DEPARTMENT OF COMMERCE

International Trade Administration

[A–421–804]

Cold-Rolled Carbon Steel Flat Products From the Netherlands: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to requests from the petitioners and respondent, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on cold-rolled carbon steel flat products from the Netherlands. The review covers one manufacturer/exporter of the subject merchandise to the United States during the period August 1, 1998 through July 31, 1999. The sole respondent did not respond to our supplemental questionnaire and subsequently withdrew from this review. As a result, we are basing our preliminary results on adverse facts available. If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties on entries during the POR.

We invite interested parties to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue; and (2) a brief summary of the argument.

EFFECTIVE DATE: May 10, 2000.

FOR FURTHER INFORMATION CONTACT: Deborah Scott or Robert James, Antidumping and Countervailing Duty Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482–2657 or (202) 482–0649, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act by the Uruguay Round Agreements Act (URAA) of 1994. In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR part 351 (1999).

Background

The Department of Commerce published an antidumping duty order on cold-rolled carbon steel flat products from the Netherlands on August 19, 1993 (58 FR 44172). The Department published a notice of ''Opportunity To Request Administrative Review'' of the antidumping duty order for the 1998–1999 review period on August 11, 1999 (64 FR 43649). On August 31, 1999, both the respondent, Hoogovens Staal BV and Hoogovens Steel USA, Inc. (Hoogovens), and petitioners (Bethlehem Steel Corporation, U.S. Steel Group (a Unit of USX Corporation), Ispat Inland Inc., LTV Steel Company, Inc. and National Steel Corporation) filed requests for review. We published a notice of initiation of the review on October 1, 1999 (64 FR 53318).

The Department is conducting this review in accordance with section 751(a) of the Tariff Act.

Scope of the Review

The products covered by this review include cold-rolled (cold-reduced) carbon steel flat-rolled products, of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished or coated with plastics or other nonmetallic substances, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0090, 7209.17.0030, 7209.17.0060, 7209.17.0090, 7209.18.1530, 7209.18.1560, 7209.18.2550, 7209.18.6000, 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7210.90.9000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7215.50.0015, 7215.50.0060, 7215.50.0090, 7215.90.5000, 7217.10.1000, 7217.10.2000, 7217.10.3000, 7217.10.7000, 7217.90.1000, 7217.90.5030, 7217.90.5060, and 7217.90.5090. Included in this review are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been ''worked after rolling'')—for example, products which have been beveled or rounded at the edges. Excluded from this review is certain shadow mask steel, *i.e.*, aluminum-killed, cold-rolled steel coil that is open-coil annealed, has a carbon content of less than 0.002 percent, is of 0.003 to 0.012 inch in thickness, 15 to 30 inches in width, and has an ultra flat, isotropic surface. These HTS item numbers are provided for convenience and Customs purposes. The written description of the scope of this order remains dispositive.

Use of Facts Available

Section 776(a)(2) of the Tariff Act provides that if an interested party or any other person (A) withholds information that has been requested by the administering authority; (B) fails to provide such information by the deadlines for the submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782; (C) significantly impedes a proceeding under this title; or (D) provides such information but the information cannot be verified as provided in section 782(i), the administering authority shall, subject to section 782(d), use the facts otherwise available in reaching the applicable determination under this title.

On October 5, 1999, the Department issued its antidumping questionnaire to Hoogovens. Hoogovens submitted its response to sections A, B, C, and the constructed value (CV) portion of section D on November 19, 1999. On December 9, 1999, petitioners alleged that Hoogovens had made sales in the home market at prices below its cost of production (COP) and requested that the Department commence a sales-below-cost investigation. Based on our review of petitioners' allegation, we determined that there were reasonable grounds to believe or suspect that Hoogovens had made sales of subject merchandise in the Netherlands at prices below COP. Thus, on December 22, 1999, the Department announced that it would initiate a sales-below-cost investigation to determine whether Hoogovens' sales of cold-rolled carbon steel flat products were made at prices below COP during the POR. We subsequently issued a letter requiring Hoogovens to submit home market COP data by January 20,

2000. Hoogovens timely responded to this initial COP questionnaire.

On January 18, 2000 the Department issued a supplemental questionnaire to address significant deficiencies in sections A, B, and C of Hoogovens' original questionnaire. In our supplemental questionnaire we requested clarification on issues such as the total value of home market sales and the calculation of various home market and U.S. movement and selling expenses. Additionally, the Department sought information concerning the sales process in the U.S. in order to determine whether Hoogovens' U.S. sales should be classified as export price (EP) or constructed export price (CEP) sales. We requested that Hoogovens respond to this supplemental questionnaire by February 1, 2000. In response to Hoogovens' requests on January 28, 2000 and February 8, 2000 to extend this deadline, the Department first granted an extension until February 15, 2000 and then a further extension until February 22, 2000. On February 17, 2000, Hoogovens submitted another request that the deadline for its response be postponed. The Department declined this third request for an extension.

Hoogovens did not submit a response to the Department's supplemental questionnaire. In a March 3, 2000 submission Hoogovens declared that it was withdrawing from this review because the recent merger between Hoogovens and British Steel to form the Corus Group rendered Hoogovens ''unable at this time to devote the necessary resources to the Department's review.''

Absent the supplemental information requested by the Department, we find that Hoogovens' original questionnaire response is unusable for purposes of our analysis. Pursuant to section 782(e) of the Tariff Act, the Department must consider information submitted by an interested party if all of the following criteria are met: (1) The information is submitted by the deadline established for its submission; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability in providing the information and meeting the requirements established by the administering authority with respect to the information; and (5) the information can be used without undue difficulties.

Hoogovens withdrew from this review without ever responding to the Department's supplemental questionnaire. In failing to provide clarification on significant issues in this case, we have determined that Hoogovens did not act to the best of its ability. Without the additional information and clarification we requested on Hoogovens' home market sales value, U.S. sales process, and home market and U.S. expense calculations, the Department cannot determine whether the complete universe of home market sales was reported, whether Hoogovens Stahl USA's (HSUSA's) sales should be classified as EP or CEP, or whether Hoogovens has reported certain of its home market and U.S. expenses appropriately. Therefore, the information provided in the original questionnaire response does not serve as a reliable basis upon which to calculate a dumping margin for Hoogovens. Further, because of Hoogovens' withdrawal from this proceeding, the Department could not verify, as provided in section 782(i) of the Tariff Act, any of the information that Hoogovens placed on the record prior to its withdrawal.

Since Hoogovens failed to meet the requirements set forth in section 782(e) of the Tariff Act, we have determined that the information submitted by Hoogovens in this review cannot be used to make a determination in this case. Therefore, we determine that the use of facts available is warranted pursuant to section 776(a)(2)(A) and (C) of the Tariff Act because Hoogovens failed to provide information requested by the Department and significantly impeded this proceeding.

In addition, section 776(b) of the Tariff Act provides that, if the Department finds that an interested party ''has failed to cooperate by not acting to the best of its ability to comply with a request for information,'' the Department may use information that is adverse to the interests of the party as facts otherwise available. Adverse inferences are appropriate ''to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.'' *See* Statement of Administrative Action (SAA) accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Session at 870 (1994).

The Department finds that in not responding to the supplemental questionnaire, Hoogovens failed to cooperate by not acting to the best of its ability to comply with requests for information. Therefore, pursuant to section 776(b) of the Tariff Act, we may, in making our determination, use an adverse inference in selecting from the facts otherwise available. This adverse inference may include reliance on data derived from the petition, a previous determination in an investigation or review, or any other information placed on the record. For this review we have assigned a margin of 19.32 percent as the facts available rate to Hoogovens. This rate represents the highest rate for any respondent in any prior segment of this proceeding, which happens to be a prior rate calculated for Hoogovens itself, as corrected pursuant to litigation. See Amended Final Determination Pursuant to CIT Decision: Certain Cold-Rolled Carbon Steel Flat Products From the Netherlands, 61 FR 47871 (September 11, 1996).

Information from prior segments of the proceeding constitutes secondary information, and section 776(c) of the Tariff Act provides that the Department shall, to the extent practicable, corroborate secondary information from independent sources reasonably at its disposal. The Statement of Administrative Action (SAA) provides that ''corroborate'' means simply that the Department will satisfy itself that the secondary information to be used has probative value (*see* the SAA at 870.

To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. Thus, in an administrative review, if the Department chooses as adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin inappropriate. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin (*see, e.g.,* Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review, 61 FR 6812, 6814 (February 22, 1996) (where the Department disregarded the highest margin as adverse facts available because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin)).

As discussed above, it is not necessary to question the reliability of a calculated margin from a prior segment of the proceeding. Further, there are no circumstances indicating that this margin is inappropriate as facts

available. Again, this margin represents a calculated rate for Hoogovens, using its own data and as corrected pursuant to litigation. Therefore, we preliminarily find that the 19.32 percent rate is corroborated.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that a weighted-average dumping margin of 19.32 percent exists for Hoogovens for the period August 1, 1998 through July 31, 1999.

Interested parties may submit written comments (case briefs) no later than 30 days after the date of publication of these preliminary results. Rebuttal comments (rebuttal briefs), which must be limited to issues raised in the case briefs, may be filed no later than 37 days after the date of publication of this notice. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument, not to exceed five pages in length. Any interested party may request a hearing within 30 days of publication. Requests for a hearing should specify the number of participants and identify the issues to be discussed. Any hearing, if requested, will be held two days after the submission of rebuttal briefs, if any, or the first working day thereafter. *See* 19 CFR 351.310(c) and (d). The Department will publish a notice of the final results of the administrative review, which will include the results of its analysis of issues raised by the parties, within 120 days of publication of these preliminary results. *See* 19 CFR 351.213(h).

Cash Deposit

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Upon completion of this review the Department will issue appraisement instructions directly to the U.S. Customs Service.

Furthermore, the following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Tariff Act: (1) The cash deposit rate for Hoogovens will be the rate established in the final results of this administrative review; (2) for exporters not covered in this review, but covered in previous reviews or the original less-than-fair-value (LTFV) investigation, the cash deposit rate will continue to be the company-specific published for the most recent period; (3) if the exporter is not a firm covered in this review, previous reviews, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be that established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will be 19.32 percent, the ''all others'' rate established in the original fair value investigation (61 FR 47871).

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: Dated: May 2, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–11597 Filed 5–9–00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–475–703]

Granular Polytetrafluoroethylene Resin From Italy; Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request by the respondent, Ausimont S.p.A. (Ausimont), the Department of Commerce is conducting an administrative review of the antidumping duty order on granular polytetrafluoroethylene (PTFE) resin from Italy. The period of review is August 1, 1998, through July 31, 1999.

We preliminarily find that sales have not been made below normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service to assess no antidumping duties on the subject merchandise exported by Ausimont. We invite interested parties to comment on these preliminary results. Parties who submit comments in this proceeding are requested to submit with each argument: (1) A statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: May 10, 2000.

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Charles Riggle, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–4162 or (202) 482–0650, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations provided in 19 CFR Part 351 (1999).

Background

On August 30, 1988, the Department of Commerce (the Department) published in the **Federal Register** the antidumping duty order on granular PTFE resin from Italy (53 FR 33163). On August 27, 1999, we received a timely request for review from Ausimont and its U.S. affiliated company, Ausimont USA, the only respondent in this administrative review. On November 4, 1999, the Department published in the **Federal Register** a list of antidumping and countervailing duty cases with September anniversary dates for which we were initiating reviews. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part,* 64 FR 60161. This initiation notice also included the initiation of this review of the antidumping duty order on granular PTFE resin from Italy because we inadvertently omitted this review from the previous initiation notice for antidumping cases with August anniversary dates.

We issued a questionnaire to Ausimont on October 8, 1999, followed by a supplemental questionnaire on February 8, 2000, and received