

benchmark rate for the daily rate, in accordance with established practice. Further, section 773A(b) of the Act directs the Department to allow a 60-day adjustment period when a currency has undergone a sustained movement. A sustained movement has occurred when the weekly average of actual daily rates exceeds the weekly average of benchmark rates by more than five percent for eight consecutive weeks. (For an explanation of this method, see Policy Bulletin 96-1: Currency Conversions (61 FR 9434, March 8, 1996).)

**Verification**

In accordance with section 782(i) of the Act, we intend to verify information to be used in making our final determination.

**All Others**

Pursuant to sections 733(d)(1)(A)(ii) and 735(c)(5)(A) of the Act, the estimated all-others rate is equal to the estimated weighted average dumping margin established for SSI, the only exporter/producer investigated.

**Suspension of Liquidation**

In accordance with section 733(d)(2) of the Act, the Department will direct the U.S. Customs Service to suspend liquidation of all entries of HR producers from Thailand, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**.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 U.S. Customs Service to require a cash deposit or posting of a bond equal to the estimated preliminary dumping margin indicated in the chart below. This suspension of liquidation will remain in effect until further notice. The weighted-average dumping margins in the preliminary determination are as follows:

Exporter/manufacture	Margin (percent)
SSI .....	7.48
SSM .....	20.30
All Others .....	7.48

**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, before 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 threatening material injury to, the U.S. industry.

**Public Comment**

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five 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.

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 several HR cases, the Department may schedule a single hearing to encompass all those 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 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. If this investigation proceeds normally, we will make our final determination no later than 75 days after the date of this preliminary determination.

This determination is issued and published in accordance with 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.*

[FR Doc. 01-10855 Filed 5-2-01; 8:45 am]

**BILLING CODE 3510-DS-P**

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-583-835]

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

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

**ACTION:** Notice of preliminary determination of sales at less than fair value.

**EFFECTIVE DATE:** May 3, 2001.

**FOR FURTHER INFORMATION CONTACT:** Patricia Tran or Robert James at (202) 482-1121 and (202) 482-0649, respectively, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

**Preliminary Determination**

We preliminarily determine that certain hot-rolled carbon steel flat products from Taiwan 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 Tariff Act. The estimated margin of sales at LTFV is shown in the "Suspension of Liquidation" section of this notice.

**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 to the Tariff Act of 1930 (the Tariff Act) by the Uruguay Round Agreements (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 1, 2000).

**Case History**

On December 4, 2000, the Department initiated antidumping investigations of 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. 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 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. However, we did receive comment in the hot-rolled investigation regarding the Netherlands as follows: 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; from the Corus Group plc., which includes Corus Steel USA (CSUSA) and Corus Staal BV (Corus Staal), and Thomas Steel Strip on December 26, 2000; and from Rayovac Corporation on March 12, 2001.

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 BV 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 Taiwan. 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 Taiwan (66 FR 805).

On January 4, 2001, the Department issued its antidumping duty questionnaire to China Steel Corporation (China Steel), Yieh Loong Enterprise Co., Ltd. (Yieh Loong), and An Feng Steel Co., Ltd. (An Feng). On February 2, 2001, the Department received from China Steel and Yieh Loong the response to Section A of the questionnaire. (An Feng never responded to any of the Department's questionnaires. See the section "Facts Available" (below).) On February 15, 2001 and February 21, 2001, the petitioners filed comments on the Section A responses of both China Steel and Yieh Loong. On February 27, 2001 the Department issued a supplemental questionnaire for China Steel's and Yieh Loong's Section A responses. The two companies submitted their responses on March 20, 2001. China Steel made additional submissions in follow-up to its March 20, 2001 response on March 21 and March 26, 2001.

China Steel and Yieh Loong filed their Section B, C, and D responses on February 26, 2001. On March 6, 2001 petitioners submitted comments on the Section B, C, and D responses of China Steel and Yieh Loong. The Department issued a supplemental questionnaire to China Steel and Yieh Loong regarding their Section B and C responses on March 15, 2001. On April 3, 2001, China Steel and Yieh Loong filed their supplemental Section B and C responses. On March 16, 2001, petitioners submitted additional comments regarding China Steel's Section D response. On March 21, 2001, petitioners filed additional comments regarding Yieh Loong's Section D response. The Department issued supplemental questionnaires concerning Yieh Loong's Section D response on March 21, 2001, and concerning China Steel's Section D response on March 23, 2001. The Department received the

responses to these supplemental questionnaires on April 9, 2001.

On April 17, 2001 and April 18, 2001, the Department issued another supplementary questionnaire to China Steel and Yieh Loong regarding their Section B, C and D responses. We have set a due date of April 23, 2001 for the responses.

#### Period of Investigation

The period of investigation (POI) is October 1, 1999 through September 30, 2000.

#### Scope of Investigation

For purposes of these investigations, 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 lengths 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 these investigations.

Specifically included within the scope of these investigations 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 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 these investigations, 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 these investigations unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of these investigations:

- 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 these investigations 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 these investigations, 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.

#### Affiliations

In the dumping petition the petitioners identified An Feng, China Steel, and Yieh Loong as the principal Taiwanese producers of subject merchandise. We issued questionnaires to these three companies on January 4, 2001. (See the "Case History" section (above).) Upon analysis of the responses of China Steel and Yieh Loong, we have determined that these two companies are affiliated under Section 771(33)(E) of the Tariff Act. The Department has collapsed China Steel and Yieh Loong (hereafter referred to as "China Steel") pursuant to Section 351.401(f) of the Department's regulations for purposes of calculating a weighted-average margin. For details of the Department's analysis, see the Affiliation Memorandum, April 19, 2001, a copy of which is in room B-099 at the main Department of Commerce building. Therefore, the rate that we have assigned to China Steel (Yieh Loong's parent company) in this preliminary determination will be applicable to both China Steel and Yieh Loong.

#### Facts Available

##### *An Feng*

As noted above under "Case History," An Feng failed to respond to the Department's antidumping questionnaire. Section 776(a)(2) of the Tariff Act provides that "if an interested party or any other person (A) withholds information that has been requested by the administering authority or the Commission under this title, (B) fails to

provide such information by the deadlines for submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of Section 782, (C) significantly impedes a proceeding under this title, or (D) provides such information but the information cannot be verified as provided in Section 782(i), the administering authority and the Commission shall, subject to subsection 782(d), use the facts otherwise available in reaching the applicable determination under this title." Because An Feng failed to respond to our request for information, pursuant to Section 776(a)(2) of the Tariff Act we resorted to the facts otherwise available to calculate the dumping margin for this company.

Section 776(b) of the Tariff Act provides that the Department may use an inference that is adverse to the interests of a party that has failed to cooperate by not acting to the best of its ability to comply with the Department's requests for necessary information. See also Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 103-316 (1994) (SAA) at 870. Failure by An Feng to respond to the Department's antidumping questionnaire constitutes a failure to act to the best of its ability to comply with a request for information within the meaning of Section 776(b) of the Tariff Act. Because An Feng failed to respond and offered no explanation for its failure, the Department has determined that, in selecting among the facts otherwise available, an adverse inference is warranted in selecting the facts available for this company. Because we are unable to calculate a margin for An Feng, consistent with our practice, we have assigned An Feng the highest margin alleged based on our recalculation of the petition margins. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Certain Small Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and the Republic of South Africa*, 64 FR 69718, 69722 (December 14, 1999), and *Notice of Preliminary Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Germany*, 63 FR 10847, 10848 (March 5, 1998)) and *Notice of Preliminary Determinations of Sales at Less Than Fair Value: Stainless Steel Angle from Japan, Korea, and Spain*, 66 FR 2880, 2883 (January 12, 2001). Based on amendments to the petition and the Department's recalculations, where applicable, the highest margin is 29.14 percent. See *Initiation Notice* at 77576.

Section 776(b) of the Tariff Act states that an adverse inference may include reliance on information derived from the petition. *See also* SAA at 829–831. Section 776(c) of the Tariff Act provides that, when the Department relies on secondary information (such as the petition) as the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal.

The SAA clarifies that “corroborate” means that the Department will satisfy itself that the secondary information to be used has probative value (*see* SAA at 870). The SAA also states that independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics, U.S. Customs Service data, and information obtained from interested parties during the particular proceeding. *Id.*

To corroborate the margin calculations in the petition, we examined the data relied upon in making those calculations. The export prices (EP) in the petition were based on import values compiled by the U.S. Customs Service. These data, as recalculated by the Department using POI-wide and nation-wide averages for initiation purposes, are from publicly available sources (*i.e.*, official U.S. government statistics). Therefore, we find that the U.S. price from the petition margin is sufficiently corroborated.

For the normal value (NV) calculation, petitioners relied upon constructed value (CV), consisting of cost of manufacture (COM), selling, general, administrative expenses (SG&A), interest, packing, and profit. Petitioners based depreciation, interest, SG&A, packing, and profit on publicly available financial statements of Taiwan steel producers. Therefore, because these data are based on publicly available financial statements, we find them to be sufficiently corroborated. Petitioners based COM (net of depreciation) on their own cost experience of producing merchandise identical to that subject to this investigation. To corroborate these data, we compared it to the reported COM of China Steel and its affiliate Yieh Loong. Although we have found that these companies control numbers (CONNUMs) were mostly unusable, we were still able to make a reliable comparison with the petitioner’s COM data for corroboration purposes. We performed this comparison by first calculating the average COM for all of the CONNUMs China Steel and Yieh Loong reported in their CV databases provided with their April 9, 2001

submissions, and comparing that average to the COM petitioners provided in their submission of November 22, 2000, exhibit I–14. Our analysis showed that the petitioners’ reported costs were reasonably close to the data submitted by China Steel and Yieh Loong. Based on this analysis, we find that the COM data used in the antidumping petition have probative value. *See* Corroboration Memorandum, April 23, 2001.

#### *China Steel*

On January 4, 2001, the Department issued China Steel its antidumping duty questionnaire. The questionnaire explicitly instructed to China Steel to report all sales by affiliates to the first unaffiliated customer. However, if sales to all affiliated customers constituted less than five percent of its total sales in the home market these companies were to notify the Department. On January 19, 2001, China Steel requested to exclude themselves from reporting home market resales by affiliates. China Steel stated that its sales to its affiliates, China Steel Global Trading Corporation (China Steel Global) and China Steel Chemical Corporation (China Steel Chemical), constituted less than five percent of its total sales in the home market. On January 29, 2001, the Department replied to China Steel’s January 19, 2001 letter and stated that we could not make a determination based on the information provided. The Department requested that China Steel document whether the total quantity of subject merchandise sold to all affiliated parties (regardless of whether subject merchandise was further processed by affiliates) constituted less than five percent of total home market sales. China Steel failed to provide such information.

On February 26, 2001, China Steel submitted its response to Sections B, C, and D of the questionnaire. In this submission, China Steel only reported affiliated party sales for the companies it considered to be affiliated entities, and China Steel did not provide resales by these affiliates. China Steel coded sales to Yieh Loong, Yieh Hsing Enterprise Co., Ltd. (Yieh Hsing) and Yieh Phui Enterprise Co., Ltd. (Yieh Phui) as sales to non-affiliated companies. Because the Department collapsed China Steel and Yieh Loong, any reseller affiliated with either China Steel or Yieh Loong is recognized as affiliated with the collapsed entity (China Steel/ Yieh Loong). *See* Affiliation Memorandum, April 19, 2001. Therefore, because of Yieh Phui’s and Yieh Hsing’s affiliation to Yieh Loong, they are affiliated with the collapsed entity, and total affiliated

party sales are greater than five percent of total home market sales. *See* Affiliated Reseller Memorandum, April 19, 2001.

On March 15, 2001, the Department issued its supplemental Sections B and C questionnaire, reiterating that China Steel must report all resales by affiliated parties (Yieh Loong, China Steel Chemical, China Steel Global, Yieh Phui, and Yieh Hsing) to the first unaffiliated party.

China Steel’s April 3, 2001 supplemental response provided incomplete and deficient information regarding affiliated parties’ resales. Although China Steel provided complete sales information for China Steel Global and China Steel Chemical, it provided minimal sales information for Yieh Phui and Yieh Hsing, and inconsistent information regarding Yieh Loong. Sales to China Steel’s affiliates constitute a significant quantity of China Steel’s home market sales, and it is necessary to have this information in order for the Department to calculate a margin. *See* Adverse Facts Available Memorandum, April 23, 2001.

Pursuant to Section 782(c) of the Act, China Steel, after receiving a request from the Department, must promptly notify the Department if it is unable to submit the information requested, together with a full explanation and suggest alternative forms in which it is able to submit the requested information to the Department. The Department has repeatedly requested China Steel to provide complete information with respect to its downstream sales as originally instructed in the January 4, 2001 antidumping questionnaire. The Department has granted a number of extensions to China Steel and Yieh Loong to permit them to provide complete and accurate questionnaire responses. China Steel stated in its April 3, 2001 narrative that it does not control Yieh Hsing and Yieh Phui; therefore, it could not provide complete and adequate information. China Steel has never suggested any alternative reporting methodology. However, the Department finds that China Steel and Yieh Loong’s ability to compel their affiliates to turn over some of the business proprietary information requested by the Department is a clear indication of their ability to exercise control over these parties.

Pursuant to Section 776(A)(B) of the Act, we find that China Steel failed to cooperate to the best of its ability because it repeatedly refused or ignored the Department’s instructions to submit accurate downstream sales data, as demonstrated by its selective

submission of China Steel's affiliates' data, and never provided alternatives or reasonable explanations for why it could not report all downstream sales. Further, without this data, the information regarding home market sales is unusable. A significant quantity of China Steel's home market sales are made through affiliates. Without this information the Department cannot calculate an accurate dumping margin.

In addition, the Department found other deficiencies that made China Steel's submission unusable for purposes of calculating a dumping margin. The principal deficiency was the failure to report certain product characteristics, e.g., quality, carbon content, yield strength, thickness, and width for a significant share of China Steel's sales to affiliated and unaffiliated customers. The Department requires the physical characteristics of paint, quality, carbon, yield strength, thickness, width, cut-to-length versus coiled, tempered rolled, pickled, edge trim, and patterns in order to match the product to its appropriate match in the United States, to ascertain whether the home market merchandise was sold at prices above the cost of production, and to calculate a difference-in-merchandise adjustment. Therefore, without complete physical characteristics for all sales, we cannot calculate an accurate margin.

Moreover, we find that China Steel's claim that it is unable to provide proper physical characteristics in the manner requested by the Department to be inconsistent with other information on the record of this case. For example, China Steel stated in its April 3, 2001 submission that physical characteristics (e.g., carbon, yield strength) can be identified from production records and inventory records as well as its product code system. In addition, China Steel states that it is still able to calculate cost for some merchandise for which it did not report complete physical characteristics. It is unclear from the record why China Steel cannot provide physical characteristics for certain sales, yet still associates costs to those same sales. Moreover, China Steel never provided any supporting documentation in regards to the sales at issue, despite the Department's request in a supplemental questionnaire that it do so. Without this documentation the Department is unable to determine the accuracy of China Steel's responses regarding this merchandise. See Adverse Facts Available Memorandum, April 23, 2001.

Therefore, because of these deficiencies, on April 17 and April 18, 2001, we issued to these companies a supplemental questionnaire, the

response for which is due April 23, 2001. We will analyze the responses to this supplemental questionnaire and issue our analysis, if appropriate, concurrent with the final determination of this investigation.

In light of China Steel's repeated failure to provide affiliated sales information and its repeated failure to provide all necessary product characteristics or to provide any meaningful explanation of why such data could not be provided, we preliminarily determine that China Steel did not cooperate to the best of its ability. Accordingly, for the purpose of this preliminary determination we have assigned, as adverse facts available, the highest margin from the antidumping petition as recalculated by the Department. See the December 4, 2000, Import Administration AD Investigation Initiation Checklist at 25, a copy of which is contained in the public file in room B-099 of the main Department of Commerce building. We consider the data from the petition to be corroborated for the reasons given above in discussing the use of the petition as the basis for adverse facts available for An Feng.

**All Others**

The estimated all-others rate is equal to the average of the dumping margins calculated in the antidumping duty petition as recalculated by the Department. See the December 4, 2000, Import Administration AD Investigation Initiation Checklist.

**Suspension of Liquidation**

In accordance with Section 733(d) of the Tariff Act, the Department will direct the Customs Service to suspend liquidation of all entries of subject merchandise from Taiwan that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The Customs Service shall require a cash deposit or posting of a bond equal to the estimated preliminary dumping margin indicated in the chart below. This suspension of liquidation will remain in effect until further notice.

The margins in the preliminary determination are as follows:

Exporter/manufacturer	Margin (percent)
China Steel Corporation (including Yieh Loong) .....	29.14
An Feng Steel Co., Ltd. ....	29.14
All Others .....	20.28

**ITC Notification**

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

**Public Comment**

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five 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. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette.

Section 774 of the Tariff 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 several hot-rolled carbon steel flat products cases, the Department may schedule a single hearing to encompass all those 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 participate if one is requested, must submit a written request within 30 days of the publication of this notice. Oral presentations will be limited to issues raised in the briefs. If this investigation proceeds normally, we will make our final determination no later than 75 days after the date of publication of this preliminary determination.

This determination is issued and published in accordance with section 733(d) and 777(i)(1) of the Tariff Act. Since 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.*

[FR Doc. 01-10856 Filed 5-2-01; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-307-820, A-533-823, and A-834-807]

#### Notice of Initiation of Antidumping Duty Investigations: Silicomanganese From Kazakhstan, India and Venezuela

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

**ACTION:** Initiation of antidumping duty investigations.

**EFFECTIVE DATE:** May 3, 2001.

**FOR FURTHER INFORMATION CONTACT:**

Sally Gannon (India), Robert James (Venezuela), and Jean Kemp (Kazakhstan) at (202) 482-0162, (202) 482-0649, and (202) 482-4037, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

#### Initiation of Investigations

##### *The Applicable Statute and Regulations*

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR Part 351 (2000).

##### *The Petition*

On April 6, 2001, the Department of Commerce (the Department) received a petition filed in proper form by the following parties: Eramet Marietta Inc. (Eramet) and the Paper, Allied-Industrial, Chemical and Energy Workers International Union, Local 5-0639 (collectively, the petitioners). The Department received from the petitioners information supplementing the petition throughout the 20-day initiation period.

In accordance with section 732(b) of the Act, the petitioners allege that imports of silicomanganese from Kazakhstan, India, and Venezuela are

being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring an industry in the United States.

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

##### *Scope of Investigations*

For purposes of these investigations, the products covered are all forms, sizes and compositions of silicomanganese, including silicomanganese briquettes, fines and slag. Silicomanganese is a ferroalloy composed principally of manganese, silicon and iron, and normally contains much smaller proportions of minor elements, such as carbon, phosphorous and sulfur. Silicomanganese is sometimes referred to as ferrosilicon manganese. Silicomanganese is used primarily in steel production as a source of both silicon and manganese. Silicomanganese generally contains by weight not less than 4 percent iron, more than 30 percent manganese, more than 8 percent silicon and not more than 3 percent phosphorous. Silicomanganese is properly classifiable under subheading 7202.30.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Some silicomanganese may also be classified under HTSUS subheading 7202.99.5040. This petition covers all silicomanganese, regardless of its tariff classification. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, our written description of the scope remains dispositive.

During our review of the petition, we discussed the scope with the petitioners to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as 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. The Department encourages all parties to submit such comments by May 17, 2001. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of

scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

##### *Determination of Industry Support for the Petition*

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.<sup>1</sup>

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

In this case, "the article subject to investigation" also is substantially similar to the scope of the Department's antidumping duty order involving silicomanganese published in 1994. See *Notice of Antidumping Duty Order: Silicomanganese From the People's Republic of China (PRC)*, 59 FR 66003 (December 22, 1994). Thus, based on our analysis of the information

<sup>1</sup> See *Algoma Steel Corp. Ltd., v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass Therefore from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).