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.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 31, 2001.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

[FR Doc. 01–22649 Filed 9–7–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–825]

Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of the antidumping duty administrative review of oil country tubular goods from Korea.

SUMMARY: In response to a request from SeAH Steel Corporation (''SeAH''), the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on oil country tubular goods (''OCTG'') from Korea. This review covers one manufacturer/exporter of the subject merchandise to the United States, SeAH, and the period August 1, 1999 through July 31, 2000, which is the fifth period of review (''POR'').

We have preliminarily determined that SeAH made sales below normal value (''NV''). If these preliminary results are adopted in our final results of this administrative review, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between the constructed export price (''CEP'') and NV. The preliminary results are listed below in the section entitled ''Preliminary Results of Review.''

EFFECTIVE DATE: September 10, 2001.

FOR FURTHER INFORMATION CONTACT: Mike Strollo or Scott Lindsay, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–5255, or (202) 482–3782, respectively.

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 (2000).

Background

On August 11, 1995, the Department published in the **Federal Register** an antidumping duty order on oil country tubular goods (OCTG) from Korea (60 FR 41058). On August 31, 2000, the Department received a timely request from SeAH to conduct an administrative review pursuant to section 351.213(b)(2) of the Department's regulations. We published a notice of initiation of this antidumping duty administrative review on OCTG on October 2, 2000 (65 FR 58733).

The Department subsequently determined it was impracticable to complete the review within the standard time frame, and extended the deadline for completion of this antidumping duty administrative review. *See Oil Country Tubular Goods from Korea: Extension of Time Limit for Preliminary Results of Antidumping Administrative Review,* 66 FR 23232 (May 8, 2001).

Scope of Review

The products covered by this order are oil country tubular goods (''OCTG''), hollow steel products of circular cross-section, including only oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (''API'') or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This scope does not cover casing or tubing pipe containing 10.5 percent or more of chromium, or drill pipe. The products subject to this order are currently classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.30.10, 7304.29.30.20, 7304.29.30.30, 7304.29.30.40, 7304.29.30.50, 7304.29.30.60, 7304.29.30.80, 7304.29.40.10, 7304.29.40.20, 7304.29.40.30, 7304.29.40.40, 7304.29.40.50, 7304.29.40.60, 7304.29.40.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.60.15, 7304.29.60.30, 7304.29.60.45, 7304.29.60.60, 7304.29.60.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50. The HTSUS item numbers are provided for convenience and Customs purposes. The written description remains dispositive of the scope of this review.

Period of Review

This review covers the period August 1, 1999 through July 31, 2000.

Verification

As provided in section 782(i) of the Act, we verified information provided by SeAH using standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records.

Date of Sale

SeAH reported the date of invoice as the date of sale for its U.S. market sales and the purchase order date as the date of sale in the third country market. SeAH stated that, in the third country market, the material terms of sale, i.e. price and quantity, are finalized on the purchase order date, and therefore, this date was reported as the date of sale. For its U.S. sales, SeAH stated that the vast majority of sales are made from inventory. For these sales, the customer generally contacted Pusan Pipe America (''PPA''), SeAH's affiliated reseller. According to SeAH, no set purchase order was generated, and the invoice was the first document which indicated that a transaction occurred. Therefore, the invoice date best reflects the date on which the material terms of sale are established. On June 1, 2001, SeAH reiterated that the dates of sale reported in both markets best reflect the dates on which the material terms were set. The Department, therefore, is preliminarily using the dates of sale reported by SeAH.

Transactions Reviewed

SeAH produced OCTG in Korea and shipped it to the United States. PPA was the importer of record for all U.S. sales. All of SeAH's U.S. sales are classified as CEP sales (*see* ''United States Price'' section below). The Department's questionnaire instructed the respondent to report CEP sales made after importation if the dates of sale fell within the POR (*see* page C–1 of the Department's October 26, 2000 Questionnaire). Therefore, as it did in the 1997–1998 review, the Department again reviewed U.S. sales during the POR when those sales involved subject merchandise that had entered the United States and been placed in the physical inventory of SeAH's U.S. affiliate. The questionnaire also instructed the respondent to report CEP sales made prior to importation when the entry dates fell within the POR. Consequently, we have limited our U.S. database to these sets of transactions.

Comparison Market

The Department determines the viability of a comparison market by comparing the aggregate quantity of comparison market sales to U.S. sales. An exporting country is not considered a viable comparison market if the aggregate quantity of sales of subject merchandise to that market amounts to less than five percent of the quantity of sales of subject merchandise into the United States during the POR. *See* section 773(a)(1)(B) of the Act; 19 CFR 351.404. We found Korea was not a viable comparison market because the aggregate quantity of SeAH's sales of subject merchandise in Korea during the POR amounted to less than five percent of the quantity of sales of subject merchandise to the United States during the POR.

According to section 773(a)(1)(B)(ii) of the Act, the price of sales to a third country can be used as the basis for normal value only if such price is representative, if the aggregate quantity (or, where appropriate, value) of sales to that country is at least five percent of the quantity (or value) of total sales to the United States, and if the Department does not determine that the particular market situation in that country prevents proper comparison with the export price or constructed export price. The only third country market to which SeAH sold subject merchandise during the POR was Canada. Sales to Canada, on both a value and a volume basis, were found to be greater than the five percent threshold defined in section 773(a)(1)(B) of the Act and section 19 CFR 351.404 of the Department's regulations. In addition, we found that the market situation in Canada did not prevent proper comparison between normal value and constructed export price. Therefore, we used Canadian sales in our analysis of petitioners' allegation regarding sales below cost (*see* ''Normal Value'' section below), and have used SeAH's sales to Canada as the basis for normal value.

Normal Value Comparisons

To determine whether sales of subject merchandise to the United States were made at less than normal value, we compared the Constructed Export Price (CEP) to the 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.

United States Price

We preliminarily determine that all of SeAH's U.S. sales were made ''in the United States'' by SeAH's U.S. affiliate on behalf of SeAH within the meaning of section 772(b) of the Act, and thus, should be treated as CEP transactions. *See AK Steel Corp.* v. *United States,* 226 F.3d 1361, 1374 (Fed. Cir. 2000).

The starting point for the calculation of CEP was the delivered price to unaffiliated customers in the United States. We identified the appropriate starting price by adjusting for early payment discounts. In accordance with section 772(c)(2) of the Act, we made deductions for movement expenses, including foreign inland freight, ocean freight, marine insurance, foreign and U.S. brokerage and handling, U.S. inland freight, U.S. wharfage, and U.S. customs duties. In accordance with section 772(d)(1) of the Act, we also deducted credit expenses and indirect selling expenses, including inventory carrying costs. In accordance with section 772(c)(1)(B) of the Act, we added duty drawback to the starting price. In accordance with section 772(d)(2) of the Act, we deducted the cost of further manufacturing where such deduction was appropriate. This deduction for further manufacturing was based on the fees charged by unaffiliated U.S. processors; SeAH indicated that the reported further processors' charges included processing costs and, where applicable, the cost of materials. SeAH also indicated that the reported further processors' charges did not include separate G&A expense information related to this further processing because all of the expenses incurred by PPA, including the minimal G&A expense associated with PPA's dealings with further processors, were reported as indirect selling expenses. Finally, we deducted an amount of profit allocated to these expenses, in accordance with section 772(d)(3) of the Act.

Normal Value

A. Model Match

In making comparisons in accordance with section 771(16) of the Act, we considered all products described in the ''Scope of Review'' section of this notice, above, sold in the comparison market 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 comparison 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 the Department's October 26, 2000 antidumping questionnaire.

In the most recently completed segment of the proceeding involving SeAH, i.e., the third review, the Department disregarded SeAH's sales that failed the cost test. *See Oil Country Tubular Goods From Korea; Final Results of Antidumping Duty Administrative Review,* 65 FR 13364 (March 13, 2000). We therefore had reasonable grounds to believe or suspect, pursuant to section 773(b)(2)(A)(ii) of the Act, that SeAH's sales of the foreign like product under consideration for the determination of NV in this review may have been made at prices below COP. Therefore, we examined whether sales in the comparison market were below the cost of production.

B. Cost of Production and Constructed Value

1. *Cost of Production:* Using sales and COP information provided by the respondent, we compared sales of the foreign like product in the comparison market with the model-specific COP figures for the POR. In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus selling, general and administrative (SG&A) expenses, including all costs and expenses incidental to placing the foreign like product in packed condition and ready for shipment.

After calculating COP, we tested whether comparison market sales of the

foreign like product 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. *See* section 773(b)(1) of the Act. Because each individual price was compared to the POR average COP, any sales that were below cost were also determined not to be at prices which permitted cost recovery within a reasonable period of time. *See* section 773(b)(2)(D) of the Act. We compared model-specific COPs to the reported comparison 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 during the POR were at prices less than the weighted-average COPs for the POR, we disregarded the below-cost sales because they were made within an extended period of time in substantial quantities in accordance with sections 773(b)(2) (B) and (C) of the Act, and were at prices which would not permit recovery of all costs within a reasonable period of time in accordance with section 773(b)(2)(D) of the Act.

2. *Constructed Value:* In accordance with section 773(a)(4) of the Act, we used CV as the basis for NV when there were no usable contemporaneous sales of subject merchandise in the comparison market. We calculated CV in accordance with section 773(e) of the Act. We included SeAH's cost of materials and fabrication (including packing), SG&A expenses, and profit. *See* section 773(e)(2)(A) of the Act. In accordance with the Department's October 26, 2000 questionnaire, the reported cost of materials included import duties associated with obtaining the materials. 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 respondent 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 relied on SeAH's reported weighted-average third country selling expenses.

C. Price-to-Price Comparison

Where appropriate, for comparison to CEP, we made adjustments to NV by deducting Korean inland freight from the factory to the port, brokerage and handling, terminal charges, wharfage, international ocean freight and packing, in accordance with section 773(a)(6)(B) of the Act, and direct selling expenses (credit expenses) in accordance with section 773(a)(6)(C)(iii) of the Act. We also made adjustments for differences in costs attributable to differences in physical characteristics of merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act.

Finally, the Department added duty drawback to third-country prices for comparison to duty-inclusive cost of production and U.S. price. *See Oil Country Tubular Goods from Korea: Final Results of Antidumping Duty Administrative Review,* 64 FR 13169 (March 17, 1999).

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 level of trade (''LOT'') of the U.S. sales. The NV LOT is that of the starting-price sales in the comparison market. The Court of Appeals for the Federal Circuit (''Federal Circuit'') has held that the statute unambiguously requires Commerce to deduct the selling expenses set forth in section 772(d) from the CEP starting price prior to performing its LOT analysis. *See Micron Technology, Inc.* v. *United States,* 243 F.3rd 1301, 1315 (Fed. Cir. 2001). Consequently, the Department will continue to adjust the CEP, pursuant to section 772(d), prior to performing the LOT analysis, as articulated by the Department's regulations at section 351.412. When NV is based on CV, the NV LOT is that of the sales from which we derive SG&A expenses and profit.

To determine whether comparison market NV sales are at a different LOT than EP or CEP sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and unaffiliated customer. If the comparison-market sales are at a different level of trade 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 level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act. Finally, 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, 61732 (November 17, 1997).

In the instant review, SeAH only made sales in both the United States and the third country market, Canada, through its affiliate, PPA. In Canada, SeAH reported only one LOT. SeAH contends that when the CEP adjustments are made, the CEP LOT is less advanced than the foreign market LOT, qualifying SeAH for a CEP offset.

In the foreign market (i.e., the third-country market), the relevant transaction for the Department's analysis is between the affiliate, PPA, and the unaffiliated purchaser in Canada. PPA performs the following selling functions with respect to its Canadian and U.S. sales: negotiating prices, meeting with customers, invoicing, extending credit, managing personnel (i.e., training), strategic and economic planning, computer, legal, accounting, and/or business system development, and procurement and/or sourcing. However, the relevant transaction for U.S. sales, after CEP adjustments are made, is between SeAH and PPA. SeAH does not perform any of the above-listed functions which PPA provides for Canadian customers. On the other hand, for SeAH's sales to PPA, PPA performs four functions that are not provided when PPA sells to Canadian customers: serving as importer of record, paying U.S. customs duties and wharfage, arranging import documents, and inventorying the merchandise. Finally, there is one selling function that PPA provides on its sales to the United States that is performed by SeAH for SeAH's sales through PPA to Canada, market research.

As set forth in section 351.412(f) of the Department's regulations, a CEP offset will be granted where (1) normal value is compared to CEP sales, (2) normal value is determined at a more advanced LOT than the LOT of the CEP, and (3) despite the fact that the party has cooperated to the best of its ability, the data available do not provide an appropriate basis to determine whether the difference in LOT affects price comparability. Since the selling functions provided by PPA for SeAH's sales to the United States, after CEP adjustments are made, are at a marketing stage which is less advanced than for SeAH's sales to Canada, we preliminarily determine that sales in Canada are being made at a more advanced LOT than those to the U.S. Because there is only one level of trade

in Canada, the data available do not permit us to determine the extent to which this difference in LOT affects price comparability. Therefore, in accordance with section 351.412(f), we are granting SeAH a CEP offset. To calculate this offset, we deducted indirect selling expenses from NV to the extent of U.S. indirect selling expenses.

Currency Conversion

We made currency conversions based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank, in accordance with section 773A(a) of the Act.

Preliminary Results of Review

We preliminarily determine that the following dumping margin exists:

Manufacturer/ exporter	Time period	Margin (percent)
SeAH Steel Corporation	8/1/1999–7/31/ 2000	1.54

We will disclose to any party to the proceeding calculations performed in connection with these preliminary results of review, within five days after the date of the publication of the preliminary results of review. *See* 19 CFR 351.224(b). Interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than five days after the time limit for filing the case briefs. *See* 19 CFR 351.309(d). Any interested party may request a hearing within 30 days of publication of these preliminary results. The hearing, if requested, will be held two days after the scheduled date for submission of rebuttal briefs unless otherwise notified by the Department. Unless extended under section 751(a)(3)(A) of the Act, the Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Upon completion of this review, the Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of OCTG from Korea entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for SeAH, the cash deposit rate will be the rate established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less than fair value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the subject merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be the rate established in the LTFV investigation, which is 12.17 percent. *See Final Determination of Sales at Less Than Fair Value: Oil Country Tubular Goods from Korea,* 60 FR 33561 (June 28, 1995).

These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also 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.

This administrative review and notice are issued in accordance with sections 751(a)(1) and 777(i)(1) of the Act (19 U.S.C. 1675(a)(1) and 19 U.S.C. 1677(f)(i)(1)).

Dated: August 31, 2001.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

[FR Doc. 01–22656 Filed 9–7–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–469–007]

Potassium Permanganate From Spain: Notice of Amended Final Results of Antidumping Duty Administrative Review Pursuant to Final Court Decision

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

ACTION: Notice of amended final results of antidumping duty administrative review pursuant to final court decision

SUMMARY: On February 28, 1992, the United States Court of International Trade (CIT) affirmed the remand determination of the Department of Commerce (the Department) of the final results of the antidumping duty administrative review on potassium permanganate from Spain for the period of review, January 1, 1986 to December 31, 1986. In order to give effect to this final and conclusive decision, we are amending our final results retroactively.

EFFECTIVE DATE: September 10, 2001.

FOR FURTHER INFORMATION CONTACT: Jack K. Dulberger, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–5505.

SUPPLEMENTARY INFORMATION:

Background

On June 8, 1988, the Department published in the **Federal Register** a notice of final results of antidumping duty administrative review on potassium permanganate from Spain *See Notice of Final Results of Antidumping Duty Administrative Review on Potassium Permanganate from Spain,* 53 FR 21504 (June 8, 1988) (*Final Results*). Industria Quimica del Nalon (IQN), (formerly known as Asturquimica), the sole respondent in this case, subsequently appealed the Department's determination before the CIT on the following three issues: (1) Whether to allow home market technical services and invoice processing expense adjustments; (2) whether to allow a currency conversion adjustment (*i.e.,* for Spanish currency appreciation during the POR, under 19 CFR 353.60 (b)); and (3) whether to allow a home market tax rebate adjustment. On December 21, 1989, the CIT directed the Department to grant a tax rebate adjustment. *See Industria Quimica del Nalon* v. *United States,* Slip Op. 89–174 (December 21, 1989). On May 24, 1991 the court again remanded the above-referenced proceeding to the Department. In its opinion, the court directed the Department to grant the respondent technical services and invoice processing expense adjustments. *See Industria Quimica del Nalon* v. *United States,* Slip Op. 91–43 (CIT, May 24, 1991).[1]

[1] In its opinion, the CIT also upheld the Department's denial of a currency rate adjustment.