMATION CONTACT: Angelica Mendoza or Nancy Decker at (202) 482–3019 and (202) 482–0196, respectively; AD/CVD Enforcement, Office 8, Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

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 of Commerce (Department) regulations are to the regulations at 19 CFR part 351 (April 2000).

Preliminary Determination

We preliminarily determine that certain hot-rolled carbon steel flat products (HR) from Thailand are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV is shown in the ''Suspension of Liquidation'' section of this notice.

Case History

On December 4, 2000, the Department initiated antidumping investigations of HR products from Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine. *See* Initiation of Antidumping Duty Investigation: Certain Hot-Rolled Carbon Steel Flat Products from Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine, 65 FR 77568 (December 12, 2000) (Initiation Notice). The petitioners in this investigation are Bethlehem Steel Corporation, LTV Steel Company, Inc., National Steel Corporation, U.S. Steel Group (a Unit of USX Corporation), Gallatin Steel Company, IPSCO Steel Inc., Nucor Corporation, Steel Dynamics, Inc., Weirton Steel Corporation, and Independent Steelworkers Union. Since the initiation of this investigation the following events have occurred.

The Department set aside a period for all interested parties to raise issues regarding product coverage. *See* Initiation Notice at 77569. We received no comments from any parties in this investigation. The Department did, nowever, receive comments regarding product coverage in the investigation of hot-rolled carbon steel products from the Netherlands. In that investigation we received comments from Duracell Global Business Management Group on December 11, 2000, from Eveready Battery Co., Inc., on December 15, 2000, from Bouffard Metal Goods, Inc., and Truelove & Maclean, Inc., on December 18, 2000, and from Corus Staal BV and Corus Steel U.S.A., Inc., and Thomas Steel Strip Corporation on December 27, 2000.

On December 22, 2000, the Department issued a letter to interested parties in all of the concurrent HR products antidumping investigations, providing an opportunity to comment on the Department's proposed model matching characteristics and hierarchy. Comments were submitted by: petitioners (January 5, 2001); Corus Staal BA and Corus Steel USA Inc., (Corus), respondent in the Netherlands investigation (January 3, 2001); Iscor Limited (Iscor), respondent in the South Africa investigation (January 3, 2001); and Zaporizhstal, respondent in the Ukraine investigation (January 3, 2001). Petitioners agreed with the Department's proposed characteristics and hierarchy of characteristics. Corus suggested adding a product characteristic to distinguish prime merchandise from non-prime merchandise. Neither Iscor nor Zaporizhstal proposed any changes to either the list of product characteristics proposed by the Department or the hierarchy of those product characteristics but, rather, provided information relating to its own products that was not relevant in the context of determining what information to include in the Department's questionnaires. For purposes of the questionnaires subsequently issued by the Department to the respondents, no changes were made to the product characteristics or the hierarchy of those characteristics from those originally proposed by the Department in its December 22, 2000 letter. With respect to Corus' request, the additional product characteristic suggested by Corus, to distinguish prime from non-prime merchandise, is unnecessary. The Department already asks respondents to distinguish prime from non-prime merchandise in field number 2.2 ''Prime vs. Secondary Merchandise.'' *See* the Department's Antidumping Duty Questionnaire, at B–7 and C–7. These fields are used in the model match program to prevent matches of prime merchandise to non-prime merchandise.

On December 28, 2000, the United States International Trade Commission (ITC) notified the Department of its affirmative preliminary injury determination on imports of subject merchandise from Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine. On January 4, 2001, the ITC published its preliminary determination that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of the subject merchandise from Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine. *See* Hot-Rolled Steel Products from Argentina, India, Indonesia, Kazakhstan, the Netherlands, the People's Republic of China, Romania, South Africa, Taiwan, Thailand, and Ukraine, 66 FR 805–02 (January 4, 2001).

On January 4, 2001, the Department issued all sections of its antidumping duty questionnaire to Sahaviriya Steel Industries Public Co., Ltd. (SSI), Siam