

Exporter/manufacturer	Weighted-average margin percentage
All Others*** .....	3.81

\* Pursuant to 19 CFR 351.204(d)(3), we have excluded rates calculated for voluntary respondents from the calculation of the all-others rate under section 735(c)(5) of the Act.

\*\* Pursuant to section 735(c)(5)(A), we have excluded from the calculation of the all-others rate margins which are zero or *de minimis*, or determined entirely on facts available.

For Bedini, because its estimated weighted-average final dumping margin is *de minimis*, we are directing Customs to terminate suspension of liquidation of Bedini's entries and refund all bonds and cash deposits posted on subject merchandise produced by Bedini.

### ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission ("ITC") of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order.

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: January 15, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

### Appendix

#### List of Comments in the Issues and Decision Memorandum

- Comment 1: Treatment of Sales Above Normal Value.
- Comment 2: Commission Offset.
- Comment 3: Model Match Methodology.
- Comment 4: Differences in Bedini LOT and Bedini CEP Offset.

- Comment 5: Bedini HM Commission Expenses.
- Comment 6: Clerical Errors in the Calculation of Bedini U.S. Credit Expenses.
- Comment 7: Bedini Reconstruction of Identical CONNUMs.
- Comment 8: Collapsing the Sales Prices and Production Costs of Bedini and U-SI.
- Comment 9: Application of Adverse Facts Available for Bedini Due to Home Market Reporting Flaws.
- Comment 10: Bedini HM Billing Adjustments.
- Comment 11: Partial Adverse Facts Available for Unreported Bedini U.S. Sales.
- Comment 12: Revisions to the Calculation of Certain Bedini Expense Fields.
- Comment 13: Adverse Facts Available for All Bedini Expenses Reported on an Average, Not A Transaction-Specific, Basis.
- Comment 14: Methodology for Calculating Bedini's U.S. Credit Expenses.
- Comment 15: Adjustments to Bedini's Reported Costs to Reconcile With the General Ledger.
- Comment 16: Correction to Bedini's Verification Report.
- Comment 17: Application of Adverse Facts Available to Cogne.
- Comment 18: Use of Facts Available to Value Foroni's Packing Costs.
- Comment 19: Foroni's Advertising Expenses.
- Comment 20: Foroni's Calculation of Direct Materials.
- Comment 21: Exclusion of Foroni's Directors' Fees from the G&A Expense Ratio.
- Comment 22: Foroni's Short-Term Bond Interest Offset.
- Comment 23: Foreign Exchange Gains & Losses.
- Comment 24: Foroni's Yield Loss.
- Comment 25: Use of Rodacciai's Reported Data.
- Comment 26: Rodacciai's Reported Home Market Date of Sale.
- Comment 27: Additional Sales Submitted by Rodacciai.
- Comment 28: Rodacciai's U.S. Indirect Selling Expenses.
- Comment 29: Rodacciai's U.S. Warehousing Expenses.
- Comment 30: Rodacciai's U.S. Sales with Missing Date of Payment.
- Comment 31: Rodacciai's G&A Expense Ratio.
- Comment 32: Rodacciai's Interest Expense Ratio.
- Comment 33: Recalculation of Certain Home Market Expenses Reported by Rodacciai.
- Comment 34: Rodacciai's Home Market Credit Adjustments.
- Comment 35: Corrections to and Based on Valbruna's CEP Verification Report.
- Comment 36: Valbruna's Opportunity Cost on VAT Rebates.
- Comment 37: Valbruna's Levels of Trade.
- Comment 38: Treatment of Valbruna's Consignment Holding Period.
- Comment 39: Valbruna's U.S. Brokerage Expenses.
- Comment 40: Valbruna's U.S. Warranty Expenses.
- Comment 41: Valbruna's Unreported Price Adjustment.

- Comment 42: Valbruna's U.S. Repacking Expenses.
- Comment 43: Use of Actual Prices Paid by Valbruna's Customers.
- Comment 44: Valbruna's U.S. Indirect Selling Expense Ratio.
- Comment 45: Valbruna's Home Market Inventory Carrying Costs.
- Comment 46: Valbruna's G&A Expense Ratio.
- Comment 47: Valbruna's Financial Expense Ratio.
- Comment 48: Inclusion of Depreciation Expense in Valbruna's Reported Manufacturing Costs.
- Comment 49: Valbruna's Claimed Inventory Adjustment.
- Comment 50: Treatment of Unreconciled Differences in Valbruna's Cost of Manufacture.
- Comment 51: Foreign Exchange Gains and Losses on Accounts Payable.
- Comment 52: Foreign Exchange Gains and Losses on Financing.

[FR Doc. 02-1656 Filed 1-22-02; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-428-830]

#### Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar From Germany

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

**ACTION:** Notice of Final Determination of Sales at Less Than Fair Value.

**SUMMARY:** The Department of Commerce is conducting an antidumping duty investigation of stainless steel bar from Germany. We determine that stainless steel bar from Germany is being, or is likely to be, sold in the United States at less than fair value, as provided in section 735(a) of the Tariff Act of 1930, as amended. On August 2, 2001, the Department of Commerce published its preliminary determination of sales at less than fair value of stainless steel bar from Germany. Based on the results of verification and our analysis of the comments received, we have made changes in the margin calculations. Therefore, this final determination differs from the preliminary determination. The final weighted-average dumping margins are listed below in the section entitled "*Continuation of Suspension of Liquidation.*"

**EFFECTIVE DATE:** January 23, 2002.

**FOR FURTHER INFORMATION CONTACT:** Craig Matney, Andrew Covington or Meg Weems, Import Administration,

International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-1778, (202) 482-3534, or (202) 482-2613, respectively.

#### SUPPLEMENTARY INFORMATION:

##### 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 ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce ("Department") regulations are to 19 CFR part 351 (April 2000).

##### Case History

Since the publication of the preliminary determination in this investigation (see *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Stainless Steel Bar From Germany*, 66 FR 40214 (August 2, 2001) ("Preliminary Determination")), the following events have occurred:

In August through September 2001, we conducted verifications of the questionnaire responses submitted by Edelstahl Witten-Krefeld GmbH ("EWK"), Krupp Edelstahlprofile ("KEP"), BGH Edelstahl Seigen GmbH and BGH Edelstahl Freital GmbH ("BGH"), and Walzwerke Einsal GmbH ("Einsal") (collectively, "the respondents"). We issued verification reports in October and November 2001. See "Verification" section of this notice for further discussion.

The petitioners and respondents filed case and rebuttal briefs, respectively, on November 27 and December 3, 2001. No public hearing was held because the only written request received (from the petitioners) was withdrawn.

Although the deadline for this determination was originally December 17, 2001, in order to accommodate certain verifications that were delayed because of the events of September 11, 2001, the Department tolled the final determination deadline in this and the concurrent stainless steel bar investigations until January 15, 2002.

##### Scope of Investigation

For purposes of this investigation, the term "stainless steel bar" includes articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of

circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. Stainless steel bar includes cold-finished stainless steel bars that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), products that have been cut from stainless steel sheet, strip or plate, wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections.

The stainless steel bar subject to this investigation is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the *Harmonized Tariff Schedule of the United States* ("HTSUS"). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Prior to the preliminary determination in this investigation, the respondents in this and the companion SSB investigations filed comments seeking to exclude certain products from the scope of these investigations. The specific products identified in their exclusion requests were: stainless steel tool steel, welding wire, special-quality oil field equipment steel (SQOFES), and special profile wire.

In the preliminary determinations, we concluded that all of these products, except for special profile wire, are within the scope of these investigations. Specifically, regarding stainless steel tool steel, welding wire, and SQOFES, after considering the respondents' comments and the petitioners' objections to the exclusion requests, we preliminarily determined that the scope is not overly broad. Therefore, stainless steel tool steel, welding wire, and SQOFES are within the scope of these SSB investigations. In addition, we preliminarily determined that SQOFES does not constitute a separate class or

kind of merchandise from SSB. Regarding special profile wire, we preliminarily determined that this product does not fall within the scope as it is written because its cross section is in the shape of a concave polygon. Therefore, we did not include special profile wire in these investigations. For details, see the Memorandum to Susan Kuhbach and Louis Apple from the Stainless Steel Bar Team, dated July 26, 2001, entitled "Scope Exclusion Requests," and the Memorandum to Louis Apple from the Stainless Steel Bar Team, dated July 26, 2001, entitled "Whether Special Profile Wire Product is Included in the Scope of the Investigation."

Finally, we note that in the concurrent countervailing duty investigation of stainless steel bar from Italy, the Department preliminarily determined that hot-rolled stainless steel bar is within the scope of these investigations. See *Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination: Stainless Steel Bar from Italy*, 66 FR 30414 (June 6, 2001).

With the exception of BGH which filed comments on the Department's preliminary scope decision with respect to SQOFES, and with which the Department disagrees and has addressed in the January 15, 2002 *Issues and Decision Memorandum for the Antidumping Duty Investigation of Stainless Steel Bar from Germany; Final Determination* ("Decision Memorandum"), no other parties filed comments on our preliminary scope decisions. Furthermore, no additional information has otherwise come to our attention to warrant a change in our preliminary decisions. Therefore, we have made no changes for purposes of the final determinations.

##### Period of Investigation

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

##### Fair Value Comparisons

To determine whether sales of stainless steel bar from Germany to the United States were made at less than fair value, we compared export price ("EP") or constructed export price ("CEP") to normal value ("NV"). Our calculations followed the methodologies described in the *Preliminary Determination*, except as noted below and in each individual respondent's calculation memorandum, January 15, 2002, which is on file in the Import Administration's Central Records Unit

("CRU"), Room B-099 of the main Department of Commerce building.

### Export Price and Constructed Export Price

For certain sales to the United States, we used EP as defined in section 772(a) of the Act. For the remaining sales to the United States, we used CEP as defined in section 772(b) of the Act. We calculated EP and CEP based on the same methodologies described in the Preliminary Determination, with the following exceptions:

#### EWK

We revised the reported amounts for certain sales for billing adjustments, early payment discounts, U.S. and domestic inland freight, international freight, U.S. brokerage and handling, transportation insurance, imputed credit, indirect selling expenses, inventory carrying costs, based on verification findings. For further information, see January 15, 2002 *EWK Calculation Memorandum* and Comments 20, 21, 22, 23, 24, 25 and 26 in the Decision Memorandum.

#### KEP

We revised the reported amounts for certain sales for domestic inland freight, international freight, imputed credit, early payment discounts, brokerage and handling, and warranty expenses based on verification findings. For further information, see January 15, 2002 *KEP Calculation Memorandum* and Comments 39 and 40 in the *Decision Memorandum*.

#### Einsal

We based date of sale on sale invoice date. We revised Einsal's reported domestic inventory carrying costs using the DM short-term interest rate. For further information, see Einsal's January 15, 2002 Calculation Memorandum.

#### Normal Value

We used the same methodology as that described in the Preliminary Determination to determine the cost of production ("COP"), whether comparison market sales were at prices below the COP, and the NV, with the following exceptions:

##### 1. Cost of Production Analysis

#### EWK

We adjusted EWK's reported cost of manufacture ("COM") to reflect the market price of EWK's steel scrap purchased from an affiliate. We also adjusted EWK's reported general and administrative ("G&A") expense based on the information obtained during the cost verification. Lastly, we adjusted

EWK's reported financial expense factor to exclude the claimed financial expense offset, and to include an estimated amount of interest income that EWK's parent company would have earned from short-term sources. See Memorandum to Neal Halper, Director, Office of Accounting, from Sheikh M. Hannan, dated January 15, 2002, *Cost of Production and Constructed Value Calculation Adjustments for the Final Determination* and Comments 18, 27 and 29 of the *Decision Memorandum*.

#### KEP

We adjusted KEP's reported cost of manufacture to reflect the cost of production of one of KEP's inputs purchased from an affiliate and we adjusted the COM of each of KEP's products due to the understatement of the cost of manufacturing. We also adjusted the denominator of the G&A expense ratio as a result of the increased cost of manufacture. Finally, we adjusted KEP's reported financial expense factor to exclude the claimed financial expense offset, and to include an estimated amount of interest income that KEP's parent company would have earned from short-term sources. For further information, see Memorandum to Neal Halper, Director, Office of Accounting, from Laurens van Houten, dated January 15, 2002, *Cost of Production and Constructed Value Calculation Adjustments for the Final Determination*, and Comments 18 and 36 of the *Decision Memorandum*.

#### BGH

We adjusted BGH's reported direct materials, direct labor, variable overhead, fixed overhead and general and administrative expenses for errors discovered during verification (see, Memorandum to Neal Halper, Director Office of Accounting, from LaVonne Jackson, dated October 26, 2001, *Verification Report on the Cost of Production and Constructed Value Data Submitted by BGH Freital*, Section I). We also adjusted BGH's reported unconsolidated financial expense ratio to reflect BGH's consolidated financial expenses and cost of production. See Memorandum to Neal Halper, Director, Office of Accounting, from LaVonne Jackson, dated January 15, 2002, *Cost of Production and Constructed Value Calculation Adjustments for the Final Determination*.

#### Einsal

We increased Einsal's interest expense ratio to account for an end of the year audit accrual that was not captured in the original interest expense calculation. We also revised the total

COM for one of Einsal's reported control numbers based on findings at verification. For further information, see January 15, 2002 *Einsal Calculation Memorandum*.

##### 2. Calculation of NV

#### EWK

For certain sales, we revised EWK's reported transportation insurance, billing adjustments, early payment discounts, inventory carrying costs and imputed credit. For further information, see January 15, 2002 *EWK Calculation Memorandum*.

#### KEP

For certain sales, we revised KEP's reported product matching characteristics, manufacturer code, domestic inland freight, early payment discounts, warranty expenses, interest revenue, warehousing expenses, and other direct selling expenses. For further information, see January 15, 2002 *KEP Calculation Memorandum* and Comments 30, 31, 34, and 38 in the *Decision Memorandum*.

#### BGH

We found three distinct levels of trade in the home market. See January 15, 2002 *BGH Calculation Memorandum* and Comment 3 in the *Decision Memorandum*. We corrected a programming error in the preliminary calculations to grant BGH a level of trade adjustment. For further information, see January 15, 2002 *BGH Calculation Memorandum*.

#### Einsal

We found two distinct levels of trade in the home market. We based date of sale on sale invoice date. We revised Einsal's inventory carrying expenses and credit expenses using the correct DM short-term interest rate. Based on verification findings, we are no longer using the exchange rates based on Einsal's currency transactions in forward markets. For further information, see January 15, 2002 *Einsal Calculation Memorandum* and Comment 12 in the *Decision Memorandum*.

### Currency Conversions

We made currency conversions in accordance with section 773A of the Act in the same manner as in the *Preliminary Determination*, except as discussed above with respect to Einsal.

### Verification

In this investigation, and in the companion SSB investigations from Italy, France, the United Kingdom and Korea, verifications were scheduled for

all responding companies during the period August through October 2001. Based on the security concerns and logistical difficulties brought about by the tragic events of September 11, for some companies in these countries we were unable to complete our verifications as scheduled. However, for these companies, we did verify major portions of the company's questionnaire responses.

While the statute at 782(i)(1) and the Department's regulations at 351.307(b)(1)(i) direct the Department to verify all information relied upon in a final determination of an investigation, the Department's verification process is akin to an "audit," and the Department has the discretion to determine the specific information it will examine in its audits. See *PMC Specialties Group, Inc. v. United States*, 20 C.I.T. 1130 (1996). The courts concur that verification is a spot check and is not intended to be an exhaustive examination of the respondent's records. See *Mansato v. United States*, 698 F.Supp. 275, 281 (CIT 1988). Furthermore, the courts have noted that Congress has given Commerce wide latitude in formulating its verification procedures. See *Micron Tech., Inc. v. United States*, 117 F.3d 1386, 1396 (CAFC 1997).

In these investigations, we believe that we have met the standard for having verified the information being used in this final determination, despite our inability to complete the verifications as originally scheduled. Although the amount of information verified was less than planned, the respondents did not control what was verified and what was not verified. It was the Department, not the companies, that established the original verification schedule and determined the order in which the segments would be verified. Moreover, each company was fully prepared to proceed with each segment of the original verification based upon the Department's schedule and could not have anticipated that the Department would perhaps not actually verify all segments. Finally, we note that all responding companies and the petitioners fully cooperated with the Department's post-September 11 efforts to conduct as many segments of verification as practicable.

Based on the information verified, we are relying on the responses as submitted, subject to the minor corrections previously noted elsewhere in this notice and the *Decision Memorandum*.

**Analysis of Comments Received**

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the *Decision Memorandum*, which is hereby adopted and incorporated by reference into this notice. Attached to this notice as an appendix is a list of the issues which parties have raised and to which we have responded in the *Decision Memorandum*. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum which is on file in the Department's CRU. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/frnhome.htm>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

**Continuation of Suspension of Liquidation**

In accordance with section 735(c)(1)(B) of the Act, we are directing the U.S. Customs Service ("Customs") to continue to suspend liquidation of all imports of stainless steel bar from Germany that are entered, or withdrawn from warehouse, for consumption on or after August 2, 2001, the date of publication of the *Preliminary Determination* in the **Federal Register**. Customs shall continue to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP or CEP, as appropriate, as indicated in the chart below. These suspension of liquidation instructions will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average margin percentage
BGH .....	16.62
Einsal .....	4.31
EWK .....	15.54
KEP .....	32.24
All Others .....	17.77

**ITC Notification**

In accordance with section 735(d) of the Act, we have notified the International Trade Commission ("ITC") of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the proceeding

will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order.

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: January 15, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

**Appendix**

**List of Comments in the Issues and Decision Memorandum**

*BGH*

- Comment 1: Quantity Differences in Fair Market Value Determination.
- Comment 2: Methodology for Price Comparisons.
- Comment 3: Level of Trade.
- Comment 4: Final Finishing.
- Comment 5: Treatment of Sales Above Normal Value.
- Comment 6: Level of Trade Adjustment.
- Comment 7: Special-Quality Oil Field Equipment Steel.
- Comment 8: Commission Paid to BGH's U.S. Affiliate.
- Comment 9: Products Sold But Not Produced During the POI.
- Comment 10: Affiliated Party Input Methodology.
- Comment 11: Verification Errors.

*Einsal*

- Comment 12: Level of Trade.
- Comment 13: Products Sold But Not Produced During the POI.
- Comment 14: Minor Changes and Revisions Resulting from Verification.

*EWK and KEP*

- Comment 15: Collapsing of EWK and KEP.
- Comment 16: Collapsing Methodology.
- Comment 17: EWK and KEP LOT Issues.
- Comment 18: Net Financial Expense Ratio Calculation.

*EWK*

- Comment 19: Use of Supplied Cost Data for Certain EWK Tool Steel Sales.
- Comment 20: Missing Foreign Inland Freight on EWK's CEP sales.
- Comment 21: Incomplete Foreign Inland Freight on EWK's EP sales.
- Comment 22: EWK Failure to Report U.S. Handling Expenses for Certain CEP Sales.

Comment 23: Understatement of EWK's International Freight on Tool Steel Sales.

Comment 24: Adjustment of Reported U.S. Inland Freight.

Comment 25: Correction of Domestic Indirect Selling Expenses for U.S. and Home Market Sales.

Comment 26: Deducting Domestic Indirect Selling Expenses from CEP sales.

Comment 27: EWK's Affiliated Party Purchases.

Comment 28: Costs for Products Not Produced by EWK.

Comment 29: G&A Ratio Calculation

#### KEP

Comment 30: Allocation of KEP's Home Market Warehousing Expenses.

Comment 31: Planned versus Actual Warehousing Expenses.

Comment 32: Use of Certain KEP Home Market Sales.

Comment 33: Matching Hierarchy and LOT.

Comment 34: KEP's Inland Freight Values.

Comment 35: KEP's Affiliated Party Purchases.

Comment 36: KEP's Cost of Manufacturing.

Comment 37: KEP's Reported Testing Surcharges.

Comment 38: KEP's Reported Home-Market Discounts, Warranty Expenses, and Interest Revenue.

Comment 39: Understatement of U.S. Brokerage Charges.

Comment 40: Use of Correct U.S. Dollar Interest Rate.

[FR Doc. 02-1657 Filed 1-22-02; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-475-830]

#### Final Affirmative Countervailing Duty Determination: Stainless Steel Bar From Italy

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

**ACTION:** Notice of final affirmative determination in a countervailing duty investigation.

**SUMMARY:** The Department of Commerce has made a final determination that countervailable subsidies are being provided to certain producers and exporters of stainless steel bar from Italy. For information on the estimated countervailing duty rates, please see the "Suspension of Liquidation" section, below.

**EFFECTIVE DATE:** January 23, 2002.

**FOR FURTHER INFORMATION CONTACT:** Suresh Maniam or Jennifer Jones at (202) 482-0176 or (202) 482-4194, respectively; Import Administration, International Trade Administration,

U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

##### 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. In addition, unless otherwise indicated, all citations to the Department of Commerce's (the "Department") regulations are references to the provisions codified at 19 CFR part 351 (April 2000).

##### Petitioners

The petition in this investigation was filed by Carpenter Technology Corp., Crucible Specialty Metals, Electralloy Corp., Empire Specialty Steel Inc., Slater Steels Corp., and the United Steelworkers of America, AFL-CIO/CLC (collectively, "the petitioners").

##### Case History

Since the publication of the preliminary determination in the **Federal Register** (see *Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination: Stainless Steel Bar From Italy*, 66 FR 30414 (June 6, 2001) ("Preliminary Determination")), the following events have occurred:

From June 25, 2001 to July 13, 2001, we conducted a verification of the questionnaire responses submitted by the Government of Italy ("GOI"), the Provincial Government of Bolzano, the Regional Government of Valle D'Aosta, Trafileria Bedini S.r.l. ("Bedini"), Acciaiera Foroni S.p.A. ("Foroni"), Italfond S.p.A., Rodacciai S.p.A., and Acciaierie Valbruna S.p.A. ("Valbruna").

On August 2, 2001, we published a notice postponing the final antidumping determination until December 17, 2001. *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Stainless Steel Bar from Italy*, 66 FR 40214 (August 2, 2001). Because of the alignment of this countervailing duty investigation with the antidumping duty investigation, the final determination in this countervailing duty investigation was also postponed until December 17, 2001.

On October 23 and 24, 2001, we informed all interested parties that, due to the events of September 11, 2001, we were tolling the final determination

deadline until January 15, 2001. See Memorandum to File, "Tolling of Final Determination Deadline," dated October 25, 2001.

On October 29, 2001, we received case briefs from the petitioners, Valbruna, Bedini, and Foroni. On November 5, 2001, we received rebuttal briefs from the petitioners, Valbruna, and Bedini. Foroni did not file a rebuttal brief. No hearing was held because no party requested a hearing.

##### Scope of Investigation

For purposes of this investigation, the term "stainless steel bar" includes articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. Stainless steel bar includes cold-finished stainless steel bars that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times in thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), products that have been cut from stainless steel sheet, strip or plate, wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled product), and angles, shapes and sections.

The stainless steel bar subject to this investigation is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the *Harmonized Tariff Schedules of the United States* ("HTSUS").

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

*Scope Changes:* Certain requests regarding the scope of this investigation were addressed in the preliminary determinations of the concurrent