Tariff Act in the same manner as in the Preliminary Determination.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the Decision Memorandum, dated March 25, 2002, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099, of the main Department building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at http://ia.ita.doc.gov. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of comments received, we have made certain changes in the margin calculations:

• We have revised the G&A expense ratio to include three expenses that were excluded from Hevensa's original calculation of G&A. Id. at Comment 2.

• We have revised the date of payment for certain of Hevensa's U.S. sales, and thus have recalculated imputed credit expenses for those sales. Id. at Comment 5.

• We have applied the corrections reported at the opening day of the Hevensa sales verification, and amended the indirect selling expense ratio (INDIRSH) and financial expense ratio (INTEX) pursuant to our findings at verification.

These changes are discussed in the relevant sections of the Decision Memorandum, accessible in room B-099 and on the Web at http://ia.ita.doc.gov.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Tariff Act, we are directing the Customs Service to continue to suspend all entries of silicomanganese from Venezuela that are entered, or withdrawn from warehouse, for consumption on or after November 9, 2001, the date of publication of the preliminary determination in the Federal Register. The Customs Service 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, as indicated in the chart below. These suspension-of-liquidation instructions will remain in effect until further notice. The weighted-average dumping margins for this LTFV proceeding are as follows:

Exporter/Manufacturer	Weighted-Average Margin Percentage
Hornos Eléctricos de Venezuela, S.A.	24.62
All Others	24.62

ITC Notification

In accordance with section 735(d) of the Tariff Act, we have notified the International Trade Commission (ITC) of our final 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 pursuant to sections 735(d) and 777(i)(1) of the Tariff Act.

Dated: March 25, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

Appendix Issues in Decision Memorandum

Cost of Production

Comment 1. Inflation

Comment 2: G&A Expenses

Comment 3: Interest Expenses on Shareholder Loans

Comment 4: Transformer Failures

Adjustments to United States Price

Comment 5: Date of Payment Used to Calculate Credit Expenses

Comment 6: Duty Drawback

Adjustments to Normal Value

Comment 7: Home Market Credit Expenses Miscellaneous Issues

Comment 8: Level of Trade

Comment 9: Date of Sale

[FR Doc. 02–7953 Filed 4–1–02; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–834–807]

Notice of Final Determination of Sales at Less Than Fair Value: Silicomanganese From Kazakhstan

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

ACTION: Notice of final determination in the less than fair value investigation of silicomanganese from Kazakhstan.

SUMMARY: We determine that silicomanganese from Kazakhstan is being, or is likely to be, sold in the United States at less than fair value. On November 9, 2001, the Department of Commerce published a notice of preliminary determination of sales at less than fair value in the investigation of silicomanganese from Kazakhstan. *See Notice of Preliminary Determination of Sales at Not Less Than Fair Value: Silicomanganese from Kazakhstan*, 66 FR 56639, November 9, 2001) (''*Preliminary Determination*''). This investigation covers one manufacturer and one exporter of the subject merchandise. The period of investigation (''POI'') is October 1, 2000 through March 31, 2001.

Based upon our verification of the data and analysis of the comments received, we have made changes in the margin calculations. Therefore, the final determination of this investigation differs from the preliminary determination. The final weighted-average dumping margin is listed below in the section titled ''Continuation of Suspension of Liquidation.''

EFFECTIVE DATE: April 2, 2002.

FOR FURTHER INFORMATION CONTACT: Jean Kemp, Brandon Farlander and Cheryl Werner, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–4037, (202) 482–0182, and (202) 482–2667 respectively.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (''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 at 19 CFR part 351 (2000).

Background

This investigation was initiated on April 26, 2001. *See Notice of Initiation of Antidumping Duty Investigations: Silicomanganese From Kazakhstan, India and Venezuela*, 66 FR 22209 (May 3, 2001) (''*Notice of Initiation*'').

On May 17, 2001, Eramet Marietta Inc. and The Paper, Allied Industry, Chemical and Energy Workers International Union, Local 5–0639, (''petitioners'') proposed an amendment to the scope. On July 13, 2001, we excluded low-carbon silicomanganese from the scope of these investigations. *See Decision Memorandum* from Barbara Tillman, Richard Weible, and Edward Yang to Joseph Spetrini, dated July 13, 2001.

On October 23, 2001, the Department requested further financial information and documentation regarding certain sales from Alloy 2000 through Considar to customers in the U.S. market in a supplemental questionnaire to Kazchrome, Alloy 2000, and Considar. On October 29, 2001, the Department modified its request for financial information and documentation regarding certain sales from Alloy 2000 through Considar to customers in the U.S. market in another supplemental questionnaire to Kazchrome, Alloy 2000, and Considar.

On November 9, 2001, the Department published a notice of preliminary determination of sales at less than fair value (''LTFV'') in the investigation of silicomanganese from Kazakhstan. *See Preliminary Determination.*

On November 16, 2001, Kazchrome, Alloy 2000, and Considar submitted a response to the Department's modified October 29, 2001, request of the October 23, 2001, supplemental questionnaire. On November 19, 2001, the Government of the Republic of Kazakhstan (''GOK'') submitted a timely request for negotiation of a suspension agreement. On December 6, 2001, the Department requested a revised Section C database which reports all sales of subject merchandise during the POI based on the sale invoice date as the date of sale rather than the sale contract date and further information concerning Kazchrome, Alloy 2000, and Considar's November 16, 2001, response on reconciliation of Considar's expenses with Alloy 2000.

On December 7, 2001, the Department published a notice of postponement of the final determination in the investigation, as well as an extension of provisional measures from a four month period to a period not to exceed six months. *See Postponement of Final Determination for Antidumping Duty Investigation: Silicomanganese from Kazakhstan and India*, 66 FR 63522 (December 7, 2001).

We invited the public to comment on the GOK's request that Kazakhstan be treated as a market economy country. On December 10, 2001, the Department received comments on Kazakhstan's market economy request.

On December 11, 2001, petitioners submitted a request for a hearing and a request for an extension of the time period for requesting the hearing. On December 19, 2001, petitioners submitted additional surrogate country factor values pursuant to 19 CFR 351.301 (c)(3)(i). On December 20, 2001, Kazchrome, Alloy 2000, and Considar submitted an unsolicited Section B questionnaire response. On December 21, 2001, petitioners requested the Department return Kazchrome's, Alloy 2000's and Considar's December 20, 2001 unsolicited Section B questionnaire response. On December 21, 2001, Kazchrome, Alloy 2000, and Considar submitted a revised Section C database in response to the Department's December 6, 2001 supplemental questionnaire. On December 26, 2001, Kazchrome, Alloy 2000, and Considar submitted a response to the Department's December 6, 2001 supplemental questionnaire. On January 9, 2002, petitioners requested an extension of the deadline for alleging sales below cost if the Department determines to accept Kazchrome's, Alloy 2000's, and Considar's December 20, 2001 unsolicited Section B questionnaire response.

On January 9, 2002, through January 11, 2002, the Department conducted a sales and factors of production verification of Kazchrome. *See Verification of Sales and Factors of Production for Transnational Co. Kazchrome and Aksu Ferroalloy Plant* (February 22, 2002) (''Kazchrome Verification Report''). On January 14, 2002, through January 15, 2002, the Department conducted a sales verification of Alloy 2000. *See Verification of Sales and Factors of Production for Alloy 2000 S.A.* (February 22, 2002) (''Alloy Verification Report'').

On January 24, 2002, the Department received rebuttal comments concerning Kazakhstan's market economy request.

On February 13, 2002, through February 15, 2002, the Department conducted a sales verification of Considar. *See Verification of U.S. Sales for Considar Inc.* (February 22, 2002) (''Considar Verification Report'').

On March 7, 2002, the Department requested that the petitioners support surrogate values they had submitted on December 19, 2001, for factory overhead, selling, general and administrative and financial ratios they had submitted for Sinai Manganese, an Egyptian ferroalloys producer. On March 11, petitioners submitted a copy of an original financial statement for updated surrogate value information, with some English translation. On March 12, respondents submitted comments rebutting this surrogate value information.

We invited parties to comment on our *Preliminary Determination.* On March 4, 2002, petitioners and Kazchrome, Alloy 2000, and Considar submitted case briefs with respect to the sales and factors of production verification and the Department's *Preliminary Determination.* Petitioners and Kazchrome, Alloy 2000, and Considar submitted their rebuttal briefs on March 11, 2002 with respect to the sales and factors of production verification and the Department's *Preliminary Determination.* On March 13, 2002, the Department held a public hearing in accordance with 19 CFR 351.310(d)(1). Representatives for petitioners and Kazchrome, Alloy 2000, and Considar were present. All parties present were allowed an opportunity to make affirmative presentations only on arguments included in that party's case briefs and were also allowed to make rebuttal presentations only on

arguments included in that party's rebuttal brief.

The Department has conducted and completed the investigation in accordance with section 735 of the Act.

Scope of Investigation

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

The low-carbon silicomanganese excluded from this scope is a ferroalloy with the following chemical specifications: minimum 55 percent manganese, minimum 27 percent silicon, minimum 4 percent iron, maximum 0.10 percent phosphorus, maximum 0.10 percent carbon and maximum 0.05 percent sulfur. Low-carbon silicomanganese is used in the manufacture of stainless steel and special carbon steel grades, such as motor lamination grade steel, requiring a very low carbon content. It is sometimes referred to as ferromanganese-silicon. Low-carbon silicomanganese is classifiable under HTSUS subheading 7202.99.5040.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs to this investigation are addressed in the *Issues and Decision Memorandum from Joseph A. Spetrini, Deputy Assistant Secretary, to Faryar Shirzad, Assistant Secretary* (March 25, 2002) (''*Decision Memo*''), which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, and other issues addressed, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in the *Decision Memo*, a public memorandum which is on file at the U.S. Department of Commerce, in the Central Records Unit, in room B–099. In addition, a complete version of the *Decision Memo* can be accessed directly on the Web at *http://ia.ita.doc.gov.* The paper copy and electronic version of the *Decision Memo* are identical in content.

Changes Since the Preliminary Determination

Based on our findings at verification, and analysis of comments received, we have made adjustments to the calculation methodology in calculating the final dumping margin in this proceeding. *See Analysis Memorandum for Kazchrome, Alloy 2000, and Considar* (March 25, 2002) (''*Analysis Memo*'').

Verification

As provided in section 782(i) of the Act, we verified the information submitted by Kazchrome, Alloy 2000, and Considar for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, and original source documents provided by the Kazchrome, Alloy 2000, and Considar. For changes from the *Preliminary Determination* as a result of verification, see *Analysis Memo*.

Use of Partial Facts Available

In accordance with section 776 of the Act, we have determined that the use of partial facts available is appropriate for certain portions of our analysis of Kazchrome, Alloy 2000, and Considar. For a discussion of our determination with respect to this matter, see *Analysis Memo*.

Nonmarket Economy Country

As of the date of initiation of this investigation, Kazakhstan was considered a non-market economy (NME) country. On June 28, 2001, the Department received a request from respondent requesting that the Department revoke Kazakhstan's NME status under section 771(18)(A) of the Act. On July 5, 2001, the Department received a letter from the GOK also requesting that the Department revoke Kazakhstan's NME status. Consistent with the factors described in section 771(18)(B), the Department considers the extent to which resources are allocated by market or government, taking into account currency and labor markets, pricing, and production and investment decisions.

After a thorough examination of all relevant information available to the Department, we have revoked Kazakhstan's NME status under section 771(18)(A) of the Act, effective October 1, 2001. See Memorandum from George Smolik to Faryar Shirzad: Antidumping Duty Investigation of Silicomanganese from Kazakhstan—Request for Market Economy Status (March 25, 2002).

Kazakhstan today has a fully convertible currency for current account purposes, and exchange rates are market based. Legislation on wage reforms is well advanced in Kazakhstan, with workers able to unionize and engage in collective bargaining, negotiating wages and benefits; further, the mobile workforce is free to pursue new employment opportunities. Kazakhstan is open to foreign investment, and investors have responded, particularly into the oil, gas, and metals sectors. The allocation of resource decisions in Kazakhstan now rests with the private sector, with the GOK largely limiting price regulation to natural monopolies; the state's involvement in Kazakhstan's banking system is now limited to NBK supervision of commercial banks; further, recent increases in bank assets and deposits, and bank consolidation all indicate that Kazakhstan's banks are behaving as financial intermediaries. In addition, price liberalization is practically completed in Kazakhstan.

Kazakhstan has successfully privatized most of its economy, however, it has not advanced as far as other recently graduated market economies, and it appears to have stalled on additional privatization reforms. Nevertheless, Kazakhstan's lack of progress under this factor is only one of several price indicators in the economy, and does not reflect the country's other reforms.

Nevertheless, the totality of Kazakhstan's reforms in liberalizing its economy demonstrate that it has completed the transition to a market economy. Overall, deregulation and a new regulatory framework for the normal operation of a market economy has progressively replaced the old system of regulation. Based on economic reforms reached in Kazakhstan, as analyzed under section 771(18)(B) of the Act, the Department finds that Kazakhstan has operated as a market-economy country as of October 1, 2001, and that this finding be effective for all current and future administrative proceedings.

Therefore, because the POI for this investigation precedes the effective date of market economy status, this final determination is based on information contained in the non-market economy questionnaire responses submitted by respondents.

Market Oriented Industry

On July 12, 2001, Kazchrome requested that the Department make a determination that the silicomanganese industry in Kazakhstan operates as a market-oriented industry (''MOI''). For our preliminary determination, the Department found that we were not able to make a preliminary determination on the MOI claim because respondents had not yet responded to our supplemental questionnaire. On December 7, 2001, Kazchrome submitted a response to the Department's November 1, 2001, supplemental questionnaire.

For the final determination, we found Kazakhstan to be a market economy country effective October 1, 2001. Because Kazakhstan will now be treated as a market economy country for future proceedings, it is not necessary to address the issue of whether the silicomanganese industry operated as a MOI in this proceeding.

Separate Rates

For this final determination, the Department is continuing to regard Kazchrome as not eligible to receive a separate rate, as explained in the *Preliminary Determination,* because Kazchrome states that it has no knowledge of the destination of its merchandise prior to its sale to Alloy 2000 and we did not find information to show otherwise during the course of verification. *See* ''Separate Rates'' section of our *Preliminary Determination*.

Kazakhstan-Wide Rate

As discussed in our *Preliminary Determination*, the Kazakhstan-wide rate will be the calculated margin for Alloy 2000, the sole exporter. *See* ''Kazakhstan-Wide Rate'' section of our *Preliminary Determination.* There has been no other evidence submitted since the *Preliminary Determination* to change this determination. Accordingly, we have calculated a Kazakhstan-wide rate for this investigation based on the weighted-average margin determined for Alloy 2000. This Kazakhstan-wide rate applies to all entries of subject merchandise.

Suspension Agreement

On November 19, 2001, the GOK submitted a proposal for a suspension agreement in accordance with the Department's regulations at 19 CFR 351.208. On February 22, 2001, the Department met with representatives of the GOK to discuss the GOK's proposed suspension agreement. No agreement was concluded.

Fair Value Comparisons

To determine whether sales of silicomanganese from Kazakhstan were made in the United States at LTFV, we compared constructed export price (''CEP'') to NV, as described in the ''Constructed Export Price'' and ''Normal Value'' sections of the *Preliminary Determination.* In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average CEPs.

Surrogate Country

For purposes of the final determination, we continue to find that Egypt remains the appropriate primary surrogate country for Kazakhstan. For further discussion and analysis regarding the surrogate country selection for Kazakhstan, see the ''Surrogate Country'' section of our *Preliminary Determination*.

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 subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the Preliminary Determination in the **Federal Register**. We will instruct Customs to 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, as indicated 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 (percent)
Alloy 2000, S.A.	247.88
Kazakhstan-Wide	247.88

Disclosure

The Department will disclose calculations performed, within five days of the date of publication of this notice, to the parties in this investigation, in accordance with section 351.224(b) of the Department's regulations.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the ITC of our affirmative determination of sales at LTFV. As our final determination is affirmative, the ITC will determine within 45 days after our final determination whether imports of silicomanganese from Kazakhstan 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 cancelled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered for consumption on or after the effective date of the suspension of liquidation.

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

Dated: March 25, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

APPENDIX I

A. Market Economy
- Comment 1: Market Economy
- Comment 2: Normal Value

B. General Issues:
- Comment 3: Financials Surrogate Values
- Comment 4: Manganese Ore Surrogate Value
- Comment 5: Rail Freight Surrogate Value for Russian Portion
- Comment 6: Indirect Selling Expenses

C. Verification Issues:
- Comment 7: Raw Material Losses in Usage Rates
- Comment 8: Electricity Usage Rate
- Comment 9: Raw Materials Transport Distances
- Comment 10: Inland Freight Distance
- Comment 11: Ocean Freight Charges
- Comment 12: Inventory Carrying Costs
- Comment 13: U.S. Insurance Charges
- Comment 14: U.S. Sales Database errors

[FR Doc. 02–7954 Filed 4–1–02; 8:45 am]

BILLING CODE 3510–DS–P