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.

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we are directing the Customs Service to suspend liquidation of all imports of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**.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
Highveld	7.22
All Others	7.22[1]

[1] As Highveld was the only respondent that we used in our calculations, we used Highveld'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 735(b)(2) 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 two days after the rebuttal brief deadline date at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 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: (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.

We will make our final determination by no later than 135 days after the publication of this notice in the **Federal Register**.

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

Dated: December 19, 2001.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

[FR Doc. 01–31988 Filed 12–27–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–821–814]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From the Russian Federation

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

ACTION: Notice of Preliminary Determination of Sales at Less Than Fair Value.

SUMMARY: We preliminarily determine that structural steel beams from the Russian Federation 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. Since we are postponing the final determination, we will make our final determination not later than 135 days after the date of publication of this preliminary determination in the **Federal Register**.

EFFECTIVE DATE: December 28, 2001.

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3477 or (202) 482–4477, respectively.

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 at 19 CFR part 351 (April 2001).

Background

Since the initiation of this investigation (*Initiation of Antidumping Duty Investigations: Structural Steel Beams From the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan,* 66 FR 33048 (June 20, 2001) (*Initiation Notice*)), the following events have occurred.

On July 9, 2001, the United States International Trade Commission (''ITC'') preliminarily determined that there is a reasonable indication that imports of structural steel beams from the Russian Federation are materially injuring the United States industry (see ITC Investigation Nos. 731–TA–935–942 (Publication No. 3438)).

We issued the antidumping questionnaire to Guryevsk Steel Works, Magnitogorsk Iron and Steel Works, and Nizhny Tagil Iron and Steel Works on July 18, 2001. We only received a questionnaire response from Nizhny Tagil Iron and Steel Works (Tagil).

During the period August through October 2001, the Department received responses to sections A, C, and D of the Department's original and supplemental questionnaires from Tagil.

On September 25, 2001, pursuant to 19 CFR 351.205(e), the petitioners made

a timely request to postpone the preliminary determination. We granted this request on October 2, 2001, and postponed the preliminary determination until no later than November 30, 2001. (See *Notice of Postponement of Preliminary Determinations of Sales at Less Than Fair Value: Structural Steel Beams from the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain and Taiwan,* 66 FR 51639 (October 10, 2001).) On October 30, 2001, the petitioners made another timely request to postpone the preliminary determination for an additional 19 days. We granted this request on October 31, 2001, and postponed the preliminary determination until no later than December 19, 2001. (See *Notice of Postponement of Preliminary Antidumping Duty Determinations: Structural Steel Beams from the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain and Taiwan,* 66 FR 56078 (November 6, 2001)).

Postponement of Final Determination and Extension of Provisional Measures

Pursuant to section 735(a)(2) of the Act, on December 7, 2001, Tagil 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 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), because (1) Our preliminary determination is affirmative, (2) Tagil 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

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams (''W'' shapes), bearing piles (''HP'' shapes), standard beams (''S'' or ''I'' shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

In accordance with the preamble to our regulations (see *Antidumping Duties; Countervailing Duties,* 62 FR 27296, 27323 (May 19, 1997)), we set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within 20 calendar days of publication of the *Initiation Notice* (see 66 FR 33048–33049). Interested parties submitted such comments by July 10, 2001. Additional comments were subsequently submitted by interested parties.

Pursuant to the Department's solicitation of scope comments in the *Initiation Notice,* interested parties in this and the concurrent structural steel beams investigations request that the following products be excluded from the scope of the investigations: (1) Beams of grade A913/65 and (2) forklift mast profiles.

With respect to the scope-exclusion requests for the A913/65 beam and forklift mast profiles, the interested parties rely upon 19 CFR 351.225(k)(2) and reason that, in general, these products differ from the structural steel beams covered by the scope of the investigations in terms of physical characteristics, ultimate uses, purchaser expectations, channels of trade, manner of advertising and display and/or price. They also argue that these products are not produced by the petitioners.

In considering whether these products should be included within the scope of the investigations, we analyzed the arguments submitted by all of the interested parties in the context of the criteria enumerated in the court decision *Diversified Products Corp.* v. *United States,* 572 F. Supp. 883, 889 (CIT 1983) (''*Diversified*''). For these analyses, we relied upon the petition, the submissions by all interested parties, the International Trade Commission's (''ITC'') preliminary determination, and other information.

After considering the respondent's comments and the petitioners' objections to the exclusion requests regarding the A913/65 beam, we find that the description of this grade of structural steel beam is dispositive such that further consideration of the criteria provided in their submissions is unnecessary. Furthermore, the description of the merchandise contained in the relevant submissions pertaining to this grade of beam does not preclude this product from being within the scope of the investigations. Accordingly, we preliminarily determine that the A913/65 beam does not constitute a separate class or kind of merchandise and, therefore, falls within the scope as defined in the petition.

With respect to forklift mast profiles, having considered the comments we received from the interested parties and the criteria enumerated in *Diversified,* we find that the profiles in question, being doubly-symmetric and having an I-shape, fall within the scope of the investigations. These profiles also meet the other criteria included in the scope language contained in the petition. While the description by the interested party requesting the exclusion indicates some differences, such as in price, between forklift mast profiles and structural steel beams, these differences are not sufficient to recognize forklift mast profiles as a separate class or kind of merchandise. However, given these differences between forklift mast profiles and structural steel beams, we preliminarily determine that forklift mast profiles should be separately identified for model-matching purposes.

We also received a scope-exclusion request by an interested party for fabricated steel beams. This request was subsequently withdrawn pursuant to an agreement with the petitioners to clarify the scope language by adding that

''* * * beams that have additional weldments, connectors or attachments to I-sections, H-sections, or pilings are outside the scope definition.'' However, ''* * * if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector or attachment.'' Accordingly, we modified the scope definition to account for this clarification. See the ''Scope'' section above.

We have addressed these scope-exclusion requests in detail in a Memorandum to Louis Apple and Laurie Parkhill, Directors, AD/CVD Enforcement Group I, Offices 2 and 3, respectively, from The Structural Steel Beams Teams Re: Scope Exclusion Requests, dated December 19, 2001.

Period of Investigation

The period of investigation (''POI'') is October 1, 2000, through March 31, 2001.

Non-Market Economy Country Status for the Russian Federation

The Department has treated the Russian Federation as a non-market-economy (''NME'') country in all past antidumping duty investigations and administrative reviews. See, *e.g., Notice of Final Determination of Sales at Not Less Than Fair Value: Pure Magnesium From the Russian Federation,* 66 Fr 49347 (September 27, 2001); *Notice of Final Determination of Sales at Less Than Fair Value: Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from the Russian Federation,* 64 FR 38626 (July 19, 1999); *Titanium Sponge from the Russian Federation: Final Results of Antidumping Administrative Review,* 64 FR 1599 (Jan. 11, 1999); *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from the Russian Federation,* 62 FR 61787 (Nov. 19, 1997); *Notice of Final Determination of Sale at Less Than Fair Value: Pure Magnesium and Alloy Magnesium from the Russian Federation,* 60 FR 16440 (Mar. 30, 1995) *(Magnesium from Russia Original Investigation Final Determination).* A designation as a NME remains in effect until it is revoked by the Department. See section 771(18)(C) of the Act.

When the Department is investigating imports from a NME country, section 773(c)(1) of the Act directs us to base normal value (''NV'') on the NME producer's factors of production, valued in a comparable market economy that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the ''Normal Value'' section, below.

No party in this investigation has requested a revocation of Russia's NME status. We have, therefore, preliminarily continued to treat Russia as an NME. However, we are currently evaluating Russia's NME status in another ongoing proceeding. See *Notice of Initiation of Inquiry Into the Status of the Russian Federation as a Non-Market Economy Country Under the Antidumping and Countervailing Duty Laws,* 66 FR 54197 (October 26, 2001).

Separate Rates

It is the Department's policy to assign all exporters of subject merchandise in an NME country a single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Tagil has submitted separate-rates information in its section A responses, it has stated that there is no element of government ownership or control, and it has requested a separate, company-specific rate.

The Department's separate-rate test is unconcerned, in general, with macroeconomic/border-type controls (*e.g.,* export licenses, quotas, and minimum export prices), particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level. See *Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less than Fair Value,* 62 FR 61754, 61757 (Nov. 19, 1997); *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review,* 62 FR 61276, 61279 (Nov. 17, 1997); and *Honey from the People's Republic of China: Preliminary Determination of Sales at Less than Fair Value,* 60 FR 14725, 14726 (Mar. 20, 1995).

To establish whether a firm is sufficiently independent from government control to be entitled to a separate rate, the Department analyzes each exporting entity under a test arising out of the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China,* 56 FR 20588 (May 6, 1991), as modified by *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*). Under the separate-rates criteria, the Department assigns separate rates in NME cases only if the NME respondents can demonstrate the absence of both de jure and de facto governmental control over export activities. See *Silicon Carbide* and *Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol from the People's Republic of China,* 60 FR 22545 (May 8, 1998).

1. Absence of De Jure Control

The Department considers the following de jure criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies.

Tagil has placed on the record a number of documents to demonstrate absence of de jure control, including: 1) the Federal Law on Joint Stock Companies (Dec. 26, 1995); 2) the Federal Law No. 158-FZ (Sept. 25, 1998); and 3) the Federal Act No. 3615–1 (October 9, 1992), ''Currency control and supervision'' (as amended through May 31, 2001).

In prior cases, the Department has analyzed these laws and found that they establish an absence of de jure control. See, *e.g., Notice of Preliminary Determination of Sales at Less Than Fair Value: Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From the Russian Federation,* 64 FR 61261, 61268 (Nov. 10, 1999); see also *Notice of Preliminary Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation,* 65 FR 1139, 1142 (Jan. 7, 2000). We have no new information in this proceeding which would cause us to reconsider this determination.

According to Tagil, structural steel beam exports are not affected by export-licensing provisions or export quotas. Tagil claims to have autonomy in setting the contract prices for sales of pure magnesium through independent price negotiations with its foreign customers without interference from the Russian government. Based on the assertions of Tagil, we preliminarily determine that there is an absence of de jure government control over the pricing and marketing decisions of Tagil with respect to this company's structural steel beam export sales.

2. Absence of De Facto Control

The Department typically considers four factors in evaluating whether each respondent is subject to de facto governmental control of its export functions: (1) Whether the export prices

are set by, or subject to, the approval of a governmental authority; (2) whether the respondent has authority to negotiate and sign contracts, and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.

Tagil has asserted the following: (1) It establishes its own export prices; (2) it negotiates contracts without guidance from any governmental entities or organizations; (3) it makes its own personnel decisions; and (4) it retains the proceeds of its export sales and uses profits according to its business needs. Additionally, Tagil's questionnaire responses indicate that company-specific pricing during the POI does not suggest coordination among exporters. This information supports a preliminary finding that there is an absence of de facto governmental control of the export functions of these companies. Consequently, we preliminarily determine that Tagil has met the criteria for the application of separate rates.

Russia-Wide Rate

In all NME cases, the Department implements a policy whereby there is a rebuttable presumption that all exporters or producers located in the NME comprise a single exporter under common government control, the ''NME entity.'' The Department assigns a single NME rate to the NME entity unless an exporter can demonstrate eligibility for a separate rate.

Tagil has preliminarily qualified for a separate rate. Furthermore, the information on the record of this investigation indicates that Tagil is the only Russian producer and/or exporter of the subject merchandise with sales or shipments to the United States during the POI. Based upon our examination and clarification of Customs data, we have determined that there are no other Russian producers and/or exporters of the subject merchandise and consequently none which were required to respond to our questionnaire. Because Tagil, the only known Russian producer of steel beams, responded to our questionnaire and the evidence indicates that there are no other Russian producers or exporters of subject merchandise during the POI, we have calculated a Russia-wide rate for this investigation based on the weighted-average margin we determined for Tagil. This Russia-wide rate applies to all entries of subject merchandise except for entries of subject merchandise exported by Tagil.

Fair Value Comparisons

To determine whether sales of structural steel beams from the Russian Federation to the United States were made at less than fair value (''LTFV''), we compared the constructed export price (''CEP'') to the NV calculated using an NME analysis, as described below. In accordance with section 777A(d)(1)(A)(i) of the Act, we compared POI-wide weighted-average CEPs to weighted-average NV.

In accordance with section 772(b) of the Act, we calculated CEP for those sales where the merchandise was sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter, or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter.

In this case, we based CEP on the packed ex-warehouse, or delivered prices to unaffiliated purchasers in the United States. Where appropriate, we made adjustments for price-billing errors. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included, where appropriate, ocean freight, marine insurance, U.S. brokerage and handling, international freight, U.S. customs duties (including harbor maintenance fees and merchandise processing fees), U.S. inland insurance, U.S. inland freight expenses (i.e., freight from port to warehouse and freight from warehouse to the customer), truck loading expenses, U.S. barging expenses, and post-sale 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 economic activities occurring in the United States, including direct selling expenses (imputed credit costs), and indirect selling expenses (including inventory carrying costs).

In addition, pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit to arrive at CEP. We calculated the CEP-profit ratio for Tagil using the financial data reflected on the income statement of a Turkish producer of steel. For further discussion of the financial statements of this surrogate producer, see the ''Normal Value'' section of this notice below.

Normal Value

1. Surrogate Country

Section 773(c)(4) of the Act requires the Department to value the NME producer's factors of production, to the extent possible, in one or more market-economy countries that: (1) Are at a level of economic development comparable to that of the NME country, and (2) are significant producers of comparable merchandise. The Department has determined that Poland, Venezuela, South Africa, Turkey, Colombia, and Tunisia are countries comparable to Russia in terms of overall economic development. See the August 9, 2001, memorandum from Jeffrey May, Director, Office of Policy to Laurie Parkhill, Office Director, Group 1, Office 3 (Policy Memorandum).

According to the available information on the record, we have determined that South Africa meets the statutory requirements for an appropriate surrogate country for Russia. For purposes of the preliminary determination, we have selected, except where noted, South Africa as the surrogate country, based on the quality and contemporaneity of the currently available data. Accordingly, we have calculated NV using South African values for the Russian producer's factors of production. We have obtained and relied upon publicly available information wherever possible.

2. Factors of Production

In accordance with section 773(c) of the Act, we calculated NV based on factors of production reported by Tagil for the POI. To calculate NV, the reported per-unit factor quantities were multiplied by publicly available South African surrogate values.

For purposes of calculating NV, we valued Russian factors of production, in accordance with section 773(c)(1) of the Act. Factors of production include, but are not limited to: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital cost, including depreciation. In examining surrogate values, we selected, where possible, the publicly available value which was: (1) An average non-export value; (2) representative of a range of prices within the POI or most contemporaneous with the POI; (3) product-specific; and (4) tax-exclusive. For a more detailed explanation of the methodology used in calculating various surrogate values, see the ''Preliminary Determination Factors Valuation Memorandum from senior analyst to the File,'' dated December 19, 2001. In

accordance with this methodology, we valued the factors of production as follows.

In selecting the surrogate values, we considered the availability, quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. We added to South African surrogate values a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corporation* v. *United States,* 117 F. 3d 1401, 1407–08 (Fed. Cir. 1997). Where a producer did not report the distance between the material supplier and the factory, we used as facts available the longest distance reported (*i.e.,* the distance between the Russian seaport and the producer's location). To value rail freight rates, we used a rate for aluminum slabs or ingots provided by Spoornet, a South African rail company. As we were unable to identify a surrogate value for freight by truck, we valued trucking freight expenses using the surrogate value for rail freight. For those values not contemporaneous with the POI, we adjusted for inflation using producer price indices or wholesale price indices published in the International Monetary Fund's *International Financial Statistics.*

We valued the following inputs using the Commodity Trade Statistics Section of the United Nation's Harmonized System import data for South Africa: lime/limestone, iron from ore, iron pellets, coal, ferromanganese, and silicomanganese.

We valued the following inputs using the official South African import statistics obtained from the Trade Statistics data service: ferrosilicon, aluminum, magnesium powder, and silicocalcium.

We valued scrap using information based on import data from the *World Trade Atlas.*

In its October 9, 2001, submission, the respondent calculated a scrap value of $33.00 per metric ton based on imports of this input into South Africa. In its October 9, 2001, submission, the petitioners based scrap-value information on exports of steel scrap from South Africa to various market-economy countries.

The petitioners argue in their November 14, 2001, submission that the Department should refrain from using the respondent's scrap value because the per-unit value for scrap is aberrational. According to the petitioners, the figure used by the respondent represents only 1,525 metric tons of imports, which the petitioners argue is an extremely low volume of steel. See petitioners' November 14, 2001, submission at page 2. In contrast, the respondent argues in its October 19, 2001, submission that the Department's practice is to refrain from using export statistics as a basis for calculating surrogate values when other data are available.

We agree with the petitioners that the respondent's scrap value is aberrational because of the extreme low volume of steel imports to South Africa. We also agree with the respondent that our practice is to refrain from using export statistics as a basis for calculating surrogate values when other data are available. Therefore, because we cannot base the scrap value on imports of steel scrap to South Africa, we have determined that it is appropriate to seek information from other steel-producing countries. Specifically, we attempted to seek scrap-value information from the surrogate countries listed in the August 9, 2001, Policy Memorandum.

We examined whether countries listed on the Policy Memorandum such as Poland, Venezuela, Turkey, Colombia, and Tunisia produced structural steel beams. Based on the *Iron and Steel Works of the World,* 13th Edition, we found that Poland is the only country that produces steel beams. Therefore, we attempted to seek scrap-value information based on imports from this country. We were able to find scrap-value information based on imports from Poland. Specifically, we used data from the *World Trade Atlas* to value scrap. Therefore, because Poland is a market economy and is currently at a level of economic development comparable to Russia as demonstrated by its gross national product, we valued scrap using import statistics from Poland.

We valued both natural gas and heavy oil using data from the International Energy Agency. We valued electricity using the POI electricity rate charged to large industrial users by Eskom, a South African electric utility company.

We valued packing costs using the packing-cost factor presented by Highveld Steel and Vanadium Corporation Ltd. (''Highveld Steel'') in case A–791–811 in the September 12, 2001, public-version submission at exhibit B–3. Although this value is a ranged value, we find that it is the most indicative factor for packing expenses because Highveld Steel is the sole producer of steel beams in South Africa.

The packing-cost factor includes materials, labor, and transport services. Therefore, we did not use any packing material and packing labor amounts submitted by the respondent in our packing-cost calculation.

We valued labor based on a regression-based wage rate in accordance with 19 CFR 351.408(c)(3).

Based on the information submitted by Tagil, we have determined that slag, small coke, waste, and vanadium are by-products. Because they are by-products, we subtracted the sales revenue of slag, coke by-product, waste, and vanadium from the estimated production costs of structural steel beams. This treatment of by-products is consistent with generally accepted accounting principles. See *Cost Accounting: A Managerial Emphasis (1991)* at pages 539–544. We used a South African price quote to value slag, waste, and vanadium and the United Nation's Harmonized System data to value coke by-product.

With respect to the valuation of factory overhead, selling, general and administrative expenses (''SG&A''), and profit, we considered the information on the record submitted by both the petitioners and the respondent for this purpose.

In its October 9, 2001, submission, the petitioners provided a copy of the 2000 annual financial statement of Anglo American plc, the parent company of Highveld Steel, the only South African producer of structural steel beams. In its October 9, 2001, submission, the respondent provided a copy of the 2000 Annual Report of Highveld Steel.

In its October 19, 2001, submission, the respondent argues that the consolidated financial statements of Anglo American should not be used because they do not provide a reasonable basis for evaluating the experience of South African steel beams producers. According to the respondent, there are too many industries included within the Anglo American financial statements. Therefore, for these reasons, the respondent argues that the data in Anglo American's financial statements do not provide an appropriate basis to calculate surrogate ratios for overhead, SG&A, and profit as a reasonable estimate of the steel beam industry in South Africa.

In its November 14, 2001, submission, the petitioners argue that Highveld Steel's financial statement is not a suitable basis for calculating factory overhead, SG&A, and profit ratios because it does not separately identify all SG&A expenses from its cost of sales. According to the petitioners, the inability to separate out SG&A items from employees' remuneration and other cost of sales renders Highveld Steel's financial statement unusable for

purposes of calculating an SG&A ratio. Therefore, for these reasons, the petitioners argue that the Department should rely on Highveld Steel's parent company's financial statements as the basis for calculating factory overhead, SG&A, and profit ratios.

We agree with the respondent that the Anglo American financial statements would not provide a reasonable basis for calculating overhead, SG&A, and profit ratios because the data includes information from businesses and industries dissimilar to the experience of a South African steel beams producer. We also agree with the petitioners that we cannot rely on Highveld Steel's financial statements because it is unclear which elements of Highveld Steel's financial statement constitute SG&A costs. Therefore, since Highveld Steel is the only steel beam producer in South Africa, we have determined that it is appropriate to seek information from other steel-producing countries. Specifically, we attempted to seek financial information from the surrogate countries listed in the Policy Memorandum.

We examined whether countries listed in the memorandum such as Poland, Turkey, Venezuela, Colombia, and Tunisia produced structural steel beams. Based on the *Iron and Steel Works of the World*, 13th Edition, we found that Poland is the only country that produces steel beams. Specifically, we found that Huta Katowice SA is a steel beams producer in Poland. Therefore, we attempted to seek financial information from this company. We were unsuccessful, however, in finding any financial information from this company that would provide an appropriate basis for calculating factory overhead, SG&A, and profit ratios. Because we could not find any financial information concerning production in South Africa or Poland, we have determined that it is appropriate to seek financial information from a steel producer (a non-steel beams producer) in South Africa. Based on the *Iron and Steel Works of the World*, 13th Edition, we found that there are several steel producers in South Africa. We attempted to seek financial information from these steel companies and were unsuccessful in finding any financial information. We then examined whether we could find financial information from steel-producing companies in Poland. We were unsuccessful in finding any financial information from steel producing companies in Poland.

We then examined whether we could find financial information from steel-producing companies in Turkey that would provide the most appropriate base for valuing factory overhead, SG&A, and profit ratios. Based on the *Notice of Preliminary Determination of Sales at Less Than Fair Value: Hot-Rolled, Flat-Rolled, Carbon-Quality Steel Products From the Russian Federation*, 64 FR 9312–9318 (February 25, 1999) (*Hot-Rolled*), we found that, in that case, to value overhead, SG&A expenses, and profit ratios, we used public information reported in the 1997 financial statements of Eregli Demir ve Celik Fabrikalari TAS (''Erdemir''), a Turkish steel producer. Because Turkey is currently at a level of economic development comparable to the Russian Federation as demonstrated by its per-capita GNP and its national distribution of labor, we find it appropriate to use Turkey as a surrogate country to value factory overhead, SG&A, and profit. See Policy Memorandum. Therefore, for purposes of this preliminary determination, we have used this company's financial statements to calculate the factory overhead, SG&A, and profit ratios. However, we welcome interested parties to comment on our determination to use Turkey as a surrogate country and Erdemir's fiscal 1997 financial statements as the basis for calculating factory overhead, SG&A, and profit.

Currency Conversions

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

Verification

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

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. The suspension-of-liquidation instruction will remain in effect until further notice. The weighted-average dumping margin is as follows:

Exporter/manufacturer	Weighted-average margin percentage
Tagil	165.00
Russia-Wide Rate	165.00

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, 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 two days after the rebuttal brief deadline date at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 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: (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.

We will make our final determination no later than 135 days after the publication of this notice in the **Federal Register**.

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

Dated: December 19, 2001.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

[FR Doc. 01–31989 Filed 12–27–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–423–810]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Luxembourg

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

ACTION: Notice of preliminary determination of sales at less than fair value.

SUMMARY: We preliminarily determine that structural steel beams from Luxembourg 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. Because we are postponing the final determination, we will make our final determination not later than 135 days after the date of publication of this preliminary determination in the **Federal Register**.

EFFECTIVE DATE: December 28, 2001.

FOR FURTHER INFORMATION CONTACT: David J. Goldberger or Margarita Panayi, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–4136 or (202) 482–0049, respectively.

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 at 19 CFR part 351 (April 2001).

Background

Since the initiation of this investigation (*Initiation of Antidumping Duty Investigations: Structural Steel Beams From the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan,* 66 FR 33048 (June 20, 2001)) (''*Initiation Notice*''), the following events have occurred.

On July 9, 2001, the United States International Trade Commission (''ITC'') preliminarily determined that there is a reasonable indication that imports of structural steel beams from Luxembourg are materially injuring the United States industry (*see* ITC Investigation Nos. 731–TA–935–942 (Publication No. 3438)).

On July 26, 2001, we selected the largest producer/exporter of structural steel beams from Luxembourg as the mandatory respondent in this proceeding. For further discussion, see Memorandum to Susan H. Kuhbach, Senior Director Office 1, from The Team Re: Respondent Selection dated July 26, 2001. We subsequently issued the antidumping questionnaire to ProfilARBED, S.A. (''ProfilARBED'') on July 26, 2001.

We received section A, B, and C questionnaire responses from ProfilARBED during August and September 2001. Based on our analysis of the responses, we determined that the Luxembourg home market was not viable and that sales to Germany, the largest third-country market, should be reported and used for calculating normal value (''NV''). Further, as the Department stated in the *Initiation Notice,* in the event German sales were to be used for NV, a sales-below-cost investigation would be initiated. Therefore, we also requested that ProfilARBED complete a section D questionnaire response (*see* October 10, 2001, supplemental questionnaire and ''Home Market Viability'' section below).

We issued and received responses to our supplemental questionnaires from October through December 2001.

On September 25, 2001, pursuant to 19 CFR 351.205(e), the petitioners made a timely request to postpone the preliminary determination. We granted this request on October 2, 2001, and postponed the preliminary determination until no later than November 30, 2001. (*See Notice of Postponement of Preliminary Determinations of Sales at Less Than Fair Value: Structural Steel Beams from the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain and Taiwan,* 66 FR 51639 (October 10, 2001).) On October 30, 2001, the petitioners made another timely request to postpone the preliminary determination for an additional 19 days. We granted this request on October 31, 2001, and postponed the preliminary determination until no later than December 19, 2001. (*See Notice of Postponement of Preliminary Antidumping Duty Determinations: Structural Steel Beams from the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain and Taiwan,* 66 FR 56078 (November 6, 2001).)

Postponement of Final Determination and Extension of Provisional Measures

Pursuant to section 735(a)(2) of the Act, on November 21, 2001, ProfilARBED 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 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), because (1) our preliminary determination is affirmative, (2) ProfilARBED accounts for a significant proportion of exports of the subject merchandise, and (3) no compelling reasons for denial exist, we are granting ProfilARBED'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

The scope of these investigations covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams (''W'' shapes), bearing piles (''HP'' shapes), standard beams (''S'' or ''I'' shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of these investigations: (1) Structural steel beams