Appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file in the Central Records Unit, room B–099 of the main Department building. In addition, a complete version of the Decision Memo can be accessed directly on the Web at http://ia.ita.doc.gov/. The paper copy and electronic version of the Decision Memo are identical in content.

Final Results of Review

We determine that the following margin percentages exist:

Manufacturer/exporter	Margin (percent)
Nature's Farm Products (Chile) S.A.(including merchandise shipped by the Colombian firm Compañia Envasadora del Atlantico)	148.51
Ravine Foods	148.51

Assessment Rates and Cash Deposit Requirements

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. We will instruct the Customs Service to apply on an importer-specific basis the assessment rates against the customs values for the subject merchandise entered during the review period. We will also instruct the Customs Service to apply a specific rate to all CEA entries manufactured by NFC and sold to CEA.

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice, as provided by section 751(a)(1) of the Act: (1) the cash deposit rate for the reviewed companies will be the rates indicated above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rates will continue to be the company-specific rates published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate 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 continue to be 148.51 percent, the ''All Others'' rate made effective by the LTFV investigation. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final 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 doubled antidumping duties.

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: May 3, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

Appendix List of Issues

*Comment 1:*Application of Antidumping Duty Margin to Full Value of CEA's Sales

*Comment 2:*NFC's Knowledge of Export Destination

[FR Doc. 02–11771 Filed 5–9–02; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–815]

Sulfanilic Acid From the People's Republic of China; Preliminary Results and Preliminary Partial Rescission of Antidumping Duty Administrative Review

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

EFFECTIVE DATE: May 10, 2002.

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, 2000 through July 31, 2001, and two firms: Zhenxing Chemical Industry Company (Zhenxing) (also known as Baoding Mancheng Zhenxing Chemical Plant) and Xinyu Chemical Plant (Xinyu) (formerly known as Yude Chemical Industry Company). The preliminary results of this review indicate that there are dumping margins only for Zhenxing. We are preliminarily rescinding the review with respect to Xinyu because Xinyu did not export the subject merchandise to the United States during the period of review (POR). Interested parties are invited to comment on these preliminary results. See ''Public Comment'' section of this notice. The dumping margins are listed below in the ''Preliminary Results of the Review'' section of this notice.

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 Tariff Act of 1930 (the Act), as amended. In addition, unless otherwise indicated, all citations to the Department's.32 regulations are to the regulations codified at 19 CFR Part 351 (2001).

Background:

On August 1, 2001, the Department published in the **Federal Register** (66 FR 39729) a notice of ''Opportunity to Request Administrative Review'' of the antidumping duty order on sulfanilic acid from the People's Republic of China, for the August 1, 2000 through July 31, 2001 period of review (POR). In accordance with 19 CFR 351.213(b), Zhenxing requested an administrative review for the aforementioned period on August 27, 2001. Petitioner, Nation Ford Chemical Company, also requested an administrative review of Zhenxing and Xinyu on August 30, 2001. On October 1, 2001, we published a notice of ''Initiation of Antidumping Review'' that included Zhenxing and Xinyu as part of this administrative review. *See* 66 FR 49924, which is being conducting pursuant to section 751(a) of the Act.

Zhenxing, a Chinese manufacturer described as a joint venture with U.S.-

based importer PHT, reported sales of subject merchandise to the United States during the POR in its December 21, 2001 response to Section A of the Department's questionnaire. On January 14, 2002, Zhenxing submitted its response to Sections C and D of this questionnaire. Corrections to sections C and D were filed by Zhenxing on the following day, January 15, 2002.

Zhenxing submitted its response to the Department's first supplemental questionnaire on March 6, 2002. On April 15, 2002, Zhenxing responded to the Department's second supplemental questionnaire.

Partial Rescission:

The Department conducted a query of U.S. Customs Service data on entries of sulfanilic acid from the People's Republic of China made during the POR, and confirmed that Xinyu made no entries during the review period. Therefore, we preliminarily determine to rescind the review with respect to Xinyu.

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 2921.42.22 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 2921.42.22 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 2921.42.90, 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, 2000 through July 31, 2001.

Separate Rate Analysis:

It is the Department's standard policy to assign to 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. *See Mitsubishi Heavy Industries, Ltd., v. U.S.*, 54 F. Supp. 2d 1183 (CIT 1999). 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''). Evidence supporting, though not requiring, a finding of *de jure* absence of government control includes: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; or (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control with respect to exports is based on four criteria: (1) whether the export prices are set by or subject to the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits and financing of losses; (3) whether each exporter has autonomy in making decisions regarding the selection of management; and (4) whether each exporter has the authority to sign contracts and other agreements.

1. Absence of *De Jure* Control

With respect to the absence of *de jure* government control over the export activities of Zhenxing, evidence on the record indicates that Zhenxing's export activities are not controlled by the government. In its questionnaire response, Zhenxing stated that it is an independent legal entity. Zhenxing submitted evidence of its legal right to set prices independent of all government oversight. Our review of Zhenxing's joint venture and business licenses indicates that it is permitted to engage in the exportation of sulfanilic acid. We preliminarily find no evidence of *de jure* government control restricting Zhenxing from the exportation of sulfanilic acid.

2. Absence of *De Facto* Control

With respect to the absence of *de facto* control over export activities, the information provided and reviewed at verification indicates that the management of Zhenxing, itself, is responsible for the determination of export prices, profit distribution, marketing strategy, and contract negotiations. Our analysis indicates that there is no government involvement in the daily operations or the selection of management for this company. In addition, we have found that the respondent's pricing and export strategy decisions are not subject to the review or approval of any outside entity, and that there are no governmental policy directives that affect these decisions.

There are no restrictions on Zhenxing's use of its export earnings. The company's management has the right to negotiate and enter into contracts and may delegate this authority to other company employees. There is no evidence that this authority is subject to any level of governmental approval. According to Zhenxing, the general manager is appointed by the Board of Directors, and management is selected by the general manager in consultation with the board of directors. Zhenxing stated that there is no government involvement in this selection process.

Consequently, because evidence on the record indicates an absence of government control, both in law and in fact, over its export activities, we preliminarily determine that a separate rate should be applied to Zhenxing. For further discussion of the Department's preliminary determination regarding the issuance of separate rates, *see* Separate Rates Decision Memorandum for Barbara Tillman, Director, Office of AD/CVD Enforcement VII, dated May 3, 2002. A public version of this memorandum is on file in the Department's Central Record Unit (CRU).

United States Price:

Zhenxing reported as constructed export price (''CEP'') the U.S. sales made by PHT on behalf of Zhenxing. We calculated CEP based on FOB prices to unaffiliated purchasers in the United States. In past reviews, we have found Zhenxing and PHT to be affiliated, and

there has been no change in their affiliation during this review period. We made deductions for foreign inland freight, ocean freight, marine insurance, U.S. customs duties, U.S. transportation, credit, repacking in the United States, indirect selling expenses, inventory carrying costs, and constructed export price profit, as appropriate, in accordance with sections 772(c) and (d) of the Act. *See* Preliminary Analysis Memorandum dated May 3, 2002, a pubic version of which is on file in the CRU.

For foreign inland freight and ocean freight, respondent reported that these services were provided by NME companies. We valued these expenses using surrogate rates from India. Where appropriate, we calculated expenses which were incurred in U.S. dollars based on the actual U.S. dollar amounts paid for such expenses.

Normal Value:

Section 773(c)(1) of the Act provides that the Department shall determine normal value (''NV'') using a factors of production methodology if (1) the merchandise is exported from a non-market economy (NME) country, and (2) the available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i), any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. None of the parties to this proceeding has contested such treatment in this review. Accordingly, we treated the PRC as an NME country for purposes of this review and we calculated NV by valuing the factors of production as set forth in section 773(c)(3) of the Act in a comparable market economy country which is a significant producer of comparable merchandise. Pursuant to section 773(c)(4) of the Act, we determined that India is comparable to the PRC in terms of per capita gross national product (''GNP''), the growth rate in per capita GNP, and the national distribution of labor; and that India is a significant producer of comparable merchandise. The Department has selected India as the surrogate country in the investigation and all prior administrative reviews of this order. *See Final Determination of Sales at Less Than Fair Value: Sulfanilic Acid from the People's Republic of China*, 57 FR 9409, 9412 (March 18, 1992). For further discussion of the Department's selection of India as the primary surrogate country, *see* Memorandum from Jeffrey May, Director, Office of Policy, to Dana Mermelstein, Program Manager, Office of AD/CVD Enforcement VII, dated March 8, 2002, and the ''Surrogate Values Memorandum,'' dated May 3, 2002.

For purposes of calculating NV, we valued PRC factors of production in accordance with section 773(c)(1) of the Act. 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 POR or most contemporaneous with the POR; (3) product-specific; and (4) tax-exclusive. For factor values where we used Indian import statistics, we did not include data pertaining to imports from non-market economy countries. *See e.g.*, *Notice of Final Results of the Antidumping Duty Administrative Review of Chrome-Plated Lug Nuts from the People's Republic of China*, 63 FR 53872 (October 7, 1998). We also did not include imports from Indonesia, Korea, and Thailand because these countries maintain non-specific export subsidies. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China*, 67 FR 6482 (February 12, 2002).

For those surrogate values not contemporaneous with the POR, we adjusted for inflation where appropriate, using the Indian wholesale price indices (WPI) and U.S. producer price indices (PPI) published in the IMF's International Financial Statistics. When necessary, we adjusted the values for certain inputs reported in *Chemical Weekly* to exclude sales and excise taxes. In accordance with our practice, we added to CIF import values from India a surrogate inland freight cost using a simple average of the reported distances from either the closest PRC port to the factory, or from the domestic input supplier to the factory. *See Final Determination of Sales at Less that Fair Value: Certain Cut-to-Length Carbon Steel Plate from the People's Republic of China*, 62 FR 61964, 61977 (November 20, 1997). In accordance with this methodology, we valued the factors of production as follows:

Consistent with our final results in the 1999–2000 administrative review (*see Sulfanilic Acid from the People's Republic of China*; Final Results of Administrative Review, 66 FR 1962 (January 15, 2001)), we used public price quotes to value aniline, sulfuric acid, sodium bicarbonate, and activated carbon. To value aniline used in the production of sulfanilic acid, we used the rupee per kilogram value for sales in India during the POR as reported in *Chemical Weekly*, excluding any amounts assessed for the Indian excise tax and sales tax. We made adjustments to include costs incurred for freight between the Chinese aniline suppliers and the Zhenxing factory. This price was adjusted for inflation to be concurrent with the POR.

The surrogate freight rates used in the calculation of transportation costs for material inputs and subject merchandise were based on price quotes for truck freight rates from six different Indian trucking companies which were used in the in the *Final Determination of Sales at Less than Fair Value: Bulk Aspirin from the People's Republic of China*, 65 FR 33805

(May 25, 2000) (*Bulk Aspirin*). We also used rail freight rates from *Bulk Aspirin* that were quoted by two Indian rail freight transporters. Both the trucking and rail freight rates were adjusted for inflation to be concurrent with the POR.

To value sulfuric acid used in the production of sulfanilic acid, we used the rupee per kilogram value for sales in India during the POR as reported in *ChemicalWeekly*, excluding the amounts assessed for the Indian excise tax and sales tax. We made additional adjustments to include costs incurred for freight between the Chinese sulfuric acid supplier and the Zhenxing factory in the PRC. This price was adjusted for inflation to be concurrent with the POR.

To value sodium bicarbonate used in the production of sodium sulfanilate, we used the rupee per kilogram value for sales in India during the POR as reported in Chemical Weekly, excluding the amounts assessed for the Indian excise tax and sales tax. We made additional adjustments to include costs incurred for freight between the Chinese sodium bicarbonate supplier and Zhenxing factory in the PRC. This price was adjusted for inflation to be concurrent with the POR.

We averaged public price quotes from two Indian chemical corporations to value activated carbon. These price quotes are specific to the type and grade of activated carbon used in the production of sulfanilic acid. We made adjustments to include costs incurred for inland freight between the Chinese activated carbon supplier and Zhenxing's factory in the PRC. This price was adjusted for inflation to be concurrent with the POR.

To value plastic bags used as packing materials, we used import information

from Indian *Import Statistics* that accounted for the period August 2000 through January 2001.

We adjusted these values to include freight costs incurred between the Chinese plastic bag suppliers and Zhenxing's factory in the PRC. This price was contemporaneous with the POR and therefore, not inflated.

Zhenxing reported its energy usage associated with steam coal and electricity. To value coal, we used import information from *Indian Import Statistics* that accounted for the period August 2000 through January 2001. We adjusted this value to include freight costs incurred between the coal supplier and Zhenxing's factory in the PRC. This price was contemporaneous with the POR and, therefore, not inflated. To value electricity, we used the price of industrial electricity in India in 1997 reported in *Energy, Prices, and Taxes, First Quarter 1999* published by the International Energy Agency. This price was adjusted for inflation to be concurrent with the POR.

The Department's regulations, at 19 CFR 351.408(c)(3), state that ''[f]or labor, the Secretary will use regression-based wage rates reflective of the observed relationship between wages and national income in market economy countries. The Secretary will calculate the wage rate to be applied in nonmarket economy proceedings each year. The calculation will be based on current data, and will be made available to the public.'' To value the factor inputs for labor, we used the wage rates calculated for the PRC in the Department's ''Expected Wages of Selected Non-Market Economy Countries–1999 Income Data'' as updated in September 2001, and made public by the Department on its world-wide web site for Import Administration at *www.ia.ita.doc.gov*.

Following our practice from prior administrative reviews of sulfanilic acid from the PRC, for factory overhead, we used information reported in the *Reserve Bank of India Bulletin* (''*Bulletin*'') for Indian public companies in the chemical industry. We used updated information from the September 2001 *Bulletin*. From this information, we were able to determine factory overhead as a percentage of total cost of manufacturing.

To value ocean freight, we used a value provided by the Federal Maritime Commission used in the *Final Determination of the Antidumping Administrative Review of Sebacic Acid from the PRC*, 62 FR 65674 (December 15, 1997). We adjusted the value for ocean freight for inflation during the POR using the U.S. dollar PPI data published by the IMF.

For selling, general and administrative (SG&A) expenses, we used information reported in the September 2001 *Bulletin* for Indian public companies in the chemical industry. We calculated an SG&A rate by dividing SG&A expenses as reported in the *Bulletin* by the cost of manufacturing.

Finally, to calculate a profit rate, we used information reported in the September 2001 *Bulletin* for Indian public companies in the chemical industry. We calculated a profit rate by dividing the before-tax profit by the sum of those components pertaining to the cost of manufacturing plus SG&A as reported in the *Bulletin*.

For a complete discussion of the Department's selection of surrogate values and copies of source documents relating to their valuation, see the Department's ''Surrogate Values Memorandum,'' dated May 3, 2002.

Preliminary Results of Review:

We preliminarily determine the weighted average dumping margin for Zhenxing for the period August 1, 2000 through July 31, 2001 to be 46.27 percent.

Public Comment:

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 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. Normally, case briefs are to be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, are to be submitted no later than five days after the time limit for filing case briefs. Parties who submit arguments in this proceeding are requested to submit with the argument: (1) a statement of the issues, 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 date for submission of rebuttal briefs. Representatives of parties to the proceeding may request disclosure of proprietary information under administrative protective order no later than ten days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date case briefs are due. The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any case or rebuttal brief, not later than 120 days, unless extended, after publication of these preliminary results.

Duty Assessments and Cash Deposit Requirements:

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 liquidation instructions directly to the Customs Service. Since the reported sales are CEP sales through a single affiliated importer, the liquidation instructions will recalculate the dumping margin on an entered value basis. Furthermore, 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 Act: (1) the cash deposit rate for the reviewed company listed above will be the rate for that firm 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 PRC-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(f)(2) 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 777 (i)(1) of the Act.

Dated: May 3, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02–11770 Filed 5–9–02; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[C–427–815]

Stainless Steel Sheet and Strip in Coils from France: Preliminary Results of Countervailing Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Countervailing Duty Administrative Review.

SUMMARY: The Department of Commerce is conducting an administrative review of the countervailing duty order on stainless steel sheet and strip in coils from France for the period January 1, 2000, through December 31, 2000. We have preliminarily determined that Ugine SA, the sole producer/exporter covered by this review, has received countervailable subsidies during the period of review.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: May 10, 2002.

FOR FURTHER INFORMATION CONTACT: Suresh Maniam, Group I, Office 1, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–0176.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (''URAA'') effective January 1, 1995 (''the Act''). Unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR Part 351 (2001).

Case History

The Department published the countervailing duty order on stainless steel sheet and strip in coils from France on August 6, 1999 (A*mended Final Determination: Stainless Steel Sheet and Strip in Coils From the Republic of Korea; and Notice of Countervailing Duty Orders: Stainless Steel Sheet and Strip in Coils from France, Italy, and the Republic of Korea,* 64 FR 42923 (August 6, 1999)). On August 1, 2001, the Department published a notice of ''Opportunity to Request Administrative Review'' of this countervailing duty order for calendar year 2000 (*Notice of Opportunity to Request Administrative Review of Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation,* 66 FR 39729). We received a review request from Ugine SA (''Ugine'') and we initiated this review on October 1, 2001 (*Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part,* 66 FR 49924 (October 1, 2001)).

On October 26, 2001, we issued countervailing duty questionnaires to the Commission of the European Union (''EC''), the Government of France (''GOF''), and Ugine. We received responses to our questionnaires on December 20, 2001 (EC), and January 8, 2002 (GOF and Ugine). On February 25, 2002, the petitioners, Allegheny Ludlum Corporation, AK Steel, Inc., North American Stainless, United Steelworkers of America, AFL-CIO/CLC, Butler Armco Independent Union, and Zanesville Armco Independent Organization, filed comments on the responses received from the GOF and Ugine. We issued a supplemental questionnaire to Ugine on March 5, 2002, and received Ugine's responses on April 2, and April 22, 2002.

Scope of the Review

The products covered by this countervailing duty order are certain stainless steel sheet and strip in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 mm in width and less than 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (*e.g.*, cold-rolled, polished, aluminized, coated, *etc.*) provided that it maintains the specific dimensions of sheet and strip following such processing.

The merchandise covered by this order is currently classifiable in the *Harmonized Tariff Schedule of the United States* (''HTSUS'') at the following subheadings:

7219.13.00.30, 7219.13.00.50, 7219.13.00.70, 7219.13.00.80, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80.

Although the HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the merchandise under investigation is dispositive.

Excluded from the scope of this order are the following: (1) sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled; (2) sheet and strip that is cut to length; (3) plate (*i.e.*, flat-rolled stainless steel products of a thickness of 4.75 mm or more); (4) flat wire (*i.e.*, cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm); and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. *See* Chapter 72 of the HTSUS, ''Additional U.S. Note'' 1(d).

Also excluded from the scope of this order are:

Flapper Valve Steel: Flapper valve steel is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or