

of its ability, we are applying an adverse inference pursuant to section 776(b) of the Act. As adverse FA, we have applied the margin from initiation (i.e., the highest margin based on the amended petition), which is 137.33 percent, as the Russia-wide rate. See AD Initiation Checklist (October 18, 2001) ("Initiation Checklist"). Pursuant to section 776(c) of the Act, the Department has corroborated the 137.33 percent margin from initiation to the extent practicable. See Total Facts Available Corroboration Memorandum (April 26, 2002). This Russia-wide rate applies to all entries of subject merchandise.

#### Final Critical Circumstances Determination

We will make a final determination concerning critical circumstances for Russia when we make our final determination regarding sales at LTFV in this investigation, which will be no later than 75 days after the publication of this notice in the **Federal Register**.

#### Suspension of Liquidation

Because of our preliminary affirmative critical circumstances finding, we are directing Customs to suspend liquidation of all entries of cold-rolled steel from Russia entered, or

withdrawn from warehouse, for consumption on or after 90 days prior to the date on which this notice is published in the **Federal Register**, in accordance with section 733(e) of the Act. See Critical Circumstances Notice. We are also instructing Customs to require a cash deposit or the posting of a bond equal to the preliminary dumping margin, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

We determine that the following percentage weighted-average margin exists for the POI:

#### COLD-ROLLED CARBON STEEL FLAT PRODUCTS

Producer/manufacturer/exporter	Weighted-average margin
Russia-Wide Rate .....	137.33%

The Russia-wide rate applies to all entries of the subject merchandise.

#### ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary determination. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the date of our final determination whether imports of cold-rolled steel from Russia are materially injuring, or threaten material injury to, the U.S. industry.

#### Public Comment

Case briefs or other written comments must be submitted to the Assistant Secretary for Import Administration no later than 50 days after the date of publication of this notice, and rebuttal briefs no later than five business days after the deadline for submission of case briefs. Rebuttal briefs must be limited to the issues raised in the case briefs. A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. Such 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, the hearing will be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 1401 Constitution Avenue, NW., Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of

the hearing 48 hours 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. 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, oral presentations will be limited to issues raised in the briefs. See 19 CFR 351.310(c). If this investigation proceeds normally, we will make our final determination no later than 75 days after this preliminary determination.

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

Dated: April 26, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 02-11193 Filed 5-8-02; 8:45 am]

**BILLING CODE 3510-DS-P**

#### DEPARTMENT OF COMMERCE

##### International Trade Administration

[A-791-814]

#### Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Negative Preliminary Determination of Critical Circumstances: Certain Cold-Rolled Carbon Steel Flat Products From South Africa

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

**ACTION:** Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Preliminary Negative Preliminary Determination of Critical Circumstances.

**SUMMARY:** We preliminarily determine that certain cold-rolled carbon steel flat products from South Africa are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended. In addition, we preliminarily determine that critical circumstances do not exist for import of cold-rolled carbon steel flat products from South Africa.

Interested parties are invited to comment on this preliminary determination.

**EFFECTIVE DATE:** May 9, 2002.

#### FOR FURTHER INFORMATION CONTACT:

Minoo Hatten, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW.,

Washington, DC 20230; telephone: (202) 482-1690.

#### SUPPLEMENTARY INFORMATION:

##### The Applicable Statute

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 of Commerce ("Department's") regulations are to the regulations codified at 19 CFR part 351 (April 2001).

##### Background

Since the initiation of this investigation (*Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey and Venezuela*, 66 FR 54198 (October 26, 2001) ("Initiation Notice")), the following events have occurred.

On November 13, 2001, the United States International Trade Commission ("ITC") preliminarily determined that there is a reasonable indication that imports of certain cold-rolled steel products from South Africa are materially injuring the United States industry (see *Certain Cold-Rolled Steel Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey and Venezuela*, (66 FR 57985 (November 19, 2001))).

On December 5, 2001, we selected the largest producer/exporter of cold-rolled steel from South Africa as a mandatory respondent in this proceeding. For further discussion, see the Memorandum to Laurie Parkhill, Director Office 3, from The Team regarding Selection of Respondents dated December 5, 2001. We issued the antidumping questionnaire to Iscor Limited ("Iskor") on December 5, 2001.

On December 7, 2001, the petitioners<sup>1</sup> alleged that there is a reasonable basis

to believe or suspect critical circumstances exist with respect to the antidumping investigations of cold-rolled carbon steel flat products from Argentina, Australia, China, India, the Netherlands, Russia, South Africa, South Korea, and Taiwan. On December 14, 2001, the petitioners supplemented their December 7, 2001, submission with additional information.

During the period January through April 2002, the Department received from Iscor responses to sections A, B, and C of the Department's original and supplemental questionnaires.

On February 7, 2002, pursuant to 19 CFR 351.205(e), the petitioners made a timely request to postpone the preliminary determination. We granted this request on February 14, 2002, and postponed the preliminary determination until no later than April 26, 2002 (*Postponement of Preliminary Determinations of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products from Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey and Venezuela*, 67 FR 8227 (February 22, 2002)).

In accordance with 19 CFR 351.206(c)(2)(i), because petitioners submitted the critical circumstances allegation more than twenty days before the scheduled date of the preliminary determination, the Department must issue the preliminary critical circumstances determination not later than the date of the preliminary determination. A full discussion of our analysis may be found in the critical circumstances section of this notice and in the critical circumstances memorandum from Richard W. Moreland to Faryar Shirzad, dated April 26, 2002 (*Preliminary Negative Determinations of Critical Circumstances—South Africa*). A public version of this memorandum is on file at the Import Administration Central Records Unit, in Room B-099 of the Department of Commerce Building.

##### Postponement of Final Determination and Extension of Provisional Measures

Pursuant to section 735(a)(2) of the Act, on April 23, 2002, Iscor requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the date of the

known as "United States Steel LLC" changed its name to "United States Steel Corporation."

publication of the preliminary determination in the **Federal Register** and extend the provisional measures to not more than six months. In accordance with 19 CFR 351.210(b)(2)(ii) and (e), because (1) our preliminary determination is affirmative, (2) Iscor accounts for a significant proportion of exports of the subject merchandise, and (3) no compelling reasons for denial exist, we are granting the respondent's request and are postponing the final determination until no later than 135 days after the publication of this notice in the **Federal Register**. Suspension of liquidation will be extended accordingly.

##### Scope of Investigation

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products. For a full description of the scope of this investigation, please see the Scope Appendix attached to the *Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Preliminary Negative Determination of Critical Circumstances: Certain Cold-Rolled Carbon Steel Flat Products from Argentina*, published concurrently with this preliminary determination.

##### Period of Investigation

The period of investigation ("POI") is July 1, 2000, through June 30, 2001.

##### Fair Value Comparisons

To determine whether sales of cold-rolled steel from South Africa to the United States were made at less than fair value ("LTFV"), we compared the constructed export price ("CEP") to the normal value ("NV"), as described in the "Constructed Export Price" and "Normal Value" sections of this notice below. In accordance with section 777A(d)(1)(A)(i) of the Act, we compared POI weighted-average CEPs to POI weighted-average NVs.

##### Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced and sold by the respondent in the home market during the POI that fit the description in the "Scope of Investigation" section of this notice to be foreign like products for purposes of determining appropriate product comparisons for U.S. sales. We compared U.S. sales to sales of identical merchandise made in the home market. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared

<sup>1</sup> The petitioners in the concurrent antidumping duty investigations are Bethlehem Steel Corporation, LTV Steel Company, National Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., United States Steel LLC, WCI Steel, Inc., and Weirton Steel Corporation. Weirton Steel Corporation is not a petitioner in the Netherlands case. Effective January 1, 2002, the party previously

U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by the respondents in the following order of importance: hardening and tempering, painted, carbon level, quality, yield strength, minimum thickness, thickness tolerance, width, edge finish, form, temper rolling, leveling, annealing, and surface finish.

For this preliminary determination, we did not use certain home-market sales reported by Iscor because it did not indicate the quality or yield strength for the products involved in these transactions and reported zero in the quality and yield strength fields. As a result, in the product-comparison portion of the margin program we generated missing values. In its April 8, 2002, supplemental response at pages 11 and 12, Iscor stated that it reported zero because for some orders customers did not specify a quality or yield strength for the merchandise ordered and Iscor did not keep a record of this information. We intend to examine this matter in detail at verification.

#### Constructed Export Price

In accordance with section 772(b) of the Act, we calculated CEP for all sales to the United States because Iscor sells all the merchandise under investigation to the United States through an affiliated company in the United States, MacSteel International USA Corp.

We based CEP on the FOB prices to unaffiliated purchasers in the United States. We made adjustments for billing adjustments. We also made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act; these deductions included, where appropriate, domestic inland freight (*i.e.*, inland freight expense from plant/warehouse to port of exit), ocean freight, marine insurance, U.S. brokerage and handling, U.S. customs duties, U.S. wharfage fees, U.S. survey fees, U.S. inland freight expenses (*i.e.*, freight from port to warehouse), and warehousing expenses. In accordance with section 772(d)(1) of the Act and 19 CFR 351.402(b), we deducted those selling expenses associated with the economic activities occurring in the United States, including direct selling expenses (*e.g.*, imputed credit costs) and indirect selling expenses (*e.g.*, inventory carrying costs).

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit to arrive at CEP. In accordance with section 772(f) of the Act, we calculated the CEP

profit rate using the expenses incurred by Iscor and its affiliate on their sales of the subject merchandise in the United States and the foreign like product in the home market and the profit associated with those sales. See *Preliminary Determination Analysis Memorandum for Iscor*.

We used Iscor's reported constructed value (CV) data to calculate the CEP profit amount. In our original questionnaire dated December 5, 2001, we requested that Iscor respond to the CV portion of section D with respect to products or models sold in the United States for which it had no sales of comparable merchandise in the home or third-country market. As Iscor did not respond to the CV section of the section D, we repeated the request in a supplemental questionnaire. In response to the supplemental questionnaire, Iscor provided a response to the CV portion of the section D questionnaire. Because CV data was on the record and it is the Department's normal practice to use CV data to calculate the CEP profit amount when it is available, we used this data to calculate the CEP profit amount. By using CV data we are able to calculate a profit amount which is more specific to the merchandise under investigation than relying on a profit amount derived from the financial statements which could cover a broader range of merchandise. In using Iscor's CV data, we found that Iscor did not provide CV data for all of its U.S. products. Therefore, for this preliminary determination, and pursuant to section 776(a) of the Act, as facts available, we extracted the cost information available in the U.S. database and information provided in the CV portion of section D response to derive the CV for these sales. Prior to our final determination, we will require Iscor to provide the CV data for the products for which we currently have no CV data so that we can include this data in our calculations for the final determination.

For this preliminary determination we have not included certain expense amounts reported in the U.S. miscellaneous-expense field. In its section C questionnaire response Iscor reported certain expense amounts in the U.S. miscellaneous-expenses field. However, it did not clearly identify the nature of these expenses. In its response to our supplemental questionnaire, Iscor stated that this field is primarily comprised of brokerage fees. However, it did not provide an adequate explanation for the negative amounts reported in this field. Since Iscor did not demonstrate that it was entitled to receive this upward adjustment to U.S. price (*i.e.*, deducting the negative

numbers reported in movement expense resulted in an increase in U.S. price for certain transactions) for this preliminary determination, we did not use the negative amounts reported in this field. However, because Iscor provided adequate information with regard to the positive values reported in this field, we used the positive amounts reported in this field. See *Preliminary Determination Analysis Memorandum for Iscor*.

On December 21, 2001, Iscor requested that the Department permit it to exclude from its response to the questionnaire an insignificant quantity of sales which its U.S. affiliate sold to its affiliated customer in the U.S. market as well as that affiliated customer's sales to its unaffiliated customers. The affiliated customer added value to some of the merchandise prior to resale. Iscor stated that providing sales and further-manufacturing data for such an insignificant quantity of sales would be disproportionately burdensome without having any meaningful effect on the calculation of the dumping margin. Consistent with our past practice, because the volume of these sales was small and would have a negligible impact upon the margin calculation, we granted Iscor's request. See *Preliminary Determination of Sales at Less Than Fair Value: Hot-Rolled Flat-Rolled Carbon-Quality Steel Products From Japan*, 64 FR 8291, 8295 (February 19, 1999) (unchanged in the final determination). In our letter granting the request, however, we informed Iscor that this assertion is subject to verification.

#### Normal Value

##### A. Home-Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home-market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared the respondent's volume of home-market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act and 19 CFR 351.405(2). Because the respondent's aggregate volume of home-market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was viable for the respondent.

### B. Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade ("LOT") as the EP or CEP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). See 19 CFR 412(c)(2)(2001). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing. *Id.*; see also *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997).

In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the "chain of distribution"),<sup>2</sup> including selling functions,<sup>3</sup> class of customer ("customer category"), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying levels of trade for EP and comparison-market sales (*i.e.*, NV based on either home-market or third-country prices), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. See *Micron Technology, Inc. v. United States*, 243 F.3d 1301, 1314–1315 (Fed. Cir. March 7, 2001).

When the Department is unable to find sales of the foreign like product in the comparison market at the same LOT as the EP or CEP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP or CEP sales at a different LOT in the comparison market, where available data make it practicable, we make a LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if a NV level

of trade is more remote from the factory than the CEP LOT and there is no basis for determining whether the difference in LOTs between NV and CEP affected price comparability (*i.e.*, no LOT adjustment was practicable), the Department will grant a CEP offset, as provided in section 773(a)(7)(B) of the Act.

We obtained information from Iscor regarding the marketing stages involved in making the reported home-market and U.S. sales, including a description of the selling activities performed by the respondent for each channel of distribution. Iscor's LOT findings are summarized below.

Iscore reported one channel of distribution in the home market with two customer categories, merchants (which included distributors, processors and service centers) and end-users. The selling activities associated with all sales were similar (*e.g.*, freight and delivery arrangements, order processing, inventory management, after-sales service, and quality assurance) and, based on our analysis of the selling activities, we preliminarily determine that the reported single home-market channel of distribution constitutes one LOT. Iscore reported one channel of distribution in the U.S. market, represented by its CEP sales. Iscore's CEP level of trade was its sales to its affiliated reseller. After making deductions pursuant to section 772(d) of the Act, we found that the selling functions performed by Iscore at the CEP level (*e.g.*, freight and delivery arrangements, order processing, inventory management, after-sales service and quality assurance) were not sufficiently different from the selling functions performed at the home-market LOT (*e.g.*, freight and delivery arrangements, order processing, inventory management, after-sales service, and quality assurance) to consider the home-market LOT to be different and at a more advanced stage of distribution than the CEP LOT. Because the sole home-market LOT was not different from the CEP LOT we did not make a LOT adjustment.

Although Iscore claimed a CEP-offset adjustment to NV, because we found the CEP LOT to be similar to the home-market LOT we made no CEP-offset adjustment.

### D. Calculation of Normal Value Based on Comparison-Market Prices

We calculated NV based on "free on rail ex-works" prices to unaffiliated customers. We made adjustments, where appropriate, to the starting price for billing adjustments, interest revenue, rebates, and early-payment discounts.

We also made deductions for movement expenses (*i.e.*, inland freight expense from plant/warehouse to customer) under section 773(a)(6)(B)(ii) of the Act. In addition, we made adjustments under section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 for differences in circumstances of sale for imputed credit expenses.

We also deducted home-market packing costs and added U.S. packing costs in accordance with sections 773(a)(6)(A) and (B) of the Act.

### Currency Conversion

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

### Verification

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

### Critical Circumstances

Section 733(e)(1) of the Tariff Act provides that the Department will preliminarily determine that critical circumstances exist if there is a reasonable basis to believe or suspect that: (A)(i) There is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise; or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales; and (B) there have been massive imports of the subject merchandise over a relatively short period.

Section 351.206(h)(1) of the Department's regulations provides that, in determining whether imports of the subject merchandise have been "massive," the Department normally will examine: (i) the volume and value of the imports; (ii) seasonal trends; and (iii) the share of domestic consumption accounted for by the imports. In addition, 19 CFR 351.206(h)(2) provides that, "In general, unless the imports during the 'relatively short period' have increased by at least 15 percent over the imports during an immediately preceding period of comparable duration, the Secretary will not consider the imports massive."

Section 351.206(i) of the Department's regulations defines "relatively short period" as generally the period beginning on the date the proceeding begins (*i.e.*, the date the petition is filed)

<sup>2</sup> The marketing process in the United States and comparison markets begins with the producer and extends to the sale to the final user or consumer. The chain of distribution between the two may have many or few links, and the respondent's sales occur somewhere along this chain. In performing this evaluation, we considered the narrative responses of the respondent to properly determine where in the chain of distribution the sale appears to occur.

<sup>3</sup> Selling functions associated with a particular chain of distribution help us to evaluate the level(s) of trade in a particular market. For purposes of this preliminary determination, we have organized the common cold-rolled carbon steel-flat product selling functions into four major categories: sales process and marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services.

and ending at least three months later. This section provides further that, if the Department “finds that importers, or exporters or producers, had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely,” then the Department may consider a period of not less than three months from that earlier time.

In determining whether the above statutory criteria have been satisfied, we examined the following information: (1) The evidence presented in the petitioners’ submissions of December 7, 2001, and January 14, 2002; (2) new evidence obtained since the initiation of the less-than-fair-value (LTFV) investigations (*i.e.*, additional import statistics released by the Census Bureau); and (3) the International Trade Commission’s (ITC) affirmative preliminary injury determination (*see Certain Cold-Rolled Steel Products From Argentina, Australia, Belgium, Brazil, China, France, Germany, India, Japan, Korea, Netherlands, New Zealand, Russia, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela*, International Trade Commission Investigations Nos. 701–TA–422–425 and 731–TA–964–983 Preliminary Determination, 66 FR 57985 (November 19, 2001)).

#### History of Dumping

In determining whether a history of dumping and material injury exists, the Department generally considers current or recent antidumping duty orders on the subject merchandise from the country in question in the United States and current orders in any other country. *See Carbon and Alloy Steel Wire Rod From Germany, Mexico, Moldova, Trinidad and Tobago, and Ukraine: Notice of Preliminary Determination of Critical Circumstances*, 67 FR 6224 (February 11, 2002) (*Carbon and Alloy Steel Wire Rod*). Because we are not aware of any existing antidumping order in any country on cold-rolled carbon steel flat products from South Africa, we do not find a history of dumping from South Africa, pursuant to section 733(e)(1)(A)(i) of the Act. However, the Department may look to the second criterion for determining whether importers knew or should have known that exporters were selling subject merchandise from South Africa at LTFV prices.

#### Importer Knowledge of Injurious Dumping

In determining whether there is a reasonable basis to believe or suspect that an importer knew or should have known the exporter was selling cold-

rolled steel at less than fair value, the Department normally considers margins of 25 percent or more for export price (EP) sales and 15 percent or more for CEP sales sufficient to impute importer knowledge of sales at LTFV. *See Carbon and Alloy Steel Wire Rod*, 67 FR 6224, 6225.

The Department normally bases its decision with respect to knowledge on the margins determined in the preliminary determination. Therefore, for purposes of this preliminary determination of critical circumstances, we are relying on the margin calculated for Iscor for this preliminary determination. Because this margin is greater than 15 percent (*see* “Suspension of Liquidation” section below), in the case of South Africa, which has CEP sales, we find that there is a reasonable basis to impute knowledge of dumping with respect to imports from South Africa.

#### Material Injury

In determining whether there is a reasonable basis to believe or suspect that an importer knew or should have known that there was likely to be material injury by reason of dumped imports, the Department normally will look to the preliminary injury determination of the ITC. If the ITC finds a reasonable indication of present material injury to the relevant U.S. industry, the Department will determine that a reasonable basis exists to impute importer knowledge that material injury is likely by reason of dumped imports. *See Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon Steel Plate from the People’s Republic of China*, 62 FR 61964 (November 20, 1997). In this case, the ITC preliminarily found that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise from South Africa. *See Determinations and Views of the Commission*, Investigations Nos. 701–TA–422–425 and 731–TA–964–983, Publication 3471 (November 2001) (*ITC Determination*). Due to the ITC’s finding of material injury, we preliminarily determine that there is a reasonable basis to believe or suspect that importers knew or should have known that imports of cold-rolled steel from South Africa were likely to cause material injury.

#### Massive Imports

In determining whether there are “massive imports” over a “relatively short period,” pursuant to section 733(e)(1)(B) of the Act, the Department

normally compares the import volumes of the subject merchandise for at least three months immediately preceding the filing of the petition (*i.e.*, the “base period”) to a comparable period of at least three months following the filing of the petition (*i.e.*, the “comparison period”). However, as stated in 19 CFR 351.206(i), “if the Secretary finds importers, or exporters or producers, had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely, then the Secretary may consider a time period of not less than three months from that earlier time.” Imports normally will be considered massive when imports during the comparison period have increased by 15 percent or more compared to imports during the base period. We used company-specific shipment data and determined that there were not massive imports either for Iscor or for “all others.” For a detailed analysis, *see* the memorandum from Richard Moreland to Faryar Shirzad, dated April 26, 2002 (*Preliminary Negative Determinations of Critical Circumstances—South Africa*).

#### Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing the Customs Service to suspend liquidation of all imports of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the 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 CEP, 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
Iskor .....	43.32
All Others .....	<sup>1</sup> 43.32

<sup>1</sup> As Iscor was the only respondent that we used in our calculations, we used Iscor’s margin as the all-others rate.

#### ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, pursuant to section 735(b)(2) of the Act, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports

are materially injuring, or threaten material injury to, the U.S. industry.

#### Disclosure

We will disclose the calculations used in our analysis to parties in this proceeding in accordance with 19 CFR 351.224(b).

#### Public Comment

Case briefs for this investigation must be submitted to the Department no later than seven days after the date of the final verification report issued in this proceeding. Rebuttal briefs must be filed five days from the deadline date for case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Section 774 of the Act provides that the Department will hold a public hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by an interested party. If a request for a hearing is made in this investigation, the hearing will tentatively be held three days after the rebuttal brief deadline date at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or 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 publication of this notice. Requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

This determination is published pursuant to sections 733(f) and 777(i) of the Act.

Dated: April 26, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 02-11194 Filed 5-8-02; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-469-812]

#### Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products From Spain

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

**SUMMARY:** We preliminarily determine that certain cold-rolled carbon steel flat products from Spain are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended.

Interested parties are invited to comment on this preliminary determination. We will make our final determination not later than 75 days after the date of this preliminary determination.

**EFFECTIVE DATE:** May 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Irina Itkin at (202) 482-0656, Office of AD/CVD Enforcement, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

#### The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to Department of Commerce (Department) regulations refer to the regulations codified at 19 CFR part 351 (April 2001).

#### Preliminary Determination

We preliminarily determine that certain cold-rolled carbon steel flat products (cold-rolled steel) from Spain are being sold, or are 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 October 18, 2001.<sup>1</sup> See *Notice of*

<sup>1</sup> The petitioners in this investigation are Bethlehem Steel Corporation, LTV Steel Company, National Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., United States Steel Corporation, WCI Steel, Inc., and Weirton Steel Corporation (collectively "the petitioners").

*Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela*, 66 FR 54198 (Oct. 26, 2001) (*Initiation Notice*). Since the initiation of the investigation, the following events have occurred.

On November 13, 2001, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from Argentina, Australia, Belgium, Brazil, China, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, Russia, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela of cold-rolled steel products. See *Certain Cold-Rolled Steel Products From Argentina, Australia, Belgium, Brazil, China, France, Germany, India, Japan, Korea, Netherlands, New Zealand, Russia, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela*, 66 FR 57985 (Nov. 19, 2001).

On November 16, 2001, the Department issued a complete antidumping questionnaire to Aceralia.<sup>2</sup> See the memorandum from the Team to Louis Apple entitled "Antidumping Duty Investigation of Cold-Rolled Carbon Steel Flat Products from Spain—Selection of Respondents," dated November 16, 2001 (*First Respondent Selection Memo*).

On December 13, 2001, Aceralia notified the Department that it did not make sales of subject merchandise during the Period of Investigation (POI). Rather, Aceralia stated that all of its U.S. sales during the POI consisted of either merchandise which was outside the scope of the investigation or a single trial sale of subject merchandise which was later cancelled. On December 19, 2002, we requested that Aceralia provide information on the physical

<sup>2</sup> Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales, or, if the home market is not viable, of sales in the most appropriate third-country market (this section is not applicable to respondents in non-market economy (NME) cases). Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production (COP) of the foreign like product and the constructed value (CV) of the merchandise under investigation. Section E requests information on further manufacturing.