

Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Forest Service

Intergovernmental Advisory Committee Subcommittee Meeting

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Intergovernmental Advisory Committee will meet on April 3, 1997, at the American Legion Hall, Hoopa, California. The purpose of the meeting is to continue discussions on the implementation of the Northwest Forest Plan. The meeting will begin at 8:30 a.m. and continue until 3:00 p.m. Agenda items to be discussed include, but are not limited to: government-to-government relationships and consultation, implementation and effectiveness monitoring, and a panel discussion by three Provincial Advisory Committees. The IAC meeting will be open to the public and is fully accessible for people with disabilities. Interpreters are available upon request in advance. Written comments may be submitted for the record at the meeting. Time will also be scheduled for oral public comments. Interested persons are encouraged to attend.

FOR FURTHER INFORMATION CONTACT: Questions regarding this meeting may be directed to Don Knowles, Executive Director, Regional Ecosystem Office, 333 SW 1st Ave., P.O. 3623, Portland, OR 97208 (Phone: 503-326-6265).

Dated: March 17, 1997.

Donald R. Knowles,

Designated Federal Official.

[FR Doc. 97-7311 Filed 3-21-97; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-826, A-428-822, A-274-802, and A-307-813]

Initiation of Antidumping Duty Investigations: Steel Wire Rod From Canada, Germany, Trinidad and Tobago, and Venezuela

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

EFFECTIVE DATE: March 24, 1997.

FOR FURTHER INFORMATION CONTACT: James Doyle (Canada and Trinidad and Tobago), at (202) 482-0172; Edward Easton (Germany), at (202) 482-1777; or David Goldberger (Venezuela), at (202) 482-4136, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230.

Initiation of Investigations

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's regulations are to the current regulations, as amended by the interim regulations published in the **Federal Register** on May 11, 1995 (60 FR 25130).

The Petition

On February 26, 1997, the Department of Commerce ("the Department") received a petition filed in proper form by Connecticut Steel Corp., Co-Steel Raritan, GS Industries, Inc., Keystone Steel & Wire Co., North Star Steel Texas, Inc., and Northwestern Steel & Wire Co. ("petitioners"). The Department received supplemental information to the petition on March 11, 1997.

In accordance with section 732(b) of the Act, petitioners allege that imports of steel wire rod ("SWR") from Canada, Germany, Trinidad & Tobago, and Venezuela are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are

materially injuring an industry in the United States.

The Department finds that petitioners have standing to file the petition because they are interested parties as defined in section 771(9)(C) of the Act.

Scope of Investigations

The products covered by these investigations are certain hot-rolled carbon steel and alloy steel products, in coils, of approximately round cross section, between 5.00 mm (0.20 inch) and 19.0 mm (0.75 inch), inclusive, 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; (e) free machining steel that contains by weight 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.4 percent of phosphorus, more than 0.05 percent of selenium, and/or more than 0.01 percent of tellurium; or f) concrete reinforcing bars and rods.

The following products are also excluded from the scope of these investigations:

- Coiled products 5.50 mm or less in true diameter with an average partial decarburization per coil of no more than 70 microns in depth, no inclusions greater than 20 microns, containing by weight the following: carbon greater than or equal to 0.68 percent; aluminum less than or equal to 0.005 percent; phosphorous plus sulfur less than or equal to 0.040 percent; maximum combined copper, nickel and chromium content of 0.13 percent; and nitrogen less than or equal to 0.006 percent. This product is commonly referred to as "Tire Cord Wire Rod."

- Coiled products 7.9 to 18 mm in diameter, with a partial decarburization of 75 microns or less in depth and seams no more than 75 microns in depth; containing 0.48 to 0.73 percent carbon by weight. This product is commonly referred to as "Valve Spring Quality Wire Rod."

The products under investigation are currently classifiable under subheadings 7213.91.3000, 7213.91.4500, 7213.91.6000, 7213.99.0030, 7213.99.0090, 7227.20.0000, and 7227.90.6050 of the HTSUS. Although the HTSUS subheadings are provided

for convenience and customs purposes, our written description of the scope of these investigations is dispositive.

Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who account for production of the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. However, while both the Department and the ITC must apply the same statutory definition of domestic like product, they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.¹

Section 771(10) of the Act defines domestic like product as "a product that is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the like product analysis begins is "the article subject to an investigation," i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

The petition refers to the single domestic like product defined in the "Scope of Investigation" section, above. The Department has no basis on the

record to find the petition's definition of the domestic like product clearly inaccurate. In this regard, we have found no basis on which to reject petitioners' representations that there are clear dividing lines, in terms of characteristics or uses, between the product under investigation on the one hand and, on the other hand, other carbon and alloy coiled steel products. The Department has, therefore, adopted the like product definition set forth in the petition. In this case, petitioners established industry support representing approximately 75 percent of the production of the domestic like product.

On March 13, 1997, Stelco Inc. ("Stelco"), a producer of wire rod in Canada, alleged that the petition covering imports from Canada did not contain information concerning support from domestic coiled bar producers. Stelco argued that domestic bar producers' support was necessary because petitioners' March 4, 1997, submission specifically included "other coiled products known in the industry as 'bar.'" Accordingly, Stelco argued that the Department should poll the industry in order to evaluate the question of industry support.

The Department has determined that the petition contained adequate evidence of sufficient industry support and that polling is therefore unnecessary. Petitioners established industry support representing approximately 75 percent of the production of the domestic like product, which percentage includes the coiled bar. Stelco did not allege and has not demonstrated that coiled bar is a separate domestic like product requiring a separate determination as to industry support. Further, we note that both the American Iron and Steel Institute and HTSUS statistics treat coiled bars and coiled rods as one category. Because it is reasonable to find a single domestic like product for purposes of evaluating industry support in these circumstances, petitioners are well within the statutory requirements for industry support—both among all producers and among producers expressing an opinion—for the single like product covered by the petition. Finally, the Department notes that the inclusion or exclusion in industry support calculations of "tire cord" wire rod—which is excluded from the scope of these proceedings—does not materially affect petitioners' approximate support level of 75 percent (see Initiation Checklist, dated March 18, 1997, and found in the official file in Room B-099). Accordingly, the Department determines that the petition

is filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Export Price and Normal Value

The following are descriptions of the allegations of sales at less than fair value upon which our decisions to initiate these investigations are based. Should the need arise to use any of this information in our preliminary or final determinations for purposes of facts available under section 776 of the Act, we will re-examine the information and revise the margin calculations, if appropriate.

Canada

Petitioners identified three Canadian exporters and producers of SWR: Ivaco, Inc. ("Ivaco"), Sidbec-Dosco, Inc. ("Sidbec-Dosco"), and Stelco, Inc. ("Stelco"). Petitioners based export price on price quotations (FOB-customer's location) to U.S. purchasers for carbon wire rod products manufactured by Sidbec-Dosco and Ivaco in Canada. The quoted prices were for three grades of rod during the months of March and April and the fourth quarter of 1996; they also were export prices (i.e., prices to unrelated U.S. customers for purchase prior to export).

Petitioners made deductions for inland freight from the Canadian steel plants to the place of delivery to the U.S. purchaser, brokerage fees and customs duties paid upon entry of the merchandise into the United States. Petitioners obtained freight and brokerage fee quotations from a freight company offering trucking service in both Canada and the United States. Petitioners calculated customs duty charges based on the customs value for each U.S. product.

With respect to normal value, petitioners obtained home market FOB price quotations for carbon wire rod manufactured by Sidbec-Dosco and Ivaco in Canada. The prices were quoted in Canadian dollars on a delivered basis, for delivery in the fourth quarter of 1996.

Petitioners made deductions for inland freight from the Canadian steel plants to the home market customer, and for the credit costs. Petitioners obtained freight and brokerage fee quotations from a freight company offering trucking services in Canada and the United States. Petitioners based the home market credit expense calculation on thirty day credit terms, which were supported by the affidavit of the regional manager of a U.S. manufacturer of wire rod, and the 1996 fourth quarter average of the monthly stated prime rate

¹ See *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass Therefor from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 Fed. Reg. 32376, 32380-81 (July 16, 1991).

reported in the Canadian Economic Observer. Petitioners noted that prices do not include any Goods and Service Tax, and that they did not make an adjustment for differences in physical characteristics of this merchandise, although the grades used for one of the price comparisons were different.

In addition, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales of SWR in the home market were made at prices below the fully allocated COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales below cost investigation. Therefore, pursuant to sections 773(a)(4) and 773(e) of the Act, petitioners based normal value for sales in Canada on constructed value ("CV").

Pursuant to section 773(e) of the Act, CV consists of the cost of manufacture ("COM"), selling, general, and administrative ("SG&A") expenses, and profit. Petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce SWR in the United States and costs incurred for producing the subject merchandise in Canada. To calculate SG&A and financing expenses, the petitioners relied on the most recent company-specific and/or country-specific data for the steel industry available to the public. To calculate CV profit, the petitioners used the most recent profitability data for Canadian steel manufacturers available to the public.

The average dumping margins in the petition based on price-to-price comparisons range from 14.59 percent to 17.89 percent. After certain adjustments we made to the CV data listed in the petition, average dumping margins based on price-to-CV comparisons range from 27.91 percent to 40.55 percent.

Germany

Petitioners identified four exporters and producers of SWR: Brandenburg Elektrostahlwerk GmbH ("Brandenburg"), Ispat Hamburger Stahlwerke GmbH, Saarstahl AG ("Saarstahl"), and Thyssen Stahl AG. Petitioners obtained price quotes for two grades of SWR products manufactured by Brandenburg and by Saarstahl and offered for sale to unaffiliated purchasers in the United States. From these quoted prices, petitioners deducted foreign inland freight from the mill to the port, foreign port and loading fees, ocean freight and insurance, U.S. port and unloading fees, U.S. customs duties, and U.S. inland freight.

With respect to normal value, petitioners obtained two price quotes for Brandenburg and Saarstahl for SWR products offered for sale to customers in Germany which are either identical or similar to those sold to the United States. Petitioners adjusted these prices for estimated inland transportation and credit expenses. Petitioners did not make an adjustment for differences in physical characteristics of the merchandise used for a price comparison in the two markets, even though the grades used in the comparison were different.

In addition, the petitioners alleged that sales in the home market were made at prices below the fully allocated COP, and requested that the Department conduct a country-wide sales below COP investigation. Therefore, petitioners constructed a normal value for sales in Germany.

To calculate CV, petitioners based COM on their own production experience, adjusted for known differences between costs incurred to produce SWR in the United States and costs incurred for producing the merchandise in Germany. To calculate SG&A and financing expenses, petitioners relied on the most recent company-specific and/or country specific data for the steel industry available to the public. To calculate CV profit, petitioners used the most recent profitability data for German steel manufacturers available to the public.

The dumping margins based on price-to-price comparisons range from 19.95 percent to 36.68 percent. After certain adjustments we made to the CV data listed in the petition, average dumping margins based on price-to-CV comparisons range from 80.30 percent to 153.10 percent.

Trinidad and Tobago

Petitioners identified Caribbean Ispat, Ltd. ("CIL") as the sole exporter and producer of SWR from Trinidad and Tobago. Petitioners based export price on FOB-customer's location prices to U.S. purchasers for carbon wire rod products manufactured by CIL in Trinidad and Tobago. The quoted prices were for two grades of rod during the month of June and the first quarter of 1996; they also were export prices (*i.e.*, prices to unrelated customers for purchase prior to export).

Petitioners made deductions for Trinidad and Tobago cargo handling fees, ocean freight, U.S. port and handling fees, and inland freight charges from the U.S. port to the U.S. purchaser location. Petitioners used the published port rates by the Point Lisas Industrial Port Development Corp., Ltd.

Petitioners based their estimate of ocean freight and insurance costs by deducting the 1996 unit customs value of wire rod imports from Trinidad and Tobago, entered through the Louisiana port, by the CIF value of the same product. Petitioners did not adjust for duties because the merchandise enters duty free under the Caribbean Basin Initiative.

For normal value, petitioners stated that the Trinidad and Tobago prices were quoted on an FOB plant basis, so there was no need to adjust for inland freight; quoted prices were net of value added tax, so there was no need for a tax adjustment; payment terms specify cash on delivery, so there were no home market credit expenses.

In addition, the petitioners alleged that sales in the home market were made at prices below the fully allocated COP and requested that the Department conduct a sales below cost investigation. Therefore, petitioners constructed a normal value for sales in Trinidad and Tobago. To calculate CV, petitioners based COM for CIL based on publicly available data and their own production experience, adjusted for known differences between costs incurred to produce SWR in the United States and costs incurred for production of the subject merchandise in Trinidad and Tobago. To calculate SG&A and financing expenses, petitioners relied on the most recent company-specific data available to the public. To calculate profit for CV, the petitioners relied on an average profit figure for a U.S. surrogate manufacturer. We recalculated profit, using data supplied by the U.S. Embassy in Trinidad and Tobago.

The dumping margins based on price-to-price comparisons range from 40.07 percent to 40.88 percent. After certain adjustments we made to the CV data listed in the petition, average dumping margins based on price-to-CV comparisons range from 77.88 percent to 78.94 percent.

Venezuela

Petitioners identified two Venezuelan exporters and producers of SWR: CVG Siderurgica Del Orinoco C.A. ("SIDOR") and Siderur-Siderugica del Turbio SA. Petitioners obtained FOB-delivered price quotations to U.S. purchasers for SWR products manufactured by Sidor in Venezuela. Petitioners deducted ocean freight, customs duties, port charges, and inland freight from the port of entry to the customer site.

With regard to normal value, petitioners relied upon market research to obtain FOB-plant price quotes from SIDOR. Petitioners made a circumstance-of-sale adjustment to

account for differences in credit expenses associated with the U.S. and home market sales.

In addition, the petitioners alleged that sales in the home market were made at prices below the fully allocated COP and requested that the Department conduct a sales below cost investigation. Therefore, the petitioners constructed a normal value for sales in Venezuela. To calculate CV, petitioners based COM for SIDOR based on publicly available data and their own production experience, adjusted for known differences between costs incurred to produce SWR in the United States and costs incurred for producing the subject merchandise in Venezuela. To calculate SG&A and financing expenses, the petitioners relied on the most recent company-specific data available to the public. To calculate profit for CV, the petitioners relied on the most recent profitability data for a Venezuelan steel manufacturer available to the public.

The dumping margins in the petition based on price-to-price comparisons range from 15.46 percent to 34.06 percent. The dumping margins in the petition based on price-to-CV comparisons range from 40.99 percent to 66.75 percent.

Initiation of Cost Investigations

Pursuant to section 773(b) of the Act, petitioners alleged that sales in the home markets of Canada, Germany, Trinidad and Tobago, and Venezuela were made at prices below the fully allocated COP and, accordingly, requested that the Department conduct a country-wide sales below COP investigation in each of these petitioned-for antidumping investigations. The Statement of Administrative Action ("SAA"), submitted to the Congress in connection with the interpretation and application of the Uruguay Round Agreements, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316, 103d Cong., 2d Sess., at 833 (1994). The SAA, at 833, states that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation."

Further, the SAA provides that "new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' * * * exist when an interested party

provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices." *Id.* Based upon the comparison of the adjusted prices from the petition of the foreign like products in their respective home markets to their costs of production, we find the existence of "reasonable grounds to believe or suspect" that sales of these foreign like products were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations.

Fair Value Comparisons

Based on the data provided by petitioners, there is reason to believe that imports of SWR from Canada, Germany, Trinidad and Tobago, and Venezuela are being, or are likely to be, sold at less than fair value.

Initiation of Antidumping Investigations

We have examined the petition on SWR and have found that it meets the requirements of section 732 of the Act, including the requirements concerning allegations of the material injury or threat of material injury to the domestic producers of a domestic like product by reason of the subject imports, allegedly sold at less than fair value. Therefore, we are initiating antidumping duty investigations to determine whether imports of SWR from Canada, Germany, Trinidad and Tobago, and Venezuela are being, or are likely to be, sold in the United States at less than fair value. Unless extended, we will make our preliminary determinations by August 5, 1997.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of Canada, Germany, Trinidad and Tobago, and Venezuela. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition (as appropriate).

International Trade Commission Notification

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

Preliminary Determinations by the ITC

The ITC will determine by April 14, 1997, whether there is a reasonable indication that imports of SWR from Canada, Germany, Trinidad and Tobago,

and Venezuela are causing material injury, or threatening to cause material injury, to a U.S. industry. Negative ITC determinations will result in the particular investigations being terminated; otherwise, the investigations will proceed according to statutory and regulatory time limits.

Dated: March 18, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-7357 Filed 3-21-97; 8:45 am]

BILLING CODE 3510-DS-P

[C-122-815]

Pure and Alloy Magnesium From Canada: Final Results of the First (1992) Countervailing Duty Administrative Reviews

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

ACTION: Notice of final results of countervailing duty administrative reviews.

SUMMARY: On March 19, 1996, the Department of Commerce (the Department) published in the **Federal Register** its preliminary results of administrative review of the countervailing duty orders on pure and alloy magnesium from Canada for the period December 6, 1991 through December 31, 1992 (see *Preliminary Results of First Countervailing Duty Administrative Reviews: Pure Magnesium and Alloy Magnesium From Canada (Preliminary Results)*, 61 FR 11186 (March 19, 1996)). We have completed these reviews and determine the net subsidy to be 9.86 percent ad valorem for Norsk Hydro Canada, Inc. and all other producers/exporters except Timminco Limited, which has been excluded from these orders. We will instruct the U.S. Customs Service to assess countervailing duties as indicated above.

EFFECTIVE DATE: March 24, 1997.

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

SUPPLEMENTARY INFORMATION:

Background

On March 19, 1996, the Department published in the **Federal Register** the *Preliminary Results* of its administrative