are initiating antidumping duty investigations to determine whether imports of SSA from Japan, Korea, and Spain are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of initiation.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of Japan, Korea, and Spain. We will attempt to provide a copy of the public version of the appropriate petition to each exporter named in the petition.

International Trade Commission Notification

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

Preliminary Determinations by the ITC

The ITC will determine, by October 2, 2000, whether there is a reasonable indication that imports of SSA from Japan, Korea and Spain are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

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

Dated: September 7, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–23685 Filed 9–13–00; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–815]

Sulfanilic Acid From the People's Republic of China; 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: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on sulfanilic acid from the People's Republic of China. The review covers exports of this merchandise to the United States for the period August 1, 1998, through July 31, 1999, and two firms: Zhenxing Chemical Industry Company (Zhenxing) and Yude Chemical Industry Company (Yude). The preliminary results of this review indicate that the two responding parties, Zhenxing and Yude, failed to cooperate by not acting to the best of their ability in responding to our requests for information. Consequently, we have preliminarily decided to use the single margin ''PRC rate'' as adverse facts available with respect to Zhenxing and Yude, which is listed below in the ''Preliminary Results of the Review'' section of this notice.

EFFECTIVE DATE: September 14, 2000.

FOR FURTHER INFORMATION CONTACT: Sean Carey or Dana Mermelstein, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230 at (202) 482–3964 or (202) 482–1391, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

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

Background

On August 11, 1999, the Department published in the **Federal Register** (64 FR 43649) a notice of ''Opportunity to Request Administrative Review'' for the August 1, 1998, through July 31, 1999, period of review (POR) of the antidumping duty order on Sulfanilic Acid from the People's Republic of China, 57 FR 37524 (August 19, 1992). In accordance with 19 CFR 351.213, respondents Zhenxing, Yude, PHT International, Inc. (PHT), and the petitioner, Nation Ford Chemical Company, requested a review for the aforementioned period. On October 1, 1999, we published a notice of ''Initiation of Antidumping Review.'' *See* 64 FR 53318. The Department is now conducting this administrative review pursuant to section 751(a) of the Tariff Act.

On November 12, 1999, Zhenxing and Yude, two companies which are described as joint ventures between Chinese companies and a U.S.-based company named PHT, reported in their responses to Section A (Organization, Accounting Practices, Markets and Merchandise) of the Department's questionnaire that they each had made sales of subject merchandise to the United States during the POR. Zhenxing and Yude submitted responses to Sections C and D (Sales to the United States and Factors of Production, respectively) on December 21, 1999. Responses to three supplemental questionnaires by Zhenxing and Yude were received on April 24, 2000 (first and second supplemental questionnaires), and June 7, 2000. Information pertaining to surrogate values was submitted by petitioner and respondents on May 15, 2000, and August 10, 2000, respectively. Zhenxing submitted corrections to Section D regarding the factors of production for labor on June 29, 2000.

Scope of Review

Imports covered by this review are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and sodium salt of sulfanilic acid.

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble materials present in the sulfanilic acid. All grades are available as dry, free flowing powders.

Technical sulfanilic acid, classifiable under the subheading 2921.42.24 of the Harmonized Tariff Schedule (HTS), contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline, and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid, also classifiable under the subheading 2921.42.24 of the HTS, contains 98 percent minimum sulfanilic acid, 0.5 percent maximum aniline and 0.25 percent maximum alkali insoluble materials.

Sodium salt (sodium sulfanilate), classifiable under the HTS subheading 2921.42.79, is a powder, granular or crystalline material which contains 75 percent minimum equivalent sulfanilic acid, 0.5 percent maximum aniline based on the equivalent sulfanilic acid content, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

Although the HTS subheadings are provided for convenience and customs

purposes, our written description of the scope of this proceeding is dispositive.

Period of Review

The review period is August 1, 1998 through July 31, 1999.

Verification

As provided in section 782(i) of the Tariff Act, we verified information provided by the respondents using standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results will be outlined in a verification report to be issued presently. A public version of this, and all memoranda generated by the Department, will be on file in the Department's Central Records Unit (CRU) located in room B–099 of the Department's main building.

Request for Revocation

In conjunction with respondents' request for a review submitted on August 31, 1999, Zhenxing and Yude also requested revocation of the antidumping duty order on sulfanilic acid from China with respect to their sales of this merchandise. Respondents' request for partial revocation was not in accordance with 19 CFR 351.222(e) because it was not accompanied by a certification that Zhenxing and Yude had not sold the subject merchandise at less than normal value for a three-year period, and would not do so in the future. Furthermore, in the 1997–1998 administrative review of sulfanilic acid from the PRC we determined that Zhenxing and Yude sold sulfanilic acid at less than normal value. See Final Results of Anitdumping Duty Administrative Review: Sulfanilic Acid from the People's Republic of China, 65 FR 13366 (March 13, 2000). Finally, as discussed below, we find in the current review that Zhenxing and Yude had sales at less than normal value. *See,* ''Use of Facts Otherwise Available'' below. Consequently, we preliminarily determine that because Zhenxing and Yude did not file a proper request for revocation, and do not have three consecutive years of zero or *de minimis* margins on sulfanilic acid, they are not eligible for partial revocation of the order on sulfanilic acid under 19 CFR 351.222(b)(1)(i).

Determination of Producers

In the 1997–1998 review the Department determined that Zhenxing and Yude were separate entities and that Zhenxing was affiliated with Mancheng Zhenxing Chemical Factory (Mancheng) while Yude was affiliated with Mancheng Xinyu Chemical Factory (Xinyu). We again reviewed this matter in the instant review and the Department preliminarily determines that Mancheng and Xinyu do not exist as separate entities. Rather, when Mancheng and Xinyu each entered into joint venture agreements with PHT, the resulting joint ventures took the names Zhenxing and Yude, respectively. *See* Zhenxing's and Yude's supplemental questionnaire response dated April 24, 2000. Record evidence indicates that Zhenxing and Yude did not produce or sell any products for domestic consumption or export under the names Mancheng or Xinyu during the POR. *See* Zhenxing's and Yude's response to the Department's first and second supplemental questionnaires, dated April 24, 2000.

Separate Rates

It is the Department's standard policy to assign all exporters of the merchandise subject to review in non-market economy countries a single rate, unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports. To establish whether a company is sufficiently independent to be entitled to a separate, company-specific rate, the Department analyzes each exporting entity in a non-market economy (NME) country under the test established in the Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China, 56 FR 20588 (May 6, 1991) (Sparklers), as amplified by the Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China, 59 FR 22585 (May 2, 1994) (Silicon Carbide).

Accordingly, Zhenxing and Yude both submitted responses to the Department's Section A questionnaire in order to obtain separate, company-specific rates. As a result of our preliminary determination that the responses are not reliable, however (see below), the Department is not granting separate rates to those companies and is assigning the rate of 85.20 as the PRC-wide rate, which also will apply to Zhenxing and Yude.

Use of Facts Otherwise 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.'' The Department has determined that the use of facts otherwise available is appropriate because respondents failed to provide information by the deadlines established by the Department, and some of the information provided could not be verified. Therefore, pursuant to section 776(a)(2)(B) and (D) of the Tariff Act, the Department will use the facts otherwise available to determine the appropriate antidumping margins for these companies in this review. We note that, after disregarding the untimely and unverifiable information, the remaining information is too incomplete to serve as a reliable basis for determining dumping margins for Zhenxing and Yude in this review, within the meaning of section 782(e).

We preliminarily determine that the questionnaire response submitted by Yude is incomplete or contradictory to the point that serious concerns remain regarding the basic reliability of the data. The Department had requested on October 15, 1999, that Yude provide complete factors of production information. *See* Department's Antidumping Questionnaire. The deadline for such submission was December 21, 1999, on which day Yude submitted its factors of production information. *See* Yude's response to Sections C and D (Sales to the United States and Factors of Production) of the Department's questionnaire. The Department notified Yude on June 7, 2000, that it would conduct verification. *See* the Department's letters to Zhenxing and Yude with attached verification agendas. Although Yude had submitted on December 21, 1999 what it asserted were complete factors of production, Yude informed the Department on June 15, 2000, at the beginning of verification, that its previously submitted complete factors of production were incorrect and needed to be changed. This notification came eight months after the information was requested, six months after it was due and initially submitted, and not until verification had already commenced. The Department noted at verification that the changes to Yude's factors of production were of such significance that they constituted a new response, and declined to accept or verify these values. See Verification Report at 2.

Further, pursuant to section 782(e) of the Tariff Act, the Department declined to consider the new factors of production information proffered by Yude at verification because the information was not timely submitted by the deadline established by the Department. We preliminarily determine that Yude failed to act to the best of its ability in providing complete, verifiable responses to our requests for information and meeting our requirements because it made no effort to notify the Department promptly upon discovering that its factors of production information was incorrect.

The Department also discovered at verification a substantial number of unreported sales of sulfanilic acid produced by Zhenxing and sold to an unaffiliated U.S. importer. The discovery of these sales contradicted the information submitted in Zhenxing's response to Section A of the Department's questionnaire, in which Zhenxing reported that all of its U.S. sales during the POR were to PHT. On June 20, 2000, as part of our overall verification in this review, we reviewed the records of an import/export corporation (''Company B'')[1] involved with sales of sulfanilic acid produced by Zhenxing and sold to PHT. During this portion of the verification we discovered in Company B's records value-added tax rebates received on export sales of sulfanilic acid. We made several attempts to ascertain the quantity of subject merchandise sold, as well as the identity of the purchaser(s). However, Company B could not account for the revenue received from these sales in its accounting records, and failed to provide the customer's name and final foreign destination of these sales. *See* verification report at 10 and 11. On June 22, 2000, following our verification of Company B and during our verification of Zhenxing, Zhenxing provided us, unsolicited, a number of value-added (VAT) invoices related to these sales through Company B which identify an unaffiliated U.S. importer as the purchaser of sulfanilic acid produced by Zhenxing. The existence of these sales could not be verified in Zhenxing's records, as these only reflected sales by Zhenxing to PHT in the United States, and not the previously unreported sales through Company B to the unaffiliated U.S. importer. *See* verification report at 13 and 14. Accordingly, we determine that use of facts otherwise available pursuant to section 776(a)(2)(D) is appropriate for Zhenxing because Zhenxing has not acted to the best of its ability in reporting all of its POR sales to the United States, as the Department had requested.

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 an inference that is adverse to the interests of that party in selecting from among the facts otherwise available. The Department determines that Yude has not complied to the best of its ability because it failed to meet the deadlines for requested information, despite having ample opportunity to update and correct its submission on factors of production. Yude not only failed to notify the Department of the need for wholesale changes in its factors of production when it became apparent that its original submission was incorrect, but it waited until verification had commenced to provide entirely new information.

The Department finds that Zhenxing also did not act to the best of its ability because it failed to provide complete and verifiable sales information. It was not until the Department discovered the unidentified sales by Company B that it provided the unreported sales information. Zhenxing failed to cooperate by not acting to the best of its ability until confronted with this new information, thereby warranting the Department's use of adverse fact available in determining Zhenxing's rate. Even after the information regarding unreported sales came to light, Zhenxing was unable to provide any information from its records to assist in verifying the matter.

Section 776(b) also authorizes the Department to use, as adverse facts available, information derived from the petition, the final determination, a previous administrative review, or other information placed on the record. The Statement of Administrative Action (SAA) accompanying the URAA clarifies that information from the petition and prior segments of the proceeding is ''secondary information.'' *See* H.Doc. 3216, 103rd Cong. 2d Sess. 870 (1994). If the Department relies on secondary information as facts available, section 776(c) provides that the Department shall, to the extent practicable, corroborate such information using independent sources reasonably at its disposal. The SAA further provides that ''corroborate'' means simply that the Department will satisfy itself that the secondary information to be used has probative value. *See id.* The SAA also states that independent sources used for corroboration may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. *See id.* However, where corroboration is not practicable, that fact will not prevent the Department from applying an adverse inference and using the secondary information in question. *See* 19 CFR 351.308(d).

When making adverse inferences, the SAA authorizes the Department to consider the extent to which a party may benefit from its own lack of cooperation (SAA at 870). Because the PRC-wide rate that was applicable during the POR and that is applicable to current imports is 85.20 percent, a rate derived from the petition, the Department determines that assigning a 85.20 percent rate will prevent non-responding firms from benefitting from their failure to respond to the Department's requests for information. Anything less than the current cash deposit rate would effectively reward non-responding firms for not cooperating by not acting to the best of their ability.

In accordance with the law, the Department, to the extent practicable, will corroborate secondary information by examining the reliability and relevance of the information used. However, in an administrative review the Department will not engage in updating the petition to reflect the prices and costs that are found during the current review. Rather, corroboration consists of determining that the significant elements used to derive a margin in a petition are reliable for the conditions upon which the petition is based. With respect to the relevance aspect of corroboration, the Department will consider the information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant.

To corroborate the LTFV rate of 85.20 percent, we examined the basis of the rates contained in the petition of October 8, 1991. The U.S. price in the petition was based on actual prices from customer purchase orders, invoices and price quotations for refined sulfanilic acid from the PRC. This U.S. price covers delivery to the customer's point of usage. We were able to corroborate the average unit values listed in the petition by comparing those values to publicly available information compiled by the U.S. Census Bureau and made available by the International Trade Commission (ITC). The ITC reports quantity and value by HTS numbers. Using the same HTS numbers as listed

[1] This firm's identity has been accorded treatment as business proprietary information.

in the petition (HTS 2921.42.24, 2921.42.79, and 2921.42.79), we divided the total quantity by the total value for the period referenced in the petition and noted the average unit values were very similar to those reported in the original petition.

The petition also states that due to the non-market economy status of the PRC, the foreign market value was calculated using a factors of production methodology. Based on the production experience of the petitioners, the petition identified actual factors of production for subject merchandise. Such factors include: labor, raw material, energy, overhead, and general selling and administrative expenses. To value these factors of production, the petition used published costs in India for the above-mentioned factors as surrogate values for those in the PRC. *See* Antidumping Petition on Sulfanilic Acid from the People's Republic of China dated October 2, 1991, and found in the CRU. Because petitioners used published, publicly available data for valuing the major inputs, we consider these data to have probative value.

The SAA at 870 specifically states that where ''corroboration may not be practicable in a given circumstance,'' the Department may nevertheless apply an adverse inference. The SAA at 869 emphasizes that the Department need not prove that the facts available are the best alternative information. Therefore, based on our efforts, described above, to corroborate information contained in the petition, and mindful of the legislative history discussing facts available and corroboration, we consider the petition margin we are assigning to non-responding firms in this review as adverse facts available to be corroborated to the extent practicable.

Finally, we note that 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 Fresh Cut Flowers from Mexico; Preliminary Results of Antidumping Duty Administrative Review, 60 FR 49567 (September 26, 1995). We have determined that there is no evidence on the record that would indicate that the margin from the petition is not appropriate. Nothing on the record of this administrative review supports a determination that the highest margin rate from the petition in the underlying investigation does not represent reliable and relevant information for purposes of adverse facts available. This rate has been used as the PRC-wide rate since the Department's Final Determination of Sales at Less Than Fair Value: Sulfanilic Acid from the People's Republic of China, 57 FR 29705 (July 6, 1992).

Preliminary Results of the Review

We preliminarily determine to use the rate of 85.20 percent as the adverse facts available for the period August 1, 1998 through July 31, 1999 for all firms which have not demonstrated that they are entitled to separate rates, including Zhenxing and Yude.

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five (5) days after the date of publication of this notice. Pursuant to 19 CFR 351.309, interested parties may submit written comments in response to these preliminary results. Case briefs are currently scheduled for submission within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five (5) days after the time limit for filing case briefs. 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. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments to be raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the deadline for submission of rebuttal briefs. The Department will issue the final results of this administrative review, including its analysis of issues raised in any case or rebuttal brief or at a hearing, not later than 120 days after the date of publication of this notice.

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

Furthermore, upon issuance of the final results of this review, the following deposit rates will be effective with respect to all shipments of sulfanilic acid from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this review, as provided for by section 751(a)(2)(c) of the Tariff Act: (1) The cash deposit rate for reviewed companies listed above will be the rates for those firms established in the final results of this review; (2) for companies previously found to be entitled to a separate rate and for which no review was requested, the cash deposit rate will be the rate established in the most recent review of that company; (3) for all other PRC exporters of subject merchandise, the cash deposit rate will be the China-wide rate of 85.20 percent; and (4) the cash deposit rate for non-PRC exporters of subject merchandise from the PRC will be the rate applicable to the PRC supplier of that exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification of Interested Parties

This notice serves as a preliminary reminder to importers of their responsibility under section 351.402 of the Department's regulations 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 771 (i)(1) of the Tariff Act.

Dated: August 30, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–23689 Filed 9–13–00; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

University of Texas at San Antonio; Notice of Decision on Application for Duty-Free Entry of Electron Microscope

This is a decision pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89–651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 00–026. *Applicant:* University of Texas at San Antonio, San Antonio, TX 78249–0662. *Instrument:* Electron Microscope, Model JEM–1230. *Manufacturer:* JEOL, Ltd., Japan. *Intended Use:* See notice at 65 FR