

Dated: May 31, 2002

Bernard T. Carreau,

Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-839]

Certain Polyester Staple Fiber from Korea: Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: In response to timely requests by seven companies and an importer of the subject merchandise, on June 19, 2001, the Department of Commerce published a notice of initiation of an administrative review of the antidumping duty order on certain polyester staple fiber from Korea with respect to those seven companies (66 FR 32934). The period of review is November 8, 1999, through April 30, 2001.

We preliminarily find that sales have been made below normal value. Interested parties are invited to comment on these preliminary results. If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service to assess antidumping duties on all appropriate entries.

EFFECTIVE DATE: June 7, 2002.

FOR FURTHER INFORMATION CONTACT: Cynthia Thirumalai, Office 1, AD/CVD Enforcement Group I, Import Administration-Room B099, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4087.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (April 2001).

Background

On May 25, 2000, the Department published in the Federal Register an amended final determination and antidumping duty order on certain polyester staple fiber (PSF) from Korea (65 FR 33807).

The Department published a notice advising of the opportunity to request an administrative review of the antidumping duty order on May 1, 2001 (66 FR 21740). In response to timely requests by Stein Fibers, an importer of the subject merchandise, and certain manufacturer/exporters (*i.e.*, Daeyang Industrial Co., Ltd. (Daeyang), Estal Industry Co., Ltd. (Estal), Huvis Corporation (Huvis), Keon Baek Co., Ltd. (Keon Baek), Mijung Ind., Co., Ltd. (Mijung), Sam Young Synthetics Co., Ltd. (Sam Young) and Sunglim Co., Ltd. (Sunglim)), the Department published a notice of initiation of an administrative review with respect to these same companies (66 FR 32934, June 19, 2001).

On September 4, 2001, the Department extended the time limit for the preliminary results in this review until May 31, 2002 (66 FR 46260).

On October 9, 2001, the Department issued antidumping duty questionnaires to the above-mentioned respondent companies. We received responses from all seven respondents in November and December, 2001.

On December 28, 2001, the Department received allegations from the petitioners¹ that Daeyang, Estal, Huvis, Keon Baek, Mijung, and Sunglim sold certain PSF in Korea at prices below the cost of production (COP). The Department initiated cost investigations of these companies' home-market sales of PSF on January 30, 2002. (*See Petitioners' Allegation of Sales Below the Cost of Production* (company-specific memoranda), dated January 30, 2002.) In accordance with section 773(b)(2)(A)(ii) of the Act, Sam Young was requested to provide complete COP information at the time the questionnaire was issued, based on having made sales below cost in the original investigation.

We issued supplemental questionnaires and received responses from all of the respondents in March through May, 2002. Certain supplemental responses were not received in sufficient time to be analyzed fully by the Department prior to the issuance of these preliminary results. While we are using the data in the supplemental responses as the bases for our preliminary results, adjusted as

described below, we may request additional information from respondent companies prior to issuing our final results.

Scope of the Order

For the purposes of this order, the product covered is certain polyester staple fiber (PSF). PSF is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to this order may be coated, usually with a silicon or other finish, or not coated. PSF is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture. Merchandise of less than 3.3 decitex (less than 3 denier) currently classifiable under the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheading 5503.20.00.20 is specifically excluded from this order. Also specifically excluded from this order are polyester staple fibers of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting). In addition, low-melt PSF is excluded from this order. Low-melt PSF is defined as a bi-component fiber with an outer sheath that melts at a significantly lower temperature than its inner core.

The merchandise subject to this order is currently classifiable in the HTSUS at subheadings 5503.20.00.40 and 5503.20.00.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under order is dispositive.

Fair Value Comparisons

To determine whether sales of PSF by the respondents to the United States were made at less than normal value (NV), we compared export price (EP), as appropriate, to NV, as described in the "Export Price" and "Normal Value" sections of this notice. Pursuant to section 777A(d)(2) of the Act, we compared the export prices of individual U.S. transactions to the weighted-average NV of the foreign like product where there were sales made in the ordinary course of trade, as discussed in the "Cost of Production Analysis" section below.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by the respondents covered by the description in the "Scope of the

¹E.I. DuPont de Nemours, Inc.; Arteva Specialties S.a.r.l., d/b/a KoSa; Wellman, Inc.; Intercontinental Polymers, Inc.

Order” section, above, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. In accordance with section 773(a)(1)(C)(ii) of the Act, in order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent’s volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. (For further details, see the “Normal Value” section below.)

We compared U.S. sales to sales made in the appropriate comparison market within the contemporaneous window period, which extends from three months prior to the U.S. sale until two months after the sale. Where there were no sales of identical merchandise in the comparison market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. Where there were no sales of identical or similar merchandise made in the ordinary course of trade in the comparison market to compare to U.S. sales, we compared U.S. sales to constructed value (CV). In making product comparisons, consistent with our final determination in the investigation, we matched foreign like products based on the physical characteristics reported by the respondents in the following order: 1) composition; 2) type; 3) grade; 4) cross section; 5) finish; and 6) denier (*see Notice of Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea*, 65 FR 16880, 16881, March 30, 2000 (*Investigation Final*)).

Export Price

We used export price methodology, in accordance with section 772(a) of the Act, because all respondents sold the subject merchandise to unaffiliated purchasers in the United States prior to importation and constructed export price methodology was not otherwise indicated. We based export price on packed, FOB, C&F, CIF, ex-port/warehouse, ex-dock duty paid and delivered prices, as appropriate, to unaffiliated purchasers in the United States.

We made deductions from the starting price, where appropriate, for movement expenses including foreign inland freight, foreign brokerage and handling (e.g., terminal handling charges, wharfage, bill of lading charges, container taxes), international freight, marine insurance, U.S. duty, and U.S. Customs fees, in accordance with

section 772(c)(1) of the Act and 19 CFR 351.402(a). For Keon Baek, we adjusted the reported movement expenses for foreign brokerage and handling, container tax, bill of lading charge, and terminal handling charges to account for a rounding error. In addition, for Keon Baek’s U.S. sales where the invoice date was after the reported shipment date, consistent with Department practice, we used shipment date as the date of sale (*see, e.g., Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Luxembourg*, 67 FR 35888 (May 20, 2002), and accompanying Issues and Decision Memorandum at Comment 4; and *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Cold-Rolled Carbon Steel Flat Products from Brazil*, 67 FR 31200, 31202 (May 9, 2002)). For Estal, we made adjustments to gross price and certain reported expenses to account for differences between actual and theoretical weights. Also, for both Estal and Sunglim, we recalculated the short-term interest rate, based on published *Federal Reserve* rates, to reflect more accurately the POR.

We increased EP, where appropriate, for duty drawback in accordance with section 772(c)(1)(B) of the Act. Respondents in this review claim to have received duty drawback under the two systems in place in Korea: either the individual rate system or the fixed rate system (*i.e.*, the simplified fixed drawback system).

In prior investigations and administrative reviews, the Department has examined the individual rate system and found that the government controls in place ensure that the Department’s criteria for receiving a duty drawback adjustment are met (*i.e.*, that 1) the rebates received were directly linked to import duties paid on inputs used in the manufacture of the subject merchandise, and 2) there were sufficient imports to account for the rebates received). *See Final Results of Antidumping Duty Administrative Review and Partial Termination of Administrative Review: Circular Welded Non-Alloy Steel Pipe From the Republic of Korea*, 62 FR 55574, 55577 (October 27, 1997). Daeyang, Huvis, and Sunglim have each provided documentation for the record demonstrating that they received duty drawback under the individual rate system. Accordingly, we are allowing the full drawback adjustment on all U.S. sales by Daeyang and Huvis and on those U.S. sales by Sunglim on which the duty drawback was received under the individual rate system.

For the remaining U.S. sales by Sunglim and all sales by Estal, Keon

Baek, Mijung, and Sam Young, duty drawback was received under the fixed rate system. The Department has found that the Korean fixed rate duty drawback system does not sufficiently link import duties paid to rebates received upon export. Therefore, the fixed rate system does not, in and of itself, meet the Department’s criteria, *i.e.*, that the rebates received were directly linked to import duties paid on inputs used in the manufacture of the subject merchandise, and that there were sufficient imports to account for the rebates received. *See id.* In this case, none of the respondents have demonstrated successfully that duty drawback which it received under the fixed rates system met the Department’s criteria for a duty drawback adjustment. Accordingly, for purposes of these preliminary results, we are not granting duty drawback adjustments claimed under the fixed rate system.

Normal Value

A. Home Market Viability

As stated above in the “Product Comparisons” section of this notice, we compared each respondent’s volume of home market sales of the foreign like product to its volume of U.S. sales of the subject merchandise in order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, in accordance with section 773(a)(1)(C) of the Act.

Aggregate home market sales volumes of the foreign like product for Daeyang, Estal, Huvis, Keon Baek, Mijung and Sunglim, respectively, were greater than five percent of their aggregate volumes of U.S. sales of the subject merchandise. Therefore, we determined that the home market provides a viable basis for calculating NV for these companies.

Sam Young reported that its home market sales of PSF during the POR were less than five percent of its sales in the United States. Therefore, Sam Young did not have a viable home market for purposes of calculating NV. Sam Young reported that the People’s Republic of China (PRC) was its largest viable third-country market and, consequently, submitted its sales to the PRC for purposes of calculating NV.

B. Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade (LOT) as the EP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). *See* 19 CFR 351.412(c)(2). Substantial differences in

selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing. *Id.*; see also *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997). In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the "chain of distribution"),² including selling functions,³ class of customer ("customer category"), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying levels of trade for EP and comparison market sales (*i.e.*, NV based on either home market or third country prices⁴), we consider the starting prices before any adjustments. See *Micron Technology, Inc. v. United States, et. al.*, 243 F. 3d 1301, 1314–1315 (Fed. Cir. 2001) (affirming this methodology).

When the Department is unable to match U.S. sales to sales of the foreign like product in the comparison market at the same LOT as the EP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP sales at a different LOT in the comparison market, where available data show that the difference in LOT affects price comparability, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

Daeyang sold to end users only in both the home market and in the United States. Estal and Huvis reported that they sold to distributors and end users in both the home market and in the United States. Keon Baek and Mijung sold to end users in the home market and to distributors in the United States. Sam Young sold only to distributors in

² The marketing process in the United States and comparison markets begins with the producer and extends to the sale to the final user or customer. The chain of distribution between the two may have many or few links, and the respondents' sales occur somewhere along this chain. In performing this evaluation, we considered the narrative responses of each respondent to properly determine where in the chain of distribution the sale appears to occur.

³ Selling functions associated with a particular chain of distribution help us to evaluate the level(s) of trade in a particular market. For purposes of this preliminary determination, we have organized the common selling functions into four major categories: sales process and marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services. Other selling functions unique to specific companies were considered, as appropriate.

⁴ Where NV is based on CV, we determine the NV LOT based on the LOT of the sales from which we derive selling expenses, G&A and profit for CV, where possible.

the United States and to distributors and end users in the PRC. Sunglim sold to distributors and end users in the home market and to distributors and wholesalers in the United States.

Each respondent has reported a single channel of distribution and a single level of trade in each market, and has not requested a level of trade adjustment. We examined the information reported by each respondent regarding its marketing process for making the reported comparison market and U.S. sales, including the type and level of selling activities performed and customer categories. Specifically, we considered the extent to which sales process, freight services, warehouse/inventory maintenance, and warranty services varied with respect to the different customer categories (*i.e.*, distributors, wholesalers, and end users) within each market and across the markets. Based on our analyses, we found a single level of trade in the United States, and a single, identical level of trade in the comparison market for all respondents. Thus, it was unnecessary to make a LOT adjustment for any of the respondents in comparing EP and comparison market prices.

C. Sales to Affiliated Customers

Huvis made sales in the home market to affiliated customers. To test whether these sales were made at arm's length, we compared the starting prices of sales to affiliated customers to those of unaffiliated customers, net of all movement charges, direct and indirect selling expenses, discounts and packing. Where the price to an affiliated customer was on average 99.5 percent or more of the price to Huvis' unaffiliated customers, we determined that the sales made to the affiliated customer were at arm's length and included those sales in our calculation of NV pursuant to 19 CFR 351.403(c). Where prices to Huvis' affiliated customers were, on average, less than 99.5 percent of the prices to unaffiliated customers, we determined that these sales were not at arm's length and excluded them from our analysis.

No other respondent made comparison market sales to affiliated customers.

D. Cost of Production Analysis

As discussed in the case history section above, there were reasonable grounds to believe or suspect that each respondent made sales of the subject merchandise in its comparison market at prices below the cost of production ("COP") in accordance with section 773(b) of the Act.

1. Calculation of COP

We calculated the COP on a product-specific basis, based on the sum of the respondents' costs of materials and fabrication for the foreign like product, plus amounts for selling, general and administrative (SG&A) expenses, including interest expenses, and the costs of all expenses incidental to placing the foreign like product in a condition packed ready for shipment in accordance with section 773(b)(3) of the Act.

We relied on COP information submitted by the respondents except for the following adjustments. For Huvis, we revised the calculation of the G&A expense ratios to include additional non-operating income and expense items in the numerator of the calculation, and to exclude packing expenses that were included in the cost of manufacture in the denominator of the calculation. We made the same adjustment to the denominator of the interest expense calculation. These adjustments resulted in small changes to the reported G&A and interest expense amounts (see *Huvis Preliminary Results Calculation Memorandum*, dated May 31, 2002).

We also disallowed certain offsets to Daeyang's and Mijung's reported G&A expenses See *Daeyang Preliminary Results Calculation Memorandum and Mijung Preliminary Results Calculation Memorandum*, dated May 31, 2002.

2. Test of Comparison Market Prices

For each respondent, on a product-specific basis, we compared the adjusted weighted-average COP figures for the POR to the comparison market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales were made at prices below the COP. On a product-specific basis, we compared the COP, consisting of the cost of manufacturing, G&A and interest expenses, to the comparison market prices, less any applicable movement charges, rebates, discounts, and direct and indirect selling expenses. In determining whether to disregard comparison market sales made at prices less than their COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales were made (1) within an extended period of time in substantial quantities, and (2) at prices which permitted the recovery of all costs within a reasonable period of time.

3. Results of COP Test

Pursuant to section 773(b)(1), where less than 20 percent of a respondent's

sales of a given product are at prices less than the COP, we do not disregard any below-cost sales of that product, because we determine that in such instances the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product are at prices less than the COP, we determine that the below-cost sales represent "substantial quantities" within an extended period of time, in accordance with section 773(b)(1)(A) of the Act. In such cases, we also determine whether such sales were made at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(B) of the Act.

We found that for Daeyang, Estal, Huvis, Mijung, and Sam Young, for certain specific products, more than 20 percent of the comparison market sales were at prices less than the COP and, thus, the below-cost sales were made within an extended period of time in substantial quantities. In addition, these sales were made at prices that did not provide for the recovery of costs within a reasonable period of time. We therefore excluded these sales and used the remaining sales, if any, as the basis for determining NV, in accordance with section 773(b)(1).

Keon Baek made no home market below-cost sales during the POR. Sunglim did not make below-cost sales within an extended period of time in substantial quantities during the POR. Therefore, we have not excluded any home market sales by Keon Baek or Sunglim from our calculation of NV.

E. Calculation of Normal Value Based on Comparison Market Prices

We based NV on the price at which the foreign like product is first sold for consumption in the comparison market, in the usual commercial quantities and in the ordinary course of trade, and at the same LOT as the export price, as defined by section 773(a)(1)(B)(i) of the Act. We calculated NV based on ex-factory, delivered, FOB and CIF prices to affiliated end users and unaffiliated customers, where appropriate. We made deductions for movement expenses including, where appropriate, domestic inland freight, domestic brokerage, wharfage, container taxes, terminal handling fees and international freight under section 773(a)(6)(B)(ii) of the Act.

In addition, we made adjustments under section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 for differences in circumstances of sale including imputed credit expenses, bank charges and letter of credit fees, where appropriate. For Huvis, we recalculated home market imputed credit to account for the

imputed revenue received for payments made prior to shipment. In addition, for home market sales made in U.S. dollars, we recalculated imputed credit expenses using the U.S. dollar interest rate in the calculation.

We adjusted Keon Baek's reported selling expenses for bank charges and letter of credit fees to account for a rounding error.

Finally, we made adjustments to NV, where appropriate, for differences in costs attributable to differences in the physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411.

Currency Conversions

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

Preliminary Results of Review

We preliminarily find that the weighted-average dumping margins for the period November 8, 1999 through April 30, 2001, are as follows:

Manufacturer/Exporter	Percent Margin
Daeyang Industrial Co., Ltd.	1.39
Estal Industry Co., Ltd. ...	0.20 (<i>de minimis</i>)
Huvis Corporation.	3.37
Keon Baek Co., Ltd.	0.31 (<i>de minimis</i>)
Mijung Ind., Co., Ltd.	1.00
Sam Young Synthetics Co., Ltd.	0.75
Sunglim Co., Ltd.	0.61

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

Any interested party may request a hearing within 30 days of publication. See 19 CFR 351.310(c). If requested, a hearing will be scheduled upon determination of the briefing schedule.

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, Room B-099, within 30 days of the date of 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 issues to be discussed. See 19 CFR 351.310(c).

Issues raised in the hearing will be limited to those raised in the respective case briefs. Case briefs from interested parties and rebuttal briefs, limited to the

issues raised in the respective case briefs, may be submitted in accordance with a schedule to be determined by the Department. All interested parties will be notified of the briefing schedule once it has been established. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited.

The Department will issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice.

Assessment Rates

Upon completion of this administrative review, the Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to the Customs Service. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties. For assessment purposes, we intend to calculate importer/customer-specific assessment rates for the subject merchandise by aggregating the dumping margins calculated for all U.S. sales examined and dividing this amount by the total quantity of those sales.

Cash Deposit Requirements

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 the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) the cash deposit rates for the reviewed companies will be those established in the final results of this review, except if the rate is less than 0.50 percent, and therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; and (3) the cash deposit rate for all other manufacturers or exporters will continue to be 11.35 percent, the "All Others" rate made effective by the LTFV investigation.

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

Notification to Importers

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

This administrative review and notice are published in accordance with section 751(a)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: May 31, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-14376 Filed 6-6-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-423-808]

Stainless Steel Plate in Coils from Belgium; Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on stainless steel plate in coils (SSPC) from Belgium in response to timely requests by respondent, ALZ, N.V. (ALZ) and its affiliated U.S. importer TrefilARBED, Inc. and by petitioners. This review covers shipments of this merchandise to the United States during the period of May 1, 2000 through April 30, 2001. We have preliminarily determined that U.S. sales have been made below normal value (NV). See "Preliminary Results of Review" section below for the company-specific rate. If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service (Customs) to assess antidumping duties based on the difference between constructed export price (CEP) and NV.

EFFECTIVE DATE: June 7, 2002.

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon at (202) 482-0162, Julio Fernandez at (202) 482-0190, or Brett Royce at (202) 482-4106, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Applicable Statute & 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 regulations are to the regulations codified at 19 CFR Part 351 (2001).

Background

The Department published an antidumping duty order on SSPC from Belgium on May 21, 1999 (64 FR 27756). On May 1, 2001, the Department published in the *Federal Register* (66 FR 21740) a notice of opportunity to request an administrative review of this antidumping duty order. On May 16, 2001, in accordance with 19 CFR 351.213(b), respondent ALZ, N.V. (ALZ) and its affiliated U.S. importer TrefilARBED, Inc. (TrefilARBED), and the petitioners, Allegheny Ludlum, Corp., AK Steel Corporation, Butler Armco Independent Union, North American Stainless, Zanesville Armco Independent Union, and the United Steelworkers of America, AFL-CIO/CLC (collectively, petitioners), timely requested a review of the antidumping duty order on certain SSPC from Belgium. On June 19, 2001, we published a notice of initiation of the antidumping review of SSPC from Belgium. See 66 FR 32934.

Due to complicated issues in this case, on December 17, 2001, the Department extended to deadline for the preliminary results of this antidumping duty administrative review until no later than May 31, 2002. See *Stainless Steel Plate in Coils from Belgium: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review*, 66 FR 64950 (December 17, 2001).

Scope of Review

The product covered by this order is certain stainless steel plate 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 plate products are flat-rolled products, 254 mm or over in width and 4.75 mm or more in thickness, in coils, and annealed or

otherwise heat treated and pickled or otherwise descaled. The subject plate may also be further processed (*e.g.*, cold-rolled, polished, etc.) provided that it maintains the specified dimensions of plate following such processing. Excluded from the scope of these orders are the following: (1) plate not in coils, (2) plate that is not annealed or otherwise heat treated and pickled or otherwise descaled, (3) sheet and strip, and (4) flat bars. In addition, certain cold-rolled stainless steel plate in coils is also excluded from the scope of these orders. The excluded cold-rolled stainless steel plate in coils is defined as that merchandise which meets the physical characteristics described above that has undergone a cold-reduction process that reduced the thickness of the steel by 25 percent or more, and has been annealed and pickled after this cold reduction process.

The merchandise subject to these orders is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7219.11.00.30, 7219.11.00.60, 7219.12.00.06, 7219.12.00.21, 7219.12.00.26, 7219.12.00.51, 7219.12.00.56, 7219.12.00.66, 7219.12.00.71, 7219.12.00.81, 7219.31.00.10, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.11.00.00, 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, 7220.90.00.10, 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 written description of the scope of the orders is dispositive.

Period of Review

The period of review (POR) is May 1, 2000 through April 30, 2001.

Verification

As provided in section 782(i) of the Act, we verified the sales and cost information provided by ALZ and TrefilARBED. We used standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results are outlined in the public and proprietary versions of the verification reports, which are on file in the Central Records Unit (CRU), room B-099 of the main Department building.

Date of Sale

ALZ reported invoice date as the date of sale. Invoice date is also the