*Structural Steel Beams from the PRC*, we are valuing self-produced iron ore, argon, nitrogen, and oxygen through the use of surrogate valuation, rather than valuation of the factor inputs going into the production of these inputs. Because Krivorozhstal only generates a relatively small portion of electricity needs (*see Prelim Analysis Memo*), we are not using a surrogate value to value that portion of electricity that is self-produced. The Department has adjusted Krivorozhstal's factors of production to account for this methodological change. See Prelim Analysis Memo for calculation details. We invite parties to comment on this issue, particularly regarding Alexandria's purchase and use of these inputs, and will reconsider this issue for purposes of the final determination.

**Verification**

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

**Final Critical Circumstances Determination**

We will make a final determination concerning critical circumstances for Ukraine when we make our final determination regarding sales at LTFV in this investigation, which will be no later than 135 days after the publication of this notice in the **Federal Register.**

**Suspension of Liquidation**

Because of our preliminary affirmative critical circumstances finding, we are directing the Customs Service to suspend liquidation of all entries of wire rod from Ukraine entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days prior to the date on which this notice is published in the Federal Register (*see Critical Circumstances Notice*). We are instructing 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 EP, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

The weighted-average dumping margins are provided below:

| Exporter/manufacturer | Weighted-average margin percentage |
|---|---|
| Krivorozhstal ..... | 129.52 |
| Ukraine-wide rate ..... | 129.52 |

The Ukraine-wide rate applies to all entries of the subject merchandise except for entries from exporters/manufacturers that are identified individually above.

**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.

**Public Comment**

Case briefs or other written comments in six copies must be submitted to the Assistant Secretary for Import Administration no later than 50 days after the date of publication of this notice, and rebuttal briefs no later than 55 days after the publication of this notice. A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. Such summary should be limited to five pages total, including footnotes. In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on fifty-seven days after publication of this notice, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., 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. See 19 CFR 351.310(c). We will make our final determination not later than 135 days after the date of publication of the preliminary determination.

This determination is issued and published in accordance with sections 733(d) and 777(i)(1) of the Act.

Dated: April 2, 2002

**Faryar Shirzad,**

*Assistant Secretaryfor Import Administration.*

[FR Doc. 02–8701 Filed 4–9–02; 8:45 am]

BILLING CODE 3510–DS–S

## DEPARTMENT OF COMMERCE

## International Trade Administration

**[A–560–815]**

## Notice of Preliminary Determination of Sales at Not Less Than Fair Value: Carbon and Certain Alloy Steel Wire Rod from Indonesia.

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

**DATES:** April 10, 2002.

**FOR FURTHER INFORMATION CONTACT:** Michael Ferrier or Donna Kinsella at (202) 482–1394 or (202) 482–0194, respectively; Antidumping and Countervailing Duty Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

**SUPPLEMENTARY INFORMATION:**

**The Applicable Statute**

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

**Preliminary Determination**

We preliminary determine that carbon and certain alloy steel wire rod from Indonesia is not being sold, or is not likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in ''Suspension of Liquidation'' section of this notice.

**Case History**

On September 24, 2001, the Department initiated antidumping investigations of wire rod from Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela. *See Notice of Initiation of Antidumping Duty Investigations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela,* 66 FR 50164 (October 2, 2001) (*Initiation Notice*). The petitioners in this investigation are Co-Steel Raritan, Inc., GS Industries, Keystone Consolidated Industries, Inc.,

and North Star Steel Texas, Inc. (''petitioners''). Since the initiation of the investigation, the following events have occurred.

In a letter dated October 9, 2001, petitioners (Co-Steel Raritan, Inc., GS Industries, Keystone Consolidated Industries, Inc., and North Star Steel Texas, Inc.) requested the scope of the investigation be amended to exclude high carbon, high tensile 1080 grade tire cord and tire bead quality wire rod actually used in the production of tire cord and bead, as defined by specific dimensional characteristics and specifications.

On October 15, 2001, the United States International Trade Commission (USITC) notified the Department of its affirmative preliminary injury determination on imports of subject merchandise from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine.

On October 16, 2001, the Department issued a letter to interested parties in all of the concurrent wire rod antidumping investigations, providing an opportunity to comment on the Department's proposed model match characteristics and hierarchy. Petitioners submitted comments on October 24, 2001. The Department also received comments on model matching from respondents Hysla S.A. de C.V. (Mexico), Ivaco, Inc,. and Ispat Sidbec Inc. (Canada).

On October 29, 2001, the USITC published its preliminary determination stating that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of the subject merchandise from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine. *See Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Turkey, Ukraine, and Venezuela,* 66 FR 54539 (October 29, 2001).

On November 28, 2001, five U.S. tire manufacturers and an industry trade association, the Rubber Manufacturers Association, submitted a letter to the Department in response to petitioners' October 9, 2001, submission regarding the exclusion of certain 1080 grade tire cord and tire bead wire rod used in the production of tire cord and bead. Additionally, the tire manufacturers requested clarification from the Department if 1090 grade wire rod is included in petitioners' October 9, 2001, scope exclusion request. The tire manufactures also requested an exclusion from the scope of this investigation for 1070 grade wire rod and related grades, citing a lack of domestic production capacity to meet the requirements of the tire industry. On November 28, 2001, petitioners further clarified and modified their October 9, 2001 amendment of the scope of the petition. Finally, on January 21, 2002, Tokusen U.S.A., Inc. submitted a request that grade 1070 tire cord wire rod, and tire cord wire rod more generally, be excluded from the scope of the antidumping dumping duty and countervailing duty investigations.

On January 17, 2002, petitioners requested that the Department extend the deadline for issuance of the preliminary determination by 30 days. On January 28, 2002, the Department published in the **Federal Register** the notice postponing the preliminary determination to March 13, 2002 (*see Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 3877). On March 4, 2002, petitioners submitted a letter to the Department requesting the Department to extend the deadline for issuance of the preliminary determination by an additional 20 days. The Department published in the **Federal Register** the notice postponing the preliminary determination an additional 20 days to April 2, 2002 (*see Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 11674).

On November 6, 2001, the Department issued all sections of its antidumping duty questionnaire to P.T. Ispat Indo (''Ispat Indo''). On December 11, 2001, the Department received Ispat Indo's response to Section A of the questionnaire. On December 18, 2001, petitioners filed comments on Ispat Indo's section A response. Ispat Indo filed its response to Sections B, C, and D of the questionnaire on December 27, 2001. The Department issued a supplemental questionnaire for Ispat Indo's Section A response on December 28, 2001. On January 4, 2002, petitioners filed comments on Ispat Indo's Sections B, C, and D response. On January 9, 2002, petitioners filed additional comments on Ispat Indo's Sections B, C, and D responses. On January 10, 2002, the Department issued a supplemental questionnaire for Ispat Indo's Section B and C responses. On January 18, 2002, Ispat Indo submitted its response to the Department's Section A supplemental questionnaire. On January 28, 2002, the Department issued a supplemental questionnaire to Ispat Indo's Section D response. Ispat Indo submitted their supplemental Section D response to the Department on February 19, 2002. On March 12, 2002, petitioners submitted additional comments on supplemental Sections A, B, C, and D questionnaire responses. On March 18, 2002, Ispat Indo submitted additional information at the Department's request.

**Period of Investigation**

The POI is July 1, 2000 through June 30, 2001. This period corresponds to the four most recent fiscal quarters prior to the filing of the petition (*i.e.*, August 2001), and is in accordance with section 351.204(b)(1) of the Department's regulations.

**Scope of Investigation**

The merchandise covered by these investigations is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, 5.00 mm or more, but less than 19.00 mm, in solid cross-sectional diameter.

Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; and (e) concrete reinforcing bars and rods. Also excluded are (f) free machining steel products (*i.e.*, products that contain by weight one or more of the following elements: 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium).

Also excluded from the scope are 1080 grade tire cord quality wire rod and 1080 grade tire bead quality wire rod. This grade 1080 tire cord quality rod is defined as: (i) grade 1080 tire cord quality wire rod measuring 5.0 mm or more but not more than 6.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no inclusions greater than 20 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04–114; (v) having a surface quality with no surface defects of a length greater than 0.15 mm; (vi) capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of aluminum, (3)

0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.006 percent or less of nitrogen, and (5) not more than 0.15 percent, in the aggregate, of copper, nickel and chromium.

This grade 1080 tire bead quality rod is defined as: (i) grade 1080 tire bead quality wire rod measuring 5.5 mm or more but not more than 7.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no inclusions greater than 20 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04–114; (v) having a surface quality with no surface defects of a length greater than 0.2 mm; (vi) capable of being drawn to a diameter of 0.78 mm or larger with 0.5 or fewer breaks per ton; and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of soluble aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.008 percent or less of nitrogen, and (5) either not more than 0.15 percent, in the aggregate, of copper, nickel and chromium (if chromium is not specified), or not more than 0.10 percent in the aggregate of copper and nickel and a chromium content of 0.24 to 0.30 percent (if chromium is specified).

The designation of the products as ''tire cord quality'' or ''tire bead quality'' indicates the acceptability of the product for use in the production of tire cord, tire bead, or wire for use in other rubber reinforcement applications such as hose wire. These quality designations are presumed to indicate that these products are being used in tire cord, tire bead, and other rubber reinforcement applications, and such merchandise intended for the tire cord, tire bead, or other rubber reinforcement applications is not included in the scope. However, should petitioners or other interested parties provide a reasonable basis to believe or suspect that there exists a pattern of importation of such products for other than those applications, end-use certification for the importation of such products may be required. Under such circumstances, only the importers of record would normally be required to certify the end use of the imported merchandise.

All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3010, 7213.91.3090, 7213.91.4510, 7213.91.4590, 7213.91.6010, 7213.91.6090, 7213.99.0031, 7213.99.0038, 7213.99.0090, 7227.20.0010, 7227.20.0020, 7227.20.0090, 7227.20.0095, 7227.90.6051, 7227.90.6053, 7227.90.6058, and 7227.90.6059 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

*See Carbon and Certain Alloy Steel Wire Rod: Requests for exclusion of various tire cord quality wire rod and tire bead quality wire rod products from the scope of antidumping duty (Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela) and countervailing duty (Brazil, Canada, Germany, Trinidad and Tobago, and Turkey) investigations.*

**Date of Sale**

As stated in 19 CFR 351.401(i), the Department normally will use invoice date as the date of sale unless another date better reflects the date on which the exporter or producer establishes the material terms of sale. Ispat Indo reported the invoice date as the home market date of sale, and the invoice date as the U.S. date of sale. Ispat Indo stated that both local and export sales are booked in Ispat Indo's accounts at the time invoice is issued. Ispat Indo maintains that the invoice is the first document confirming the final terms of the sale for both home market and U.S. market sales.

We have examined whether invoice date, contract date, or some other date best represents the date on which the material terms of sale are established for both home market and U.S. sales. The Department has examined the information submitted by Ispat Indo concerning the sales contracts, invoices, and purchase agreements issued during the POI and has found that the material terms of sale are firmly established at invoice date. Specifically, we find that changes in quantity and product specifications referred to by Ispat Indo do occur after the contract date, but not after invoice date. For additional details of our analysis of the date of sale issue,*see Memorandum to the File Regarding Antidumping Duty Investigation on Carbon and Certain Alloy Steel Wire Rod from Indonesia; Preliminary Determination Analysis for P.T. Ispat Indo*(April 2, 2002) (Analysis Memo). Accordingly, for home market and U.S. sales, we have preliminarily determined that invoice date is the appropriate date of sale in this investigation because it best represents the date upon which the material terms of sale are established.

**Product Comparisons**

In accordance with section 771(16) of the Act, all products produced by Ispat Indo, covered by the description in the ''Scope of Investigation'' above and sold in Indonesia during the POI are considered to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, the Department compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's November 6, 2001, antidumping questionnaire. If there were no home market foreign like products to compare to a U.S. sale, we used constructed value (CV).

**Fair Value Comparisons**

To determine whether sales of wire rod from Indonesia to the United States were made at LTFV, we compared the export price (EP) to the normal value (NV), as described in the ''Export Price'' and ''Normal Value'' sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs for comparison to NV.

**Export Price**

We calculated EP in accordance with section 772(a) of the Act because Ispat Indo sold the merchandise directly to the first unaffiliated purchaser in the United States prior to the date of importation, or Ispat Indo sold the merchandise through an affiliated trading company outside the United States who re-sold the merchandise directly to an unaffiliated purchaser in the United States prior to the date of importation, and because constructed export price (CEP) methodology was not otherwise appropriate. We based EP for Ispat Indo on the CIF FO (free out) price to unaffiliated purchasers in the United States. CIF FO has the same meaning as CIF. In accordance with 772(c)(2), we made deductions from the starting price for movement expenses, including foreign inland freight and brokerage and handling.

**Normal Value**

*Selection of Comparison Market*

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (i.e., whether the aggregate quantity of the foreign like product is equal to or greater than five percent of the aggregate quantity of U.S.

sales), we compared Ispat Indo's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in the accordance with section 773(a)(1) of the Act and section 351.404(b) of the Department's regulations. Since Ispat Indo's aggregate quantity of home market sales of the foreign like product was greater than five percent of its aggregate quantity of U.S. sales for the subject merchandise, we determined that the home market was viable for Ispat Indo. Therefore, we have based NV on home market sales in the usual quantities and in the ordinary course of trade.

*Affiliate Party Transactions and Arm's Length Test*

To test whether these sales were made at arm's length prices, the Department compared, on a model-specific basis, the prices of sales to affiliated customers with sales to unaffiliated customers net of all movement charges, discounts, direct selling expenses, billing adjustments, and packing. Where, for the tested models of the foreign like product, prices to the affiliated party were on average 99.5 percent or more of the price to unaffiliated parties, the Department determined that sales made to the affiliated party were at arm's length. See 19 CFR 351.403(c); see also Antidumping Duties; Countervailing Duties Final Rule, 62 FR 27355 (May 19, 1997).

If these affiliated party sales satisfied the arm's length test, we used them in our analysis. Merchandise sold to affiliated customers in the home market made at non-arm's length prices were excluded from our analysis because we considered them to be outside the ordinary course of trade. See 19 CFR 351.102. Where the exclusion of such sales eliminated all sales of the most appropriate comparison product, we made a comparison to the next most similar model.

Ispat Indo reported the sales to its home market affiliate, P.T. Ispat Wire Products (''IWP''). These sales account for more than 5% the total of Ispat Indo's home market sales during the POI. See 19 CFR 351.403(d). The respondent stated that its affiliate consumed almost all of the wire rod purchased from Ispat Indo in the production of non-subject merchandise. Since Ispat Indo's sales to IWP were at arm's length, the Department did not require Ispat Indo to report home market downstream sales by its affiliate for this preliminary determination. See Final Rule, 62 FR 27355. Sales of subject merchandise resold to the United States by the company's affiliate were reported as U.S. sales by Ispat Indo.

*Cost of Production Analysis*

Based on our analysis of the cost allegations submitted by petitioners in the original petition, in accordance with section 773(b)(2)(A)(i) of the Act, the Department found reasonable grounds to believe or suspect that Indonesian producers had made sales of wire rod in the home market at prices below the cost of producing the merchandise. As a result, the Department initiated an investigation to determine whether respondents made home market sales during the POI at prices below their cost of production (COP) within the meaning of section 773(b) of the Act. We conducted the COP analysis described below.

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated a weighted-average COP based on the sum of Ispat Indo's cost of materials and fabrication for the foreign like product, plus amounts for home market selling, general, and administrative expenses (SG&A), interest expenses, and packing costs. We revised the numerator of Ispat Indo's SG&A rate calculation and the numerator of the interest expense rate calculation. For additional details of our cost analysis, see Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination (April 2, 2002) (Cost Memo). The Department relied on the COP and CV data submitted by Ispat Indo in its supplemental Section D response on February 19, 2002.

2. Test of Home Market Sales Prices

We compared the weighted-average COP for Ispat Indo to home market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. In determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made (1) in substantial quantities within an extended period of time, and (2) at prices which permitted the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(A) and (B) of the Act. On a product-specific basis, we compared COP to home market prices, less any applicable movement charges, billing adjustments, taxes, and discounts and rebates. See section 773(f)(1)(B) of the Act.

3. Results of the COP Test

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than twenty percent of Ispat Indo's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in ''substantial quantities.'' Where twenty percent or more of its sales of a given product during the POI were at prices less than the COP, we determined such sales to have been made in substantial quantities within an extended period of time. In addition, pursuant to section 773(b)(2)(D) of the Act, we also determined whether such sales were made at prices which would permit recovery of all costs within a reasonable period of time. In such a case, we disregard the below-cost sales. Our cost test for Ispat Indo revealed that more than twenty percent of the respondent's home market sales of certain products were at prices below their respective COP, which did not permit the recovery of all costs within a reasonable period of time. Therefore, we disregarded the below-cost sales and used the remaining above cost sales in our analysis, in accordance with 773(b)(1) of the Act. See Analysis Memo, April 2, 2002.

*Constructed Value*

If no sales made in the ordinary course of trade in the home market remain, NV shall be based on CV. *See* section 773(b)(1) of the Act. In accordance with section 773(e)(1) of the Act, we calculated CV based on the sum of respondent's cost of materials, fabrication, SG&A, including interest expenses, and profit. In accordance with section 773(e)(2)(A) of the Act, we based SG&A and profit on the amounts incurred and realized by Ispat Indo in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the foreign country. We used the CV data the respondent supplied in its section D questionnaire and supplemental questionnaire response.

*Price-to-Price Comparisons*

We based NV for Ispat Indo on prices of home market sales that passed the COP test. We made deductions for discounts. We made deductions, where appropriate, for inland freight and inland insurance, pursuant to section 773(a)(6)(B) of the Act. We made adjustments, where appropriate, for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act, and 19 CFR 351.411. In accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, we made circumstances of sale (COS) adjustments for imputed credit expenses and bank charges. We also deducted home market packing costs

and added U.S. packing costs in accordance with section 773(a)(6)(A) and(B) of the Act.

*Price-to-CV Comparisons*

In accordance with section 773(a)(4) of the Act, we based NV on CV if we were unable to find a home market match of identical or similar merchandise within the contemporaneous period. We calculated CV based on the costs of materials and fabrication employed in producing the subject merchandise, SG&A, and profit pursuant to section 773(e) of the Act. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expense and profit on the amounts incurred and realized by Ispat Indo in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in Indonesia. For selling expenses, we used the weighted-average home market selling expenses. Where appropriate, we made adjustments to CV in accordance with section 773(a)(8) of the Act. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses.

**Level of Trade**

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP transaction. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from the exporter to the importer. To determine whether NV sales are at a different LOT than EP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment pursuant to section 773(a)(7)(A) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value; Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

In determining whether separate LOTs actually existed in the home market for Ispat Indo, we examined whether the respondent's sales involved different marketing stages (or their equivalent) based on the channel of distribution, customer categories, and selling functions (or services offered) to each customer or customer category, in both markets. Ispat Indo claimed one LOT in the U.S. and one LOT in the home market. Ispat Indo sells to end-users, both in the home market and the U.S. market. In the home market, Ispat Indo has one channel of distribution. It consists of Ispat Indo selling directly to affiliated and unaffiliated end-users in the home market. For the U.S. market, Ispat Indo stated that it sells through one channel of distribution, directly to end-users in the U.S. Within this channel of distribution, Ispat Indo made sales to end-users where the producing mill directly invoices the U.S. customer, or the producing mill sells the merchandise to IWP who resells the merchandise in the original form to the U.S. customer, or the producing mill invoices a related trading company and ships the merchandise directly to the U.S. customer.

In analyzing Ispat Indo's selling activities for its home market and U.S. market, we determined that essentially the same services were provided in both markets. Ispat Indo provides indirect technical services (*i.e.*, answering routine questions on technical matters) to customers in both the U.S. and home markets. Additionally, the respondent did not incur any warranty expenses in the U.S. and home markets. Therefore, based upon this information, we have preliminary determined that the LOT for all EP sales is the same LOT for all sales in the home market. Accordingly, because we find the U.S. sales and home market sales to be at the same LOT, no LOT adjustment under section 773(a)(7)(A) of the Act is warranted for Ispat Indo.

**Currency Conversion**

We made currency conversions into U.S. dollars based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars unless the daily rate involves a fluctuation. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by more than 2.25 percent. The benchmark is defined as the moving average of rates for the 40 business days immediately prior to the date of the actual daily rate to be classified. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice. Further, section 773A(b) of the Act directs the Department to allow a 60–day adjustment period when a currency has undergone a sustained movement. A sustained movement has occurred when the weekly average of actual daily rates exceeds the weekly average of benchmark rates by more than five percent of eight consecutive weeks. (For an explanation of this method, *see Policy Bulletin 96–1: Currency Conversions*, 61 FR 9434 (March 8, 1996).

**Verification**

In accordance with 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(b)(3) of the Act, the Department will disregard any weighted-average dumping margin that is zero or de minimis, *i.e.* less than 2 percent ad valorem. Based on our preliminary margin calculation, we will not direct the U.S. Customs Service to suspend liquidation of any entries of wire rod from Indonesia as described in the ''Scope of Investigation'' section, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register. The Department does not require any cash deposit or posting of a bond for this preliminary determination. The weighted-average dumping margin in the preliminary determination is as follows:

| Exporter/manufacturer | Margin (percent) |
|---|---|
| P.T. Ispat Indo ..... | 55 % * |

* De minimis

**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, within 75 days after the date of our final determination, whether these imports are materially injuring, or threatening material injury to, the U.S. industry.

**Public Comment**

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five days after the deadline for submission of 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 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 any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. In the event that the Department receives requests for hearings from parties to several wire rod cases, the Department may schedule a single hearing to encompass all those cases. 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 participate if one is requested, must submit a written request within 30 days of the publication of this notice. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If this investigation proceeds normally, we will make our final determination no later than 75 days after the date of this preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: April 2, 2002

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 02–8702 Filed 4–9–02; 8:45 am]

**BILLING CODE 3510–DS–S**

---

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–274–804]**

### Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Carbon and Certain Alloy Steel Wire Rod from Trinidad and Tobago

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

**EFFECTIVE DATE:** April 10, 2002.

**FOR FURTHER INFORMATION CONTACT:** Magd Zalok or Tisha Loeper-Viti at (202) 482–4162 or (202) 482–7425, respectively; AD/CVD Enforcement Group II Office 5, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

**The Applicable Statute and Regulations**

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

**Preliminary Determination**

We preliminarily determine that carbon and certain alloy steel wire rod (steel wire rod) from Trinidad and Tobago is being sold, or is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the *Suspension of Liquidation* section of this notice.

**Case History**

This investigation was initiated on September 24, 2001.[1] *See Initiation of Antidumping Duty Investigations: Carbon and Certain Alloy Steel Wire Rod from Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago Ukraine and Venezuela,* 66 FR 50164 (October 2, 2001) (*Initiation Notice*). Since the initiation of this investigation, the following events have occurred.

On October 12, 2001, the United States International Trade Commission (the ITC) preliminarily determined that the domestic industry producing steel wire rod is materially injured by reason of imports from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine of carbon and certain alloy steel wire rod.[2] *See Determinations and Views of the Commission,* USITC Publication No. 3456, October 2001.

The Department issued a letter on October 16, 2001, to interested parties in all of the concurrent steel wire rod antidumping investigations, providing an opportunity to comment on the Department's proposed model match characteristics and hierarchy. The petitioners submitted comments on October 24, 2001. The Department also received comments on model matching from respondents Hysla S.A. de C.V. (Mexico), Ivaco, Inc., Ispat Sidbec Inc. (Canada). These comments were taken into consideration by the Department in developing the model matching characteristics and hierarchy for all of the steel wire rod antidumping investigations.

On November 5, 2001, the Department issued an antidumping questionnaire to Caribbean Ispat Limited (CIL).[3] We issued supplemental questionnaires on January 9 and 16, and February 8, 2002.

On January 17, 2002, the petitioners requested a 30-day postponement of the preliminary determination in this investigation. On January 28, 2002, the Department published a **Federal Register** notice postponing the deadline for the preliminary determinations until March 13, 2002. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Wire Rod from Brazil, Canada, Indonesia, Germany, Mexico, Moldova, Trinidad and Tobago, and Ukraine,* 67 FR 3877 (January 28, 2002). On March 4, 2002, the petitioners requested an additional 20-day postponement of the preliminary determination in this investigation. On March 15, 2002, the Department published a **Federal Register** notice postponing the deadline for the preliminary determinations until April 2, 2002. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine,* 67 FR 11674 (March 15, 2002).

On December 21, 2001, the petitioners alleged that there that there was a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of steel wire rod from

---

[1] The petitioners in this investigation are Co-Steel Raritan, Inc., GS Industries, Inc., Keystone Consolidated Industries, Inc., and North Star Steel Texas, Inc.

[2] With respect to imports from Egypt, South Africa, and Venezuela, the ITC determined that imports from these countries during the period of investigation (POI) were negligible and, therefore, these investigations were terminated.

[3] Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales, or, if the home market is not viable, of sales in the most appropriate third-country market. Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production (COP) of the foreign like product and the constructed value (CV) of the merchandise under investigation. Section E requests information on further manufacturing.