

# Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Deschutes and Ochoco National Forests Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Deschutes and Ochoco National Forests Resource Advisory Committee will meet on Tuesday, January 15, 2002, at the Central Oregon Intergovernmental Council building, main conference room, 2363 SW Glacier Place, Redmond, Oregon. The meeting will begin at 9 a.m. and continue until 3 p.m. Committee members will review projects proposed under Resource Advisory Committee consideration under Title II of the Secure Rural Schools and Community Self-Determination Act of 2000. All Deschutes and Ochoco National Forests Resource Advisory Committee meetings are open to the public. Interested citizens are welcome to attend.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Leslie Weldon, Designated Federal Official, USDA, Deschutes National Forest, 1634 Highway 20 East, Bend, Oregon 97702, 541-383-5512.

Dated: December 21, 2001.

**Leslie A.C. Weldon,**

*Forest Supervisor, Deschutes National Forest.*

[FR Doc. 01-32053 Filed 12-28-01; 8:45 am]

**BILLING CODE 3410-11-M**

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Notice of Resource Advisory Committee Meeting

**AGENCY:** Southwest Idaho Resource Advisory Committee, Boise, ID; USDA, Forest Service Agriculture.

**ACTION:** Notice of meeting.

**SUMMARY:** Pursuant to the authorities in the Federal Advisory Committee Act (Public Law 92-463) and under the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393) the Boise and Payette National Forests' Southwest Idaho Resource Advisory Committee will meet Wednesday, January 16, 2001 in Boise, Idaho for a business meeting. The meeting is open to the public.

**SUPPLEMENTARY INFORMATION:** The business meeting on January 16, begins at 10:30 AM, at the Bureau of Reclamation Office, 1150 North Curtis Road, Boise, Idaho. Agenda topics will include development of committee operating guidelines, and process for soliciting project proposals, reviewing project proposals and recommending project proposals for approval.

**FOR FURTHER INFORMATION CONTACT:** Randy Swick, McCall District Ranger and Designated Federal Officer, at (208) 634-0400.

Dated: December 19, 2001.

**David F. Alexander,**

*Forest Supervisor.*

[FR Doc. 01-32055 Filed 12-28-01; 8:45 am]

**BILLING CODE 3410-11-M**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-870]

#### Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Circular Welded Carbon-Quality Steel Pipe From the People's Republic of China

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

**EFFECTIVE DATE:** December 31, 2001.

**FOR FURTHER INFORMATION CONTACT:** Amy Ryan, Alex Villanueva, and Robert Bolling, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0961, (202) 482-6412, and (202) 482-3434, respectively.

#### The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to

the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR part 351 (2001).

#### Preliminary Determination

We preliminarily determine that certain circular welded carbon-quality steel pipe ("pipe") from the People's Republic of China ("PRC") is being, or is 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 June 13, 2001. See *Notice of Initiation of Antidumping Duty Investigation: Certain Circular Welded Carbon-Quality Steel Pipe from the People's Republic of China*, 66 FR 33227 (June 21, 2001) ("*Notice of Initiation*"). The Department set aside a period for all interested parties to raise issues regarding product coverage. See *Notice of Initiation at 33228*. We did not receive comments regarding product coverage.

On July 13, 2001, the United States International Trade Commission ("ITC") issued its affirmative 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 the PRC, which was published in the **Federal Register** on July 13, 2001. See *Circular Welded Non-Alloy Steel Pipe from China, Indonesia, Malaysia, Romania, and South Africa*, 66 FR 36801 (July 13, 2001).

On June 22, 2001, the Department issued a questionnaire to numerous known producers/exporters of the subject merchandise requesting volume and value of U.S. sales information. On July 3, 2001, Tai Feng Qiao Metal Products Co., ("Tai Feng Qiao"); WeiFang East Steel Pipe Co., Ltd. ("WeiFang"); PanGang Group BeiHai Steel Pipe Corp.; Northern Steel Pipe Co., Ltd.; Zhejiang JingZhou HuaLong Petroleum Corrosion-Resistant Steel Pipe Co., Ltd.; Tianjin Shuang Jie Steel Pipe Co., Ltd. ("Tianjin Shuang Jie"); Walsall Steel Pipe Co., Ltd./China MinMetals ZhuHai Co., Ltd; XuZhou

GuangHuan Steel Tube Co., Ltd.; and Guangzhou Pearl River Steel Pipe Factory submitted responses to the Department's questionnaire seeking volume and value of U.S. sales information. On July 9, 2001, Baosteel Group International Trade Corporation ("Baosteel International") and Tianjin Shuang Jie, submitted responses to the Department's questionnaire seeking volume and value of U.S. sales information.

On July 17, 2001, the Department issued its respondent selection memorandum, selecting Baosteel International, Tianjin Shuang Jie, and WeiFang to be investigated (*see Selection of Respondents* section below). On July 19, 2001, Tai Feng Qiao requested the Department to reconsider its respondent selection and include Tai Feng Qiao as a mandatory respondent. On July 23, 2001, China MinMetals ZhuHai Co. ("ZhuHai") submitted its response to the Department's questionnaire seeking volume and value of U.S. sales information.

On July 25, 2001, the Department issued a letter to interested parties providing an opportunity to comment on the Department's proposed product characteristics criteria. On August 1, 2001, we received comments from Tianjin Shuang Jie on the Department's proposed product characteristics criteria.

On July 18, 2001, the Department issued its Section A antidumping duty questionnaire to Baosteel International, Tianjin Shuang Jie, and WeiFang. On August 7, 2001, the Department received extension requests from parties for responding to the Department's Section A antidumping duty questionnaire. Additionally, on August 7, 2001, the Department issued the remaining portion (i.e., Sections C & D) of its antidumping duty questionnaire to Baosteel International, Tianjin Shuang Jie, and WeiFang. On August 15, 2001, we received Section A responses from Baosteel International, Tianjin Shuang Jie, and WeiFang.

On August 1, 2001, ZhuHai and Walsall Steel Pipe Industrial Co., Ltd ("Walsall") requested the Department to reconsider its respondent selection and include ZhuHai and Walsall as mandatory respondents. On August 6, 2001, Zhejiang Kingland Group, Inc. ("Jinzhou") requested to be included in the investigation as a voluntary respondent. On August 8, 2001, Tai Feng Qiao requested the Department to reconsider its respondent selection and include Tai Feng Qiao as a mandatory respondent. On August 16, 2001, ZhuHai and Walsall requested to be

allowed to participate in this investigation as mandatory respondents.

On August 8, 2001, the Department received a Section A response from Walsall. On August 15, 2001, the Department received Section A responses from Baosteel International, Tianjin Shuang Jie, WeiFang, Tai Feng Qiao, and ZhuHai. On August 22, 2001, the Department received Section A response from Pangang Group International Economic and Trade Corporation ("Pangang International"). On August 31, 2001, the Department received a Section A and volume and value response from Jinzhou.

On August 24, 2001, the Department issued its supplemental Section A questionnaire to Baosteel International. On September 5, 2001, the Department received Baosteel International's Section C and D response. On September 7, 2001, the Department received Baosteel International's supplemental Section A response. On September 28, 2001, the Department issued its supplemental Section C and D questionnaire to Baosteel International. On October 12, 2001, the Department received Baosteel International's supplemental Section C and D response. On October 12, 2001, the Department issued its second supplemental Section A questionnaire to Baosteel International. On October 19, 2001, the Department received Baosteel International's second supplemental Section A response. On October 29, 2001, the Department issued its second supplemental Section C and D questionnaire to Baosteel International. On November 5, 2001, the Department received Baosteel International's second supplemental Section C and D response. On November 14, 2001, the Department issued its third supplemental Section C and D questionnaire to Baosteel International. On November 20, 2001, the Department received Baosteel International's third supplemental Section C and D response. On November 28, 2001, the Department requested that Baosteel International provide answers to two additional questions. *See Memorandum to the File from Robert Bolling*, dated November 28, 2001. On November 29, 2001, the Department received Baosteel International's response to the two questions.

On August 21, 2001, the Department issued its supplemental Section A questionnaire to Tianjin Shuang Jie. On September 5, 2001, the Department received Tianjin Shuang Jie's Section C and D questionnaire response and Tianjin Shuang Jie's Section A supplemental questionnaire response. On September 28, 2001, the Department issued its Section A, C and D

supplemental questionnaire. On October 12, 2001, the Department received Tianjin Shuang Jie's supplemental Section A, C and D response. On October 29, 2001, the Department issued its second Section C and D supplemental questionnaire. On November 5, 2001, the Department received Tianjin Shuang Jie's second Section C and D supplemental questionnaire response. On November 7, 2001, the Department issued its third Section C and D supplemental questionnaire to Tianjin Shuang Jie. On November 8, 2001, the Department received Tianjin Shuang Jie's third Section C and D supplemental questionnaire response. On November 29, 2001, the Department issued its fourth Section C and D questionnaire to Tianjin Shuang Jie. On December 1, 2001, the Department received Tianjin Shuang Jie's fourth Section C and D supplemental questionnaire response. On December 5, 2001, the Department received a submission from Tianjin Shuang Jie regarding the valuation of hot-rolled coil and others factors that it thought the Department should use in its preliminary determination. On December 17, 2001, Tianjin Shuang Jie, requested an extension of the Department's final determination.

On August 22, 2001, the Department issued its supplemental Section A questionnaire to WeiFang. On September 5, 2001, the Department received WeiFang's supplemental Section A response. On September 17, 2001, the Department issued its supplemental Sections A, C and D questionnaires to WeiFang. On October 12, 2001, the Department received WeiFang's supplemental Sections A, C and D responses. On November 8, 2001, the Department issued its second supplemental Section C and D questionnaires to WeiFang.

On October 26, 2001, the Department published a notice of postponement of its preliminary antidumping duty determination. *See Notice of Postponement of Preliminary Antidumping Duty Investigation of Certain Circular Welded Carbon-Quality Steel Pipe from the People's Republic of China*, 66 FR 54198, October 26, 2001.

On November 7, 2001, the Department issued supplemental Section A questionnaires to Zhuhai, Pangang International, Tai Feng Qiao, Walsall, and Jinzhou, exporters of the subject merchandise requesting a separate rate. On November 13, 2001, Pangang International requested a two-day extension for filing its supplemental Section A response. On November 14, 2001, the Department received supplemental Section A responses from

Zhuhai, Tai Feng Qiao, Walsall, and Jinzhou. Additionally, on November 16, 2001, the Department received a supplemental Section A response from Pangang International.

On December 10, 2001, petitioners submitted preliminary determination comments to the Department regarding the valuation of hot-rolled coil and other factors. On December 13, 2001, Tianjin Shuang Jie responded to petitioners comments, however Baosteel International and WeiFang did not respond.

#### *Period of Investigation*

The period of investigation ("POI") is October 1, 2000 through March 31, 2001. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (May 24, 2001). See 19 CFR 351.204(b)(1).

#### *Scope of Investigation*

The products covered by this investigation are certain welded carbon-quality steel pipes and tubes, of circular cross-section, with an outside diameter of 0.372 inches (9.45 mm) or more, but not more than 16 inches (406.4 mm), regardless of wall thickness, surface finish (black, galvanized, or painted), end finish (plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (ASTM, proprietary, or other), generally known as standard pipe and structural pipe.

Standard pipes and tubes are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may carry liquids at elevated temperatures but may not be subject to the application of external heat. It may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells, and for structural applications in general construction. It primarily is made to American Society for Testing and Materials (ASTM) A-53, A-135, and A-795 specifications, but can also be made to the British Standard (BS)-1387 specification.

Structural pipe is intended for use in the construction of bridges and buildings, and general structural applications. It also can be used for making steel scaffolding and for piling applications. It primarily is made to ASTM A-500 and A-252 specifications.

Hence, specifically included within the scope of these petitions are products

stenciled to the ASTM standards A-53, A-135, A-795, A-120, A-500, A-252, or their equivalents. Standard and structural pipe products may also be produced to proprietary specifications rather than to industry standard. This is often the case with fence tubing, for example.

The scope does not include boiler tubes, pressure tubing, mechanical tubing, finished conduit, oil country tubular goods (OCTG), and line pipe. However, with regard to these excluded products, if petitioners or other interested parties provide to the Department reasonable grounds to believe or suspect that the products are being used in a standard or structural application, the Department may instruct the U.S. Customs Service to require end-use certifications. In addition, line pipe meeting the American Petroleum Institute (API) line pipe is excluded from the scope of these investigations, and any resultant antidumping duty order, if covered by the scope of another antidumping duty order from the same country.

The standard pipe products that are the subject of these investigations are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7306.30.10 and 7306.30.50. This petition also covers dual-certified A-53/API or single certified pipe that enters the United States if it is used in, or intended for use in, standard pipe or structural pipe applications. Such certified pipe may include API-5L or API-5L X-42 pipe. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise under investigation is dispositive.

#### *Selection of Respondents*

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. However, section 777A(c)(2) of the Act gives the Department discretion, when faced with a large number of exporters/producers, to limit its examination to a reasonable number of such companies if it is not practicable to examine all companies. Where it is not practicable to examine all known producers/exporters of subject merchandise, this provision permits the Department to investigate either: (1) A sample of exporters, producers, or types of products that is statistically valid based on the information available to the Department at the time of selection; or (2) exporters and producers accounting for the largest volume of the subject merchandise that

can reasonably be examined. After consideration of the complexities expected to arise in this proceeding and the resources available to the Department, we determined that it was not practicable in this investigation to examine all known producers/exporters of subject merchandise. Instead, we limited our examination to the exporters and producers accounting for the largest volume of the subject merchandise pursuant to section 777A(c)(2)(B) of the Act. The three PRC producers/exporters, Baosteel International, Tianjin Shuang Jie, WeiFang (collectively, "respondents"), accounted for the majority of all exports of the subject merchandise from the PRC during the POI, and were therefore selected as mandatory respondents. See *Memorandum from James Doyle to Edward Yang: Selection of Respondents: Antidumping Duty Investigation of Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, July 17, 2001. We note that ZhuHai, Walsall, and Tai Feng Qiao requested that the Department consider each as mandatory respondents (see background section above). However, the respondents' submissions provided no new evidence that would convince the Department to reconsider its selection of respondents. Thus, we have continued to determine that due to the complexities of this investigation, the producers/exporters that the Department chose to investigate as mandatory respondents are appropriate.

#### *Nonmarket Economy Country Status*

The Department has treated the PRC as a non-market economy ("NME") country in all past antidumping investigations see, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Bulk Aspirin From the People's Republic of China*, 65 FR 33805 (May 25, 2000); *Notice of Final Determination of Sales at Less Than Fair Value: Certain Non-Frozen Apple Juice Concentrate from the People's Republic of China*, 65 FR 19873 (April 13, 2000) ("Apple Juice"). A designation as an NME remains in effect until it is revoked by the Department (see section 771(18)(C) of the Act). No party to this investigation has requested a revocation of the PRC's NME status. We have, therefore, preliminarily determined to continue to treat the PRC as an NME country. When the Department is investigating imports from an NME, section 773(c)(1) of the Act directs us to base the 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 "Factor Valuations" section, below.

Furthermore, no interested party has requested that the pipe industry in the PRC be treated as a market-oriented industry and no information has been provided that would lead to such a determination. Therefore, we have not treated the pipe industry in the PRC as a market-oriented industry in this investigation.

#### Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to investigation in an NME country this single rate, unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. The three companies that the Department selected to investigate (*i.e.*, Baosteel International, Tianjin Shuang Jie, WeiFang), and the PRC companies that were not selected as mandatory respondents by the Department for this investigation, but which have submitted separate rates responses (*i.e.*, Zhuhai, Tai Feng Qiao, Walsall, Pangang International, and Jinzhou) have provided company-specific separate rates information and have each stated that they met the standards for the assignment of separate rates.

We considered whether each PRC company is eligible for a separate rate. The Department's separate rate test to determine whether the exporters are independent from government control does not consider, in general, macroeconomic/border-type controls, *e.g.*, export licenses, quotas, and minimum export prices, particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level. See, *e.g.*, *Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less than Fair Value*, 62 FR 61754, 61757 (November 19, 1997); *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

To establish whether a firm is sufficiently independent from government control of its export activities to be entitled to a separate

rate, the Department analyzes each entity exporting the subject merchandise under a test arising out of 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 by, *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*"). In accordance with the separate rates criteria, the Department assigns separate rates in NME cases only if respondents can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

#### 1. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (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. See *Sparklers*.

All eight PRC companies seeking separate rates reported that the subject merchandise was not subject to any government list regarding export provisions or export licensing, and was not subject to export quotas during the POI. Each company also submitted a copy of its Certificate of Approval for the Establishment of Enterprises with Foreign Investment. We found no inconsistencies with the exporters' claims of the absence of restrictive stipulations associated with an individual exporter's business and export licenses. Each exporter also submitted copies of the legislation of the People's Republic of China or documentation demonstrating the statutory authority for establishing the *de jure* absence of government control over the companies. Thus, we believe that the evidence on the record supports a preliminary finding of *de jure* absence of governmental control based on: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; and (2) the applicable legislative enactments decentralizing control of the companies.

#### 1. Absence of De Facto Control

The Department typically considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions: (1) whether the export prices

are set by or are subject to the approval of a governmental agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses. See, *Silicon Carbide*, 59 FR at 22586-87; see, also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995). As stated in previous cases, there is some evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. See, *Silicon Carbide*, 56 FR at 22587. Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates.

Regarding whether each exporter sets its own export prices independent of the government and without the approval of a government authority, each exporter reported that it determines its prices for sales of the subject merchandise. See, Memorandum from Robert Bolling to Edward Yang, *Separate Rates Analysis for the Preliminary Determination*, dated December 20, 2001 ("*Separate Rates Memo*"). Each exporter stated that it negotiates prices directly with its customers. Also, each exporter claimed that its prices are not subject to review or guidance from any governmental organization. Regarding whether each exporter has authority to negotiate and sign contracts and other agreements, our examination of the record indicates that each exporter reported that it has authority to negotiate and sign contracts and other agreements. Also, each exporter claimed that its negotiations are not subject to review or guidance from any governmental organization. There is no evidence on the record to suggest that there is any governmental involvement in the negotiation of contracts.

Regarding whether each exporter has autonomy in making decisions regarding the selection of management, our examination of the record indicates that each exporter reported that it has autonomy in making decisions regarding the selection of management. Also, each exporter claimed that its selection of management is not subject

to review or guidance from any governmental organization. There is no evidence on the record to suggest that there is any governmental involvement in the selection of management by the exporters.

Regarding whether each exporter retains the proceeds from its sales and makes independent decisions regarding its disposition of profits or financing of losses, our examination of the record indicates that each exporter reported that it retains the proceeds of its export sales, using profits according to its business needs. Also, each exporter reported that the allocation of profits is determined by its top management. There is no evidence on the record to suggest that there is any governmental involvement in the decisions regarding disposition of profits or financing of losses.

Therefore, we determine that the evidence on the record supports a preliminary finding of *de facto* absence of governmental control based on record statements and supporting documentation showing that: (1) Each exporter sets its own export prices independent of the government and without the approval of a government authority; (2) Each exporter retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) Each exporter has the authority to negotiate and sign contracts and other agreements; and (4) Each exporter has autonomy from the government regarding the selection of management.

The evidence placed on the record of this investigation by Baosteel International, Tianjin Shuang Jie, WeiFang, Zhuhai, Tai Feng Qiao, Walsall, Pangang International, and Jinzhou demonstrates an absence of government control, both in law and in fact, with respect to each of the exporter's exports of the merchandise under investigation, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Therefore, for the purposes of this preliminary determination, we are granting separate, company-specific rates to each of the eight responding exporters which shipped pipe to the United States during the POI. For a full discussion of this issue, see the memorandum from Robert Bolling to Edward Yang, *Separate Rates Analysis for the Preliminary Determination*, dated December 20, 2001 ("*Separate Rates Memo*").

#### PRC-Wide Rate

As discussed above (see "*Separate Rates*"), all PRC producers/exporters

that do not qualify for a separate rate are treated as a single enterprise. As noted above in "Case History," all producers/exporters were given the opportunity to respond to the Department's questionnaire regarding volume and value of U.S. sales. As explained above, we received timely responses from Baosteel International; Tianjin Shuang Jie; WeiFang; Tai Feng Qiao; WeiFang, PanGang Group BeiHai Steel Pipe Corp.; Northern Steel Pipe Co., Ltd.; Zhejiang JingZhou HuaLong Petroleum Corrosion-Resistant Steel Pipe Co., Ltd.; Walsall; ZhuHai; XuZhou GuangHuan Steel Tube Co., Ltd.; and Guangzhou Pearl River Steel Pipe Factory. The Department did not receive responses from the following companies: Anshan Iron & Steel (Group) Co.; Benxi Iron & Steel Co.; Dalian Steel Mill Pipe Plant; Zhongshan Huari Steel Pipe Co. Ltd./Wah Chit Ent Co. Ltd.; Hengyang Steel Tube Group Co. Ltd.; Hubei Hanchuan County Steel Tube Factory; Hubei Province Xianning District Galvanized Steel Plant; Hunan Province Linli County Steel Pipe Plant; Jilin Tonghua Iron & Steel Group—Jilin Tonghua Xianxin Enterprise Group; Jinxi (ASP) Steel Pipe Co.; Shanghai Just-Huahai Metal Products Co. Ltd.; Shanghai Laodong Steel Pipe Plant; Shoudu Iron & Steel Co.; Sichuan Chuanton Changcheng Special Steel Group; Sichuan Daduhe Iron & Steel Co., Ltd.; Sichuan Province Chongxian Hi-FQ ERW Plant; Sichuan Province Jiangyou City Hi-FQ Welding Pipe Plant; Sichuan Province Shenfang Welding Pipe Plant; Suyang City Iron & Steel Plant; Wuhan Changlong Steel Pipe Plant; and Yangqun Steel Pipe Plant. The Department notes that import data from the United States Customs Service shows that imports of pipe from the PRC during the POI are higher than the volume and value of U.S. sales reported by exporters that responded to our request for this information (see *Respondent Selection Memorandum from James Doyle to Edward Yang*, July 17, 2001). Therefore, the Department preliminarily determines that there were exports of the merchandise under investigation from the single PRC entity, and that the single entity failed to respond to the Department's request for information.

As set forth above, section 776(b) of the Act provides that, in selecting from among the facts available, the Department may employ adverse inferences if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. See also "Statement of Administrative Action" accompanying

the URAA, H.R. Rep. No. 103-316, 870 (1994) ("SAA"). The Department finds that exporters (*i.e.*, the single PRC entity) who did not respond to our request for information have failed to cooperate to the best of their ability. Therefore, the Department preliminarily finds that, in selecting from among the facts available, an adverse inference is appropriate. Consistent with Department practice in cases where a respondent is considered uncooperative, as adverse facts available, we have applied 124.50 percent, the highest rate calculated in the initiation stage of the investigation from information provided in the petition (as adjusted by the Department). See, *e.g.*, *Notice of Preliminary Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod From Germany*, 63 FR 10847 (March 5, 1998).

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation as facts available, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. Secondary information is described in the SAA as "information derived from the petition that gave rise to the investigation or review, the final determination concerning subject merchandise, or any previous review under section 751 concerning the subject merchandise." See SAA at 870. The SAA provides that to "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. See *id.* The SAA also states that independent sources used to corroborate may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. *Id.* As noted in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996) ("TRBs"), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.

In order to determine the probative value of the initiation margin for use as facts otherwise available for the purposes of this determination, we examined evidence supporting the initiation calculations. We have now

corroborated the information in the petition, with some small changes. See *Memorandum from Edward Yang to Joseph Spetrini: Preliminary Determination in the Antidumping Investigation of Circular Welded Carbon Quality Steel Pipe ("pipe") from the People's Republic of China: Total Facts Available Corroboration Memorandum for All Others Rate*, dated December 20, 2001.

Consequently, we are applying a single antidumping rate—the PRC-wide rate—to all other exporters in the PRC based on our presumption that those respondents who failed to demonstrate entitlement to a separate rate constitute a single enterprise under common control by the Chinese government. See, e.g., *Final Determination of Sales at Less Than Fair Value: Synthetic Indigo from the People's Republic of China*, 65 FR 25706, 25707 (May 3, 2000) ("Synthetic Indigo"). The PRC-wide rate applies to all entries of the merchandise under investigation except for entries from Baosteel International, Tianjin Shuang Jie, WeiFang, Zhuhai, Tai Feng Qiao, Walsall, Pangang International, and Jinzhou.

Because this is a preliminary margin, the Department will consider all margins on the record at the time of the final determination for the purpose of determining the most appropriate final PRC-wide margin. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation*, 65 FR 1139 (January 7, 2000).

#### *Margins for Cooperative Exporters Not Selected*

The exporters who responded to Section A of the Department's antidumping questionnaire but were not selected as respondents in this investigation (Zhuhai, Tai Feng Qiao, Walsall, Pangang International, and Jinzhou) have applied for separate rates, and provided information for the Department to consider for this purpose. Although the Department is unable, due to administrative constraints (see Respondent Selection Memo), to calculate for each of these named parties who are exporters a rate based on their own data, these companies cooperated in providing all the information that the Department requested of them. For Zhuhai, Tai Feng Qiao, Walsall, Pangang International, and Jinzhou, we have calculated a weighted-average margin based on the rates calculated for those exporters that were selected to respond in this investigation, excluding any rates that are zero, *de minimis* or based entirely on adverse facts

available. Companies receiving this rate are identified by name in the "Suspension of Liquidation" section of this notice. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey from the People's Republic of China*, 64 FR 24101 (May 11, 2001).

#### *Surrogate Country*

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs it to base NV, in most circumstances, on the NME producer's factors of production, valued in a surrogate market economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, the Department, in valuing the factors of production, shall utilize, to the extent possible, the prices or costs of factors of production 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 sources of the surrogate factor values are discussed under the NV section below.

The Department has determined that India, Pakistan, Indonesia, Sri Lanka and the Philippines are countries comparable to the PRC in terms of economic development. See *Memorandum from Jeffrey May to James Doyle: Antidumping Duty Investigation on Antidumping Duty Investigation of Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, dated September 19, 2001. Customarily, we select an appropriate surrogate country based on the availability and reliability of data from the countries. For PRC cases, the primary surrogate country has often been India if it is a significant producer of comparable merchandise. In this case, we have found that India is a significant producer of comparable merchandise. See *Surrogate Country Selection Memorandum to The File from Robert Bolling*, dated December 20, 2001, ("*Surrogate Country Memorandum*").

We used India as the primary surrogate country and, accordingly, we have calculated NV using Indian prices to value the PRC producers' factors of production, when available and appropriate. See *Surrogate Country Memorandum*. We have obtained and relied upon publicly available information wherever possible. See *Factor Valuation Memorandum to The File from Case Analysts*, dated December 20, 2001 ("*Factor Valuation Memorandum*").

In accordance with section 351.301(c)(3)(i) of the Department's

regulations, for the final determination in an antidumping investigation, interested parties may submit publicly available information to value factors of production within 40 days after the date of publication of this preliminary determination.

#### *Fair Value Comparisons*

To determine whether sales of pipe to the United States by Baosteel International, Tianjin Shuang Jie, and WeiFang were made at less than fair value, we compared export price ("EP") to normal value ("NV"), as described in the "Export Price and "Normal Value" sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs.

#### *Export Price*

In accordance with section 772(a) of the Act, EP is the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection (c).

We calculated EP for Baosteel International, Tianjin Shuang Jie, and WeiFang based on delivered prices to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included foreign inland freight from the plant to the port of exportation, and brokerage and handling.

#### *Normal Value*

Section 773(c)(1) of the Act provides that the Department shall determine the NV using a factors-of-production methodology if: (1) The merchandise is exported from an NME country; and (2) the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act.

Factors of production include: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. We calculated NV based on factors of production, reported by each respondent, for materials, energy, labor, by-products, and packing. Where applicable, we deducted from each respondent's normal value the cost of by-products sold during the POI. For a further discussion, see the Analysis Memo for each respondent. We valued the majority of input factors using

publicly available published information as discussed in the "Surrogate Country" and "Factor Valuations" sections of this notice.

#### Factor Valuations

The Department will normally use publicly available information to value factors of production. However, in accordance with 19 CFR 351.408(c)(1), the Department's regulations also provide that where a producer sources an input from a market economy and pays for it in market economy currency, the Department employs the actual price paid for the input to calculate the factors-based NV. *Id.*; see also, *Lasko Metal Products v. United States*, 43 F. 3d 1442, 1445-1446 (Fed. Cir. 1994) ("Lasko"). Respondents Baosteel International and WeiFang reported that some of their inputs were sourced from market economies and paid for in a market economy currency. See *Factor Valuation Memorandum*, dated December 20, 2001 for a listing of these inputs.

In accordance with section 773(c) of the Act, we calculated NV based on factors of production reported by respondents for the POI. To calculate NV, the reported per-unit factor quantities were multiplied by publicly available Indian surrogate values (except as noted below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added surrogate freight costs to Indian import surrogate values using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory. 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 a detailed description of all surrogate values used for respondents, see *Factor Valuation Memorandum*.

Except as noted below, we valued raw material inputs using the weighted-average unit import values derived from the *Monthly Trade Statistics of Foreign Trade of India—Volume II—Imports* ("Indian Import Statistics") for the time period April 2000–February 2001. As appropriate, we adjusted rupee-denominated values for inflation using wholesale price indices published in the International Monetary Fund's International Financial Statistics and excluded taxes. We valued Baosteel International's hot-rolled steel sheet and hot-rolled steel strip at market-economy prices, because the PRC producers,

Company A and Company B, of the subject merchandise purchased their hot-rolled steel sheet and hot-rolled steel strip from a market-economy country (Country Y). Although one of the producers also purchases certain hot-rolled steel sheet from another market-economy country (*i.e.*, Country X), we have disregarded these prices because that country's hot-rolled steel exporters have benefitted from countervailable subsidies. Thus, for this preliminary determination, we have used the market-economy prices that Company A and Company B paid to suppliers in Country Y only to value the hot-rolled sheet. We recognize that the hot-rolled sheet from Country Y was purchased by Company A outside of the POI. However, these prices are the appropriate market-economy prices to use to value hot-rolled coil in this investigation because evidence on the record indicates that the majority of Company A's pipe production during the POI was based on the hot-rolled sheet obtained from Country Y. For further discussion, please see the *Memorandum from Robert Bolling to the File: Analysis for the Preliminary Determination of Certain Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Baosteel International*, dated December 20, 2001. WeiFang reported that it purchased a significant portion of its major input of hot-rolled steel coil from a market economy, and the remainder from a company within the PRC. In those instances where a significant portion of the factor is purchased from a market economy supplier and the remainder from a non-market economy supplier, the Department normally will value the factor using the price paid to the market economy supplier. Therefore, pursuant to section 351.408(c)(1) of our regulations, we used a simple average of the prices paid by WeiFang for the market-economy purchases of hot-rolled coil. See *Factor Valuation Memorandum* at page 2.

To value electricity, we used data reported as the average Indian domestic prices within the category "Electricity for Industry," published in the International Energy Agency's publication, *Energy Prices and Taxes*, Second Quarter, 2000. Because the data from this source was not contemporaneous with the POI, we adjusted the rate for inflation. See *Factor Valuation Memorandum* at page 5.

To value water, we used data reported as the average water tariff rate as reported in the Asian Development Bank's *Second Water Utilities Data Book: Asian and Pacific Region*

published in 1997. Because the data from this source was not contemporaneous with the POI, we adjusted the rate for inflation. See *Factor Valuation Memorandum* at page 5.

We used Indian transport information to value transport for raw materials. For domestic inland freight (truck), we used a price quote from an Indian trucking company (from Financial Express), adjusted for inflation through the POI. For domestic inland freight (rail), we used rail rates as quoted from Indian Railway Conference Association price lists, adjusted for inflation through the POI. See *Factor Valuation Memorandum* at page 3.

To value factory overhead, selling, general and administrative expenses ("SG&A"), and profit, we calculated simple-average rates based on financial information from five Indian pipe producers. See *Factor Valuation Memorandum* at page 6.

For labor, consistent with section 351.408(c)(3) of the Department's regulations, we used the PRC regression-based wage rate at Import Administration's home page, Import Library, Expected Wages of Selected NME Countries, revised in September 2001 (see <http://ia.ita.doc.gov/wages>). The source of the wage rate data on the Import Administration's Web site can be found in the *Yearbook of Labour Statistics 2000*, International Labor Office (Geneva: 2000), Chapter 5B: Wages in Manufacturing.

#### Verification

As provided in section 782(i)(1) of the Act, we intend to verify all company information relied upon in making our final determination.

#### Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all imports of subject merchandise, except for merchandise produced and exported by Baosteel International or WeiFang, 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 the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated below. These suspension-of-liquidation instructions will remain in effect until further notice. The weighted-average dumping margins are as follows:

## CERTAIN CIRCULAR WELDED CARBON-QUALITY STEEL PIPE

Producer/manufacturer/exporter	Weighted-average margin (percent)
Baosteel International .....	0
Tianjin Shuang Jie .....	16.65
Weifang .....	0
Tai Feng Qiao .....	16.65
ZhuHai .....	16.65
Pangang International .....	16.65
Jinzhou .....	16.65
Walsall .....	16.65
PRC-Wide .....	36.42

*International Trade Commission Notification*

In accordance with section 733(f) of the Act, we have notified the ITC of our determination of sales at LTFV. 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 the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports, or sales (or the likelihood of sales) for importation, of the subject merchandise.

*Public Comment*

Case briefs or other written comments may be submitted to the Assistant Secretary for Import Administration no later than fifty days after the date of publication of this notice, and rebuttal briefs, limited to issues raised in case briefs, no later than fifty-five days after the date of publication of this preliminary determination. See 19 CFR 351.309(c)(1)(i); 19 CFR 351.309(d)(1). A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes. In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, any hearing will be held fifty-seven days after publication of this notice at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department

of Commerce, Room 1870, within 30 days of the date of publication of this notice. See 19 CFR 351.310(c). Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. At the hearing, each party may make an affirmative presentation only on issues raised in that party's case brief, and may make rebuttal presentations only on arguments included in that party's rebuttal brief. See 19 CFR 351.310(c).

If this investigation proceeds normally, we will make our final determination no later than 75 days after the date of the preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: December 20, 2001.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 01-32114 Filed 12-28-01; 8:45 am]

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

**[A-588-824]**

**Certain Corrosion-Resistant Carbon Steel Flat Products From Japan: Notice of Initiation and Preliminary Results of Changed Circumstances Review of the Antidumping Order, and Intent To Revoke Order in Part**

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

**ACTION:** Notice of initiation and preliminary results of changed circumstances antidumping duty review, and intent to revoke order in part.

**SUMMARY:** In accordance with 19 CFR 351.216(b), Dana Glacier Daido America, LLC ("Dana") filed a request for a changed circumstances review of the antidumping order on certain corrosion-resistant carbon steel flat products from Japan with respect to the carbon steel flat products described below. Domestic producers of the like product have affirmatively expressed no interest in continuation of the order with respect to these particular carbon steel flat products. In response to Dana's request, the Department of Commerce ("the Department") is initiating a changed circumstances review with respect to this request and issuing a notice of intent to revoke in part the antidumping duty order on certain

corrosion-resistant carbon steel flat products from Japan. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** December 31, 2001.

**FOR FURTHER INFORMATION CONTACT:**

Catherine Bertrand, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-3207.

**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, as amended ("the Act"), by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations as codified at 19 CFR Part 351 (2001).

**SUPPLEMENTARY INFORMATION:***Background*

On November 21, 2001, Dana requested that the Department revoke in part the antidumping duty order on certain corrosion-resistant carbon steel flat products from Japan. Specifically, Dana requested that the Department revoke the order with respect to imports meeting the following specifications: carbon steel coil or strip, measuring a minimum of and including 1.10 mm to a maximum of and including 4.90 mm in overall thickness, a minimum of and including 76.00 mm to a maximum of and including 250.00 mm in overall width, with a low carbon steel back comprised of: carbon under 0.10%, manganese under 0.40%, phosphorous under 0.04%, sulfur under 0.05%, and silicon under 0.05%; clad with aluminum alloy comprised of: under 2.51% copper, under 15.10% tin, and remainder aluminum as listed on the mill specification sheet. Dana is an importer of the products in question.

*Scope of Review*

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