

Chloride From the People's Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review 67 FR 45088 (July 3, 2002).

Extension of Time Limit for Preliminary Results of Review

We determine that it is not practicable to complete the preliminary results of this review within the current time limit. Therefore, the Department is extending the time limit for completion of the preliminary results until no later than October 31, 2002. See Decision Memorandum from Holly A. Kuga to Bernard T. Carreau, dated concurrently with this notice, which is on file in the Central Records Unit, Room B-099 of the Department's main building. We intend to issue the final results no later than 120 days after the publication of the preliminary results notice.

This extension is in accordance with section 751(a)(3)(A) of the Act.

Dated: August 2, 2002.

Bernard T. Carreau,

Deputy Assistant Secretary for Import Administration, Group II.

[FR Doc. 02-20080 Filed 8-7-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-823-812]

Antidumping Duty Investigation of Carbon and Certain Alloy Steel Wire Rod From Ukraine.

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

ACTION: Notice to defer a decision regarding Ukraine's non-market economy status.

SUMMARY: The Department of Commerce is deferring its decision regarding Ukraine's non-market economy status beyond the instant investigation's final determination date of August 23, 2002, as provided in section 771(18)(C)(ii) of the Tariff Act of 1930, as amended.

DATE: August 8, 2002.

FOR FURTHER INFORMATION CONTACT: George Smolik, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-1843.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

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.

Background

The Government of Ukraine and Krivorozhstal, the sole respondent in the instant proceeding, have requested revocation of Ukraine's non-market economy ("NME") status. In response to the request, the Department has invited and received public comments and rebuttal comments regarding Ukrainian economic reforms. See 67 FR 19394 (April 19, 2002). In addition, the Department has compiled and analyzed information regarding Ukrainian economic reforms from independent third-party sources that we commonly cite for our decisions in this area.

Decision Deferral

The Department has developed a great deal of information regarding Ukraine's economic reforms. The information raises a broad range of issues that require additional time to evaluate before the Department makes a decision on this matter. The Department is therefore deferring its decision regarding Ukraine's non-market economy status beyond the instant investigation's final determination date of August 23, 2002. Since a country's NME status remains in effect until revoked, Ukraine will continue to be treated as a NME country for purpose of the instant final determination (see section 771(18)(C)(i) of the Act).

August 5, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-20238 Filed 8-7-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-878]

Initiation of Antidumping Duty Investigation: Saccharin from the People's Republic of China

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

EFFECTIVE DATE: August 8, 2002.

FOR FURTHER INFORMATION CONTACT:

Javier Barrientos or Sally Gannon, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, telephone: (202) 482-2243, respectively.

DC 20230; telephone: (202) 482-2243, (202) 482-0162, respectively.

SUPPLEMENTARY INFORMATION:

Initiation Of Investigation

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the Tariff Act of 1930 ("Act"), as amended. In addition, unless otherwise indicated, all citations to the Department of Commerce's ("Department") regulations are to 19 CFR Part 351 (2002).

The Petition

On July 11, 2002, the Department received a petition on imports of saccharin from the People's Republic of China ("PRC") filed in proper form by PMC Specialties Group, Inc., hereinafter referred to as "the Petitioner." On July 23, 2002, the Department requested clarification of certain areas of the petition and received a response on July 26, 2002.

In accordance with section 732(b) of the Act, the Petitioner alleges that imports of saccharin from the PRC are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, and threatening material injury to, an industry in the United States.

The Petitioner is a saccharin producer and accounts for over fifty percent of domestic production of saccharin, as defined in the petition. Therefore, the Department finds that the Petitioner has standing to file the petition because it is an interested party as defined under section 771(9)(C) of the Act, with respect to the merchandise subject to this investigation. The Petitioner has demonstrated sufficient industry support with respect to the antidumping duty investigation, which it is requesting the Department to initiate (see "Determination of Industry Support for the Petition" below).

Scope of Investigation

The product covered by this investigation is saccharin. Saccharin is a non-nutritive sweetener used in beverages and foods, personal care products such as toothpaste, table top sweeteners, and animal feeds. It is also used in metalworking fluids. There are four primary chemical compositions of saccharin: (1) sodium saccharin (American Chemical Society Chemical Abstract Service ("CAS") Registry 1128-44-9); (2) calcium saccharin (CAS Registry 16485-34-3); (3) acid (or insoluble) saccharin (CAS Registry 181-

07-2); and (4) research grade saccharin. Most of the U.S.-produced and imported grades of saccharin from the PRC are sodium and calcium saccharin, which are available in granular, powder, spray-dried powder, and liquid forms.

The merchandise subject to this investigation is classifiable under subheading 2925.11.00 of the Harmonized Tariff Schedule of the United States (HTSUS) and includes all types of saccharin imported under this HTSUS subheading, including research and specialized grades.¹ Although the HTSUS subheading is provided for convenience and Customs purposes, the Department's written description of the scope of this investigation remains dispositive.

During our review of the petitions, we discussed the scope with the petitioner to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (62 FR 27323), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments within 20 calendar days of the publication of this notice. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product, and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product.

Thus, to determine whether the petition has the requisite industry support, the statute directs the

Department to look to producers who produce the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the domestic like product, such differences do not render the decision of either agency contrary to law.²

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

In this case, the domestic like product referred to in the petition is the single domestic like product defined in the "Scope of Investigation" section, above. At this time, the Department has no basis on the record to find the petition's definition of the domestic like product to be inaccurate. The Department, therefore, has adopted the domestic like product definition set forth in the petition.

Moreover, the Department has determined that the petition contains adequate evidence of industry support; therefore, polling was unnecessary. See *Import Administration AD Investigation of Saccharin from the PRC: Initiation Checklist*, (July 31, 2002) ("Initiation Checklist"), at Attachment II (public version on file in the Central Records Unit of the Department of Commerce, Room B-099). To the best of the Department's knowledge, the Petitioner supporting the petition represents over 50 percent of total production of the domestic like product. Additionally, no person who would qualify as an interested party pursuant to section 771(9) (C), (D), (E), (F), or (G) of the Act has expressed opposition to the petition.

Accordingly, the Department determines that this petition is filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Export Price and Normal Value

The following is a description of the allegation of sales at less than fair value ("LTFV") upon which the Department based its decision to initiate this investigation. The sources of data for the deductions and adjustments relating to U.S. price and factors of production are also discussed in the *Initiation Checklist*. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determination, we may reexamine the information and revise the margin calculations, if appropriate. The anticipated period of investigation ("POI") is January 1, 2002 through June 30, 2002.

The Petitioner identified five PRC companies as producers and exporters of saccharin in the PRC. See *Initiation Checklist* at Attachment I.

The Petitioner submitted an LTFV analysis for the PRC as a non-market economy ("NME"). The Petitioner provided a dumping margin calculation using the Department's NME methodology as required by 19 C.F.R. § 351.202(b)(7)(i)(C).

Export Price

Petitioner calculated a range of export prices using average unit values (AUVs) of saccharin imports reported by the U.S. Census Bureau and the price quotes it obtained, subtracting ocean freight, insurance, brokerage and handling charges and foreign inland freight, where appropriate. See Petition at Exhibit 6; and Letter from Petitioner to the Department: Response to Petition Clarifications Questions (July 26, 2002) ("Petition Clarifications") at Exhibits 1 and 2, for a detailed calculation of these export prices. Petitioner did not calculate imputed credit expenses for PRC sales because the petition bases normal value ("NV") on a factors of production analysis pursuant to section 773(c) of the Act. See *Initiation Checklist* for further information.

Petitioner argues that, because at least one PRC producer of saccharin sells to an affiliated reseller in the United States, some sales during the period of investigation ("POI") should be considered constructed export price ("CEP") sales.³ See *Initiation Checklist*.

² See *Algoma Steel Corp. Ltd., v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).

³ Petitioner alleges that Suzhou maintains an affiliated reseller, Suzhou-Chem USA, Inc., which is located at 17 Appleby Rd., Suite B1 Wellesley, MA 02482.

¹ See *Harmonized Tariff Schedule of the United States* (2002) (Rev. 3), Chapter 29, Section VI at 29-60.

Normal Value

For the normal value (“NV”) calculation, Petitioner based the factors of production, as defined by section 773(c)(3) of the Act (raw materials, labor and energy), for saccharin on information from PRC producers. *See Initiation Checklist.*

The Petitioner selected India as the surrogate country for purposes of valuing the factors of production. The Petitioner argued that, pursuant to section 773(c)(4) of the Act, India is an appropriate surrogate because it is a market-economy country that is at a comparable level of economic development to the PRC and is a significant producer of comparable merchandise. Based on the information provided by the Petitioner, we believe that the Petitioner’s use of India as a surrogate country is appropriate for purposes of initiation of this investigation. *See Initiation Checklist.*

In accordance with section 773(c)(4) of the Act, the Petitioner valued factors of production, where possible, on reasonably available, public, surrogate country data. To value certain raw materials, the Petitioner used various sources including import statistics from India, the periodical *Chemical Weekly*, and U.S. Census data. *See Initiation Checklist.* Where Indian import statistics were used, the Department recalculated the data to exclude NME countries and countries determined to provide non-industry specific export subsidies. *See Final Determination of Sales at Less Than Fair Value: Certain Automotive Replacement Glass Windshields from the People’s Republic of China*, 67 FR 6482 (February 12, 2002) and accompanying *Issues and Decision Memorandum*. For inputs valued in Indian Rupees and not contemporaneous with the POI, the Petitioner used information from the wholesale price indices (“WPI”) in India, as published by the International Monetary Fund, to determine the inflation adjustment.

The Petitioner explained that, as a result of the saccharin production process, certain byproducts are created that can in turn be sold by the producer to offset the cost of production. Petitioner calculated the quantity of byproducts released per pound of saccharin production, and identified Indian prices to value sales of these byproducts. The quantity of byproduct was then multiplied by the Indian price to determine the total amount of byproduct offset, and subtracted this amount from the total variable cost of

producing saccharin. *See Initiation Checklist.*

To value electricity, Petitioner obtained industrial electricity costs in India from the 2000–2001 annual report of National Peroxide Limited (“National Peroxide”), a publicly traded Indian chemical producer. Petitioner maintains that this information is appropriate for use as a surrogate value because it accurately reflects the cost associated with an Indian chemical company’s purchases of electricity and is the most contemporaneous pricing data available to Petitioner. *See Initiation Checklist.*

To value coal, Petitioner obtained coal costs in India based on the 1999–2000 financial statement of Hindustan Lever Limited (“Hindustan”), a publicly traded Indian chemical producer. This represents the most contemporaneous information available to Petitioner because National Peroxide’s more recent annual report does not contain data regarding purchases of coal. *See Initiation Checklist.*

Pursuant to 19 C.F.R. §351.408(c)(3), the Department calculates and publishes the surrogate values for labor to be used in non-market economy cases. The Petitioner applied the regression formula published on the Department’s website to derive the PRC labor rate that would be calculated using the Department’s methodology. *See Initiation Checklist.*

For factory overhead (“overhead”), selling, general, and administrative expenses (“SG&A”), and profit, Petitioner states that its research indicated that several companies currently produce saccharin in India. However, to the best of Petitioner’s knowledge, all of these companies are privately owned. Consequently, financial statements for an Indian producer of saccharin were not reasonably available to Petitioner. Overhead was, therefore, calculated based on the most recent financial statements of two Indian chemical producers: Calibre Chemicals Pvt. Limited (“Calibre”) and National Peroxide. Petitioner states that data from the 2000 annual report of Calibre was used by the Department in its recent preliminary and final results of the annual administrative review of *Persulfates from the PRC*, and that the 2000–2001 annual report for National Peroxide has been placed on the record of the current annual review of the dumping order in the same case. The overhead, SG&A, and profit ratios for each company were averaged to obtain the respective surrogate values used. *See Initiation Checklist.*

We made adjustments to NV for packing materials. For further information, see the *Initiation Checklist*.

Based on comparisons of EP and CEP to NV, calculated in accordance with section 773(c) of the Act, the estimated dumping margins for saccharin from the PRC range from 116.64 percent to 355.55 percent.

Fair Value Comparisons

Based on the data provided by the Petitioner, there is reason to believe that imports of saccharin from the PRC are being, or are likely to be, sold in the United States at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petition alleges that the U.S. industry producing the domestic like product is being materially injured, and is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. The Petitioner contends that the industry’s injured condition is demonstrated by: (1) reduced shipments; (2) reduced market share; (3) reduced prices; (4) declining production and capacity utilization; (5) growing inventories; (6) significant operating losses; and, (7) lost sales.

The Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation. *See Initiation Checklist* at Attachment IV.

Initiation of Antidumping Investigation

Based upon our examination of the petition on saccharin from the PRC, we find that the petition meets the requirements of section 732 of the Act. Therefore, we are initiating an antidumping duty investigation to determine whether imports of saccharin from the PRC are being, or are likely to be, sold in the United States at LTFV. Unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the petition has been provided to the government representatives of the PRC. We will attempt to provide a copy of the public version of the petition to each exporter named in the petition, as appropriate, pursuant to 19 CFR 351.203(c)(2).

International Trade Commission Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, no later than August 25, 2002, whether there is a reasonable indication that imports of saccharin from the PRC are materially injuring, or threatening material injury to, a U.S. industry. A negative ITC determination will result in this investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 777(i) of the Act.

Dated: July 31, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-20076 Filed 8-7-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-351-806]

Silicon Metal From Brazil: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent To Revoke Order in Part.

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

SUMMARY: In response to requests by Elkem Metals Company and Globe Metallurgical (collectively petitioners), and requests by Companhia Brasileira Carbureto de Calcio (CBCC), Rima Industrial S.A. (Rima) and Companhia Ferroligas Minas Gerais - Minasligas (Minasligas) (collectively respondents), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on silicon metal from Brazil. The period of review (POR) is July 1, 2000 through June 30, 2001.

We preliminarily determine that one respondent sold subject merchandise at less than normal value (NV) during the POR. We also intend, preliminarily, to revoke the order, in part, with respect to Rima, because we find that Rima has met all of the requirements for revocation, as set forth in section 351.222(b) of the Department's regulations. If these preliminary results are adopted in our final results of this administrative review, we will instruct

the U.S. Customs Service (Customs Service) to assess antidumping duties based on the difference between the export price (EP) or constructed export price (CEP) and NV. We invite interested parties to comment on the preliminary results. Parties who submit comments in this proceeding should also submit with the argument: (1) a statement of the issue(s), and (2) a brief summary of the argument (not to exceed five pages). Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette.

EFFECTIVE DATE: August 8, 2002.

FOR FURTHER INFORMATION CONTACT:

Maisha Cryor at (202) 482-5831 or Thomas Futtner at (202) 482-3814, AD/CVD Enforcement, Office IV, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

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 (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations at 19 CFR Part 351 (2001).

Background

On July 31, 1991, the Department published in the **Federal Register** the antidumping duty order on silicon metal from Brazil. *See Antidumping Duty Order: Silicon Metal from Brazil* 56 FR 36135 (July 31, 1991). On July 2, 2001, the Department published in the **Federal Register** a notice of opportunity to request an administrative review of the antidumping duty order on silicon metal from Brazil for the period July 1, 2000, through June 30, 2001. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 66 FR 34910 (July 2, 2001). On July 13, 2001, CBCC requested that the Department conduct an administrative review of its sales. On July 13, 2001, Minasligas requested that the Department conduct an administrative review of its sales and partially revoke the order with respect to Minasligas pursuant to 19 CFR 351.222. On July 31, 2001, Rima

requested that the Department conduct an administrative review of its sales and partially revoke the order with respect to Rima pursuant to 19 CFR 351.222.

On July 31, 2001, petitioners requested that the Department conduct an administrative review of sales made by CBCC, Minasligas and Rima. On August 20, 2001, in accordance with 19 CFR 351.221(c)(1)(i), the Department published in the **Federal Register** a notice of initiation of this antidumping duty administrative review. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 66 FR 43570 (August 20, 2001). On September 5, 2001, the Department issued questionnaires to CBCC, Minasligas and Rima.¹

On October 19, 2001, the Department received responses to sections A through D of the questionnaire from Minasligas. On October 22, 2001, the Department received responses to sections A through C of the questionnaire from Rima. On November 5, 2001, the Department received responses to sections A through D of the questionnaire from CBCC. On February 22, 2002, the Department initiated a cost investigation with respect to Rima. On March 5, 2002, the Department informed Rima that it was required to respond to section D of the Department's questionnaire. On March 22, 2002, the Department received a response to section D of the questionnaire from Rima.

The Department issued supplemental questionnaires to Minasligas on March 29, 2002, April 12, 2002, and June 7, 2002, and received responses on April 24, 2002, and June 21, 2002. The Department issued supplemental questionnaires to CBCC on March 29, 2002, and May 24, 2002, and received responses on April 19, 2002 and June 12, 2002. The Department issued supplemental questionnaires to Rima on April 12, 2002, May 15, 2002 and May 17, 2002 and received responses on May 3, 2002, and May 31, 2002.

On March 15, 2002, in accordance with section 751(a)(3)(A) of the Act, the

¹ 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.