DEPARTMENT OF COMMERCE

Census Bureau

[Docket Number 991105296–9296–01]

RIN Number 0607–XX47

Change in Report Series From Print Publication to Internet Access

AGENCY: Census Bureau, Commerce.

ACTION: Notice of publication program change.

SUMMARY: The Census Bureau will cease printed publication of the Monthly Wholesale Trade Report at the end of this calender year. After the printed report providing data for December 1999 is issued in February 2000, this monthly report will be available only on the Internet at: <http://www.census.gov./svsd/www/mwts.html>.

EFFECTIVE DATE: February 1, 2000.

FOR FURTHER INFORMATION CONTACT: Carole A. Ambler, Chief, Service Sector Statistics Division, U.S. Census Bureau, Washington, DC 20233, telephone number: (301) 457–2668.

SUPPLEMENTARY INFORMATION: The Monthly Wholesale Trade Report provides current economic data of the merchant wholesale trade industry and presents both unadjusted and seasonally adjusted data on sales, inventories, and inventories/sales ratios.

The Census Bureau has determined that there is little, if any, need for the printed version of the Monthly Wholesale Trade Report. Few users want a delayed printed report when they can access it through the Internet the morning of the release. Some users have continued to receive the printed report only because they have not requested that their names be removed from our mailing list. In recent years, our mailing request for this publication has declined from about 750 users to about 80 users. We believe that switching to Internet access will not affect the report's users. We will, however, address the needs of customers adversely affected by this change.

Dated: November 9, 1999.

Kenneth Prewitt,

Director, Bureau of the Census.

[FR Doc. 99–29927 Filed 11–16–99; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

Bureau of Export Administration

Regulations and Procedures Technical Advisory Committee; Notice of Partially Closed Meeting

The Regulations and Procedures Technical Advisory Committee (RPTAC) will meet December 2, 1999, 9 a.m., Room 3884, in the Herbert C. Hoover Building, 14th Street between Constitution and Pennsylvania Avenues, NW., Washington, DC. The Committee advises the Office of the Assistant Secretary for Export Administration on implementation of the Export Administration Regulations (EAR) and provides for continuing review to update the EAR as needed.

Agenda

Open Session

1. Opening remarks by the Chairperson.
2. Presentation of papers or comments by the public.
3. Update on pending regulatory revisions.
4. Update on policies under review.
5. Discussion of electronic submission of license applications and supporting documentation.
6. Discussion of draft regulation concerning Exporter of Record.
7. Discussion of encryption regulations.

Closed Session

8. Discussion of matters properly classified under Executive Order 12958, dealing with the U.S. export control program and strategic criteria related thereto.

A limited number of seats will be available for the open session. Reservations are not required. To the extent that time permits, members of the public may present oral statements to the Committee. The public may submit written statements at any time before or after the meeting. However, to facilitate the distribution of public presentation materials to the Committee members, the Committee suggests that presenters forward the public presentation materials prior to the meeting to the following address: As. Lee Ann Carpenter, BXA MS:3876, 15th St. & Pennsylvania Ave., NW, Washington, DC 20230.

The Assistant Secretary for Administration, with the concurrence of the delegate of the General Counsel, formally determined on January 12, 1999, pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended, that the series of meetings or portions of meetings of the Committee and of any Subcommittees thereof, dealing with the classified materials listed in 5 U.S.C. 552b(c) shall be exempt from the provisions relating to public meetings found in section 10(a)(1) and 10(a)(3) of the Federal Advisory Committee Act. The remaining series of meetings or portions thereof will be open to the public.

A copy of the Notice of Determination to close meetings or portions of meetings of the Committee is available for public inspection and copying in the Central Reference and Records Inspection Facility, Room 6020, U.S. Department of Commerce, Washington, DC. For more information, call Lee Ann Carpenter at (202) 482–2583.

Dated: November 12, 1999.

Lee Ann Carpenter,

Committee Liaison Officer.

[FR Doc. 99–30054 Filed 11–16–99; 8:45 am]

BILLING CODE 3510–33–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–807]

Polyethylene Terephthalate Film, Sheet and Strip From Korea: Final Results of Antidumping Duty Administrative Review and Notice of Intent Not To Revoke in Part

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

ACTION: Notice of final results of antidumping duty administrative review and intent not to revoke in part

SUMMARY: On July 12, 1999, the Department of Commerce (the Department) published the preliminary results of the administrative review of the antidumping duty order on polyethylene terephthalate film, sheet, and strip (PET film) from the Republic of Korea (64 FR 37501). The review covers one manufacturer/exporter of the subject merchandise to the United States and the period June 1, 1997 through May 31, 1998. We gave interested parties an opportunity to comment on the preliminary results. Based upon our analysis of the comments received, we have made certain changes for the final results.

EFFECTIVE DATE: November 17, 1999.

FOR FURTHER INFORMATION CONTACT: Michael J. Heaney or Robert James, AD/CVD Enforcement Group III, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and

Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482–4475 or (202) 482–5222.

Applicable Statute:

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR part 351 (1998).

SUPPLEMENTARY INFORMATION:

Background

On July 12, 1999, the Department published in the **Federal Register** the preliminary results of administrative review of the antidumping order on PET film from Korea. SKC Co., Ltd. and SKC America, Inc. (collectively SKC) submitted its case brief on August 11, 1998. E.I. DuPont de Nemours & Company and Mitsubishi Polyester Film, LLC (collectively Petitioners) submitted rebuttal comments on August 18, 1999. The Department has conducted this administrative review in accordance with section 751 of the Act.

Intent Not To Revoke

On June 30, 1998, SKC requested, pursuant to 19 CFR 351.222(b)(2), revocation of the order with respect to its sales of PET film from Korea. SKC certified that: (1) It sold the subject merchandise at not less than normal value (NV) for a period of at least three consecutive years, (2) in the future it will not sell the subject merchandise at less than NV, and (3) it agreed to its immediate reinstatement in the order if the Department determines that, subsequent to revocation, it sold the subject merchandise at less than NV.

In this case SKC does not meet the first criterion required for revocation. In this segment of the proceeding the Department has found that SKC sold subject merchandise at less than NV. Since SKC has not met the first criterion for revocation, i.e., zero or *de minimis* margins for three consecutive reviews, the Department need not reach a conclusion with respect to the second and third criteria. Therefore, on this basis, we have determined not to revoke the order on PET film from Korea with respect to SKC.

Scope of the Review

Imports covered by this review are shipments of all gauges of raw, pretreated, or primed polyethylene terephthalate film, sheet, and strip, whether extruded or coextruded. The films excluded from this review are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer of more than 0.00001 inches (0.254 micrometers) thick. Roller transport cleaning film which has at least one of its surfaces modified by the application of 0.5 micrometers of SBR latex has also been ruled as not within the scope of the order.

PET film is currently classifiable under Harmonized Tariff Schedule (HTS) subheading 3920.62.00.00. The HTS subheading is provided for convenience and for U.S. Customs purposes. The written description remains dispositive as to the scope of the product coverage.

The review covers the period June 1, 1997 through May 31, 1998. The Department has conducted this review in accordance with section 751 of the Act.

Currency Conversion

We made currency conversions in accordance with section 773A of the Act. Section 773A(a) of the Act directs the Department to use a daily exchange rate to convert foreign currencies into U.S. dollars unless the daily rate involves a fluctuation. The Department considers a ''fluctuation'' to exist when the daily exchange rate differs from the benchmark rate by 2.25 percent or more. The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we generally substitute the benchmark rate for the daily rate, in accordance with established practice. (An exception to this rule is described below.) (For an explanation of this method, see Policy Bulletin 96–1: Currency Conversions (61 FR 9434, March 8, 1996).)

Our analysis of dollar-Korean-won exchange rates show that the Korean won declined rapidly in November and December 1997. Specifically, the won declined more than 40 percent over this two month period. The decline was, in both speed and magnitude, many times more severe than any change in the dollar-won exchange rate during recent years, and it did not rebound significantly in a short time. As such, we determine that the decline in the won during November and December 1997 was of such magnitude that the dollar-won exchange rate cannot reasonably be viewed as having simply fluctuated at that time, *i.e.*, as having experienced only a momentary drop in value relative to the normal benchmark. Accordingly, the Department used actual daily exchange rates exclusively in November and December 1997. See Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Sheet and Strip from the Republic of Korea, 64 FR 30664, 30670 (June 8, 1999).

We recognize that, following a large and precipitous decline in the value of a currency, a period may exist wherein it is unclear whether further declines are a continuation of the large and precipitous decline or merely fluctuations. Under the circumstances of this case, such uncertainty may have existed following the large, precipitous drop in November and December 1997. Thus, we devised a methodology for identifying the point following a precipitous drop at which it is reasonable to presume that rates were merely fluctuating. Following the precipitous drop in November and December, we continued to use only actual daily rates until the daily rates were not more than 2.25 percent below the average of the 20 previous daily rates for five consecutive days. At that point, we determined that the pattern of daily rates no longer reasonably precluded the possibility that they were merely ''fluctuating.'' (Using a 20-day average for this purpose provides a reasonable indication that it is no longer necessary to refrain from using the normal methodology, while avoiding the use of daily rates exclusively for an excessive period of time.) Accordingly, from the first of these five days, we resumed classifying daily rates as ''fluctuating'' or ''normal'' in accordance with our standard practice, except that we began with a 20-day benchmark and on each succeeding day added a daily rate to the average until the normal 40-day average was restored as the benchmark. See Notice of Final Results of Antidumping Duty Administrative Review: Certain Welded Carbon Steel Pipes and Tubes from Thailand, 64 FR 56759, 56763, October 21, 1999.

Applying this methodology in the instant case, we used daily rates from November 3, 1997 through January 13, 1998. We then resumed the use of our normal methodology, starting with a benchmark based on the average of the 20 reported daily rates from January 14, 1998. We used the normal 40-day benchmark from February 12, 1998 to the close of the review period.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs are addressed below.

Comment 1: Allocation of Scrap Costs

Consistent with previous administrative reviews of this case, SKC

objects to the Department's equal allocation of scrap costs to A-grade and B-grade film. SKC contends that its allocation methodology is reasonable and consistent with widely accepted accounting concepts. In support of its argument, SKC cites to the March 8, 1996 case brief filed in the second and third administrative reviews of this case. (See Appendix 1 of SKC's August 11, 1999 case brief.)

SKC states that allocating the cost of scrap film equally to A-grade and B-grade films improperly overstates the cost of B-grade films while understating the cost of A-grade films. SKC contends that its methodology of initially allocating costs equally among A-grade film, B-grade film, and scrap, and then reallocating the cost of scrap to the cost of A-grade film is consistent with accepted cost accounting methodologies.

SKC also asserts that its methodology is consistent with the Department's treatment of jointly produced products in numerous other antidumping proceedings, wherein the Department recognized that a pure quantitative, or physical measures approach to cost allocation is unreasonable where there is significant difference in the value of the jointly produced products.

SKC cites Elemental Sulphur from Canada 61 FR 8239, 8241–8243 (March 4, 1996) (Sulphur from Canada); Oil Country Tubular Goods from Argentina 60 FR 33539, 33547 (June 28, 1995) (OCTG from Argentina); Canned Pineapple Fruit from Thailand, (60 FR 29553, 29560) (June 5, 1995) (Pineapple from Thailand) in support of its position.

SKC maintains that it is the Department's well-established practice to calculate costs in accordance with a respondent's normal cost accounting system unless the system results in an unreasonable allocation of costs, and cites Pineapple from Thailand as support for this assertion. SKC states that its reported cost of manufacturing (COM) data were calculated in accordance with its normal and long-established management cost accounting system. SKC notes that in the first review of this case (covering the period November 30, 1990 through May 31, 1992), the Department allocated all costs associated with the production of scrap film to A-grade film. SKC contends that this methodology was upheld by the Court of International Trade (CIT). (See *E.I DuPont de Nemours & Co., et al.* v. *United States*, 4 F. Supp. 2d 1248, 1254 (Ct. Int'l. Trade 1998) (DuPont).

Finally, SKC argues that the Department's allocation methodology is ''no longer tenable'' in light of the decision reached by the U.S. Court of Appeals for the Federal Circuit (the Federal Circuit) in *Thai Pineapple Public. Co., Ltd. et al.* v. *United States*, No. 97–1424,-1437 (Fed. Cir. July 28, 1999) (Thai Pineapple). SKC asserts that in Thai Pineapple the Court rejected the use of a weight based allocation methodology where that methodology was inconsistent with the company's own books and records, and where the cost allocation methodology used by the company was neither price-based nor circular. Based upon the foregoing, SKC concludes that the Department should allocate all scrap costs to A-grade film.

Petitioners argue that the Department should continue to allocate scrap costs equally between A-grade and B-grade film, as the Department has done in the second (June 1, 1992 through May 31, 1993), third (June 1, 1993 through May 31, 1994), fifth (June 1, 1994 through May 31, 1995), and sixth (June 1, 1995 through May 31, 1996) reviews of this case. Petitioners argue that allocating yield losses equally between A-grade and B-grade film is consistent with the Federal Circuit's ruling in *IPSCO* v. *United States*, 965 F. 2d. 1056 (Fed Cir. 1992) (IPSCO). Petitioners note that the circumstances of this case are indistinguishable from IPSCO since A-grade and B-grade films are also produced ''simultaneously in a single production process.''

Petitioners further contend that in accepting SKC's reported costs for the first review, the Department predicated its acceptance upon the understanding that SKC had equally assigned costs to A- and B-grade films. Petitioners note that SKC's allocation methodology assigns all scrap cost to A-grade film.

Finally, petitioners assert that the facts in this case are distinguishable from those in Thai Pineapple. Petitioners contend that A-grade and B-grade film have identical production inputs, whereas in Thai Pineapple the production process differs for the various pineapple products involved. Because SKC's allocation methodology does not allocate scrap costs equally to A-grade and B-grade film, Petitioners assert that the Department should continue to reject SKC's allocation methodology.

Department's Position

We agree with Petitioners and disagree with SKC. As we explained in the final results of previous reviews of this order, we have determined that A-grade and B-grade PET film have identical production costs. Accordingly, we continue to rely on an equal cost methodology for both grades of PET film in these final results. (See Polyethylene Terephthalate Film, Sheet and Strip from the Republic of Korea: Final Results of Review and Notice of Revocation in Part 61 FR 35177, 33182–83 (July 5, 1996) (Second and Third Reviews); Polyethylene Terephthalate Film, Sheet and Strip from the Republic of Korea; Final Results of Review and Notice of Revocation in Part 61 FR 58374, 58375–76, (November 14, 1996) (Fourth Review), Polyethylene Terephthalate Film, Sheet and Strip from the Republic of Korea; Final Results of Review 62 FR 38064, 38065–66 (Fifth Review) and Polyethylene Terephthalate Film, Sheet and Strip from the Republic of Korea; Final Results of Review 63 FR 37334, 37335–36 (Sixth Review). Moreover, as noted in the final results of the second through sixth reviews, the CIT has also ruled that our allocation of SKC's production costs between A-grade and B-grade film is reasonable. (See *E.I DuPont de Nemours & Co., Inc. et al.* v. *United States*, 932 F. Supp. 296 (CIT 1996).)

As Petitioners have indicated, our acceptance of SKC's allocation of scrap costs in the first review of this case was based upon our understanding that SKC had properly allocated the costs of A-grade and B-grade film. In that review we did not verify SKC's cost data. We determined that no verification was necessary because SKC was verified in the original investigation. Based upon the evidence existing in the record during the proceeding, we accepted SKC's allocation methodology because we were satisfied that SKC had calculated actual costs consistent with the Federal Circuit's ruling in IPSCO. (See Polyethylene Terphthalate Film, Sheet and Strip from the Republic of Korea, 60 FR 42835, 42839–40 (August 17, 1995).)

During the second and third administrative reviews, however, we carefully examined SKC's allocation methodology and conducted a thorough verification of SKC's accounting records. We determined that the allocation methodology employed by SKC fails to capture the actual production costs of A-grade and B-grade film. Based upon this determination, we have consistently required SKC to allocate yield losses equally between A- and B-grade film since the second review of this case. Further, we have determined that A-grade and B-grade film undergo an identical production process that involves an equal amount of material and fabrication expenses. The only difference in the resulting A- and B-grade film is that at the end of the manufacturing process a quality inspection is performed during which

some of the film is classified as high quality A-grade product while other film is classified as lower quality B-grade film (see Fourth Review at 61 FR 58375).

We continue to reject SKC's argument that DuPont affirmed its accounting methodology. DuPont does not require the Department to accept an allocation methodology that does not accurately capture the actual cost of A-grade and B-grade film. In DuPont the CIT concluded that the Department's acceptance of SKC's calculations was supported by substantial evidence. The Court further concluded that the calculations properly reflected SKC's actual costs of production. The CIT, however, did not affirm SKC's allocation methodology. It merely accepted the allocations resulting from the methodology because the record evidence indicated that those allocations reflected actual production costs as required by IPSCO.

In contrast, in the five previous reviews of this case, the Department has determined that SKC's allocation methodology fails to capture the actual cost of A-grade and B-grade film. We continue to maintain that SKC's reliance on Sulphur from Canada, Pineapple from Thailand , and OCTG from Argentina is misplaced. In Sulphur from Canada, the Department accepted respondent's treatment of sulphur as a by-product of natural gas production and its consequent assignment of all production costs to natural gas production and none to sulphur production in its normal records. (See Sulphur from Canada 61 FR at 8240–44 (comments 2 & 3).) The Department, instead, accounted only for the further processing costs of sulphur that respondent incurred after the sulphur gas was removed from the well. When accepting respondent's methodology, the Department conducted a relative value analysis of the sulphur and found that sulphur was an ''insignificant'' by-product of natural gas operations. (*Id.* At 8241.) The Department noted that Husky did not have the option of disposing of or selling sulphur gas in the state it is recovered from the well, because it is a poisonous substance and the respondent was required by law to process it to a safe form before disposing of it. (*Id* at 8244.)

Likewise in OCTG from Argentina, respondent's production process produced two grades of pipe: primary and secondary. (See OCTG from Argentina, 60 FR at 33547.) However, because the secondary pipe was of such an inferior quality that it could not be sold for normal OCTG applications, the Department determined that the relative value of secondary pipe was ''insignificant'' compared to OCTG and primary pipe. *Id* Therefore, the Department allocated all common production costs to the primary pipe and subtracted the revenue received from the small amount of sales of secondary pipe from the total cost of manufacture of the primary pipe. See *Id*.

In the instant case, A-grade and B-grade films are produced in the same production process, with the only difference between A-grade and B-grade films being a different end-quality categorization. B-grade film is commercially saleable as a form of PET film. Thus, unlike the situations in Sulphur from Canada and OCTG from Argentina, B-grade film is not an ''insignificant'' by-product of PET film production.

Further, Pineapple from Thailand, may be distinguished from the instant case because Pineapple from Thailand concerned the appropriate cost methodology for products manufactured in a joint production process where the primary raw material, pineapple fruit, is split apart, with different parts of the raw material going through different production processes to produce canned pineapple fruit and other pineapple products, *e.g.*, pineapple juice. (See Pineapple from Thailand, 60 FR at 29560–61.) A joint production process occurs when ''two or more products result simultaneously from the use of one raw material as production takes place.'' (See Management Accountants Handbook, Keeler *et al.*, Fourth Edition at 11:1.) A joint production process produces two distinct products and the essential point of a joint production process is that ''the raw material, labor, and overhead costs prior to the initial split-off can be allocated to the final product only in some arbitrary, although necessary manner.'' *Id*. The identification of different grades of merchandise does not transform the manufacturing process into a joint production process which would require the allocation of costs. In this case, since production records clearly identify the amount of yield losses for each specific type of PET film, our allocation of yield losses to the films bearing those losses is reasonable, not arbitrary. (See Fourth Review, 61 FR at 58575–76.)

It is the Department's practice to calculate costs in accordance with a respondent's management accounting system where that system reconciles to the respondent's normal financial and cost accounting records and results in a reasonable allocation of costs.(See Sixth Review, 63 FR at 37334). Management accounting deals with providing information that managers inside an organization will use. Managerial accounting reports typically provide more detailed information about product costs, revenue and profits. They are used to identify problems, objectives, or goals, and possible alternatives. In order to respond to the Department's questionnaires, SKC officials devised a management accounting methodology for allocating costs incurred in the film and chip production cost centers to individual products produced during the period of review. SKC adopted this cost accounting system to reflect a management goal (*i.e.*, to respond to the Department.) Under this system, SKC assigns the yield loss from the production of A- and B-grade films exclusively to the A-grade films. This methodology helps management to focus on the film types with low yields. However, notwithstanding SKC's management's concern that it accurately portray the cost of its A-grade products, this managerial accounting methodology is not appropriate for reporting the actual costs of A-and B-grade products. As previously noted, A-grade and B-grade films undergo an identical production process. B-grade film is made using the same materials, on the same equipment, at the same time as the A-grade film.

Because A-grade and B-grade film are made from identical production inputs, SKC's reliance on Thai Pineapple is misplaced. As the Federal Circuit noted, the production process ''is entirely different for the various pineapple products produced.'' (See Thai Pineapple at 8.) In contrast, A- and B-grade PET films are, as in the IPSCO case, produced from an identical production process. Further, contrary to SKC's argument, the Federal Circuit's ruling in Thai Pineapple does not require the Department to revise its methodology in this case. In Thai Pineapple, the Federal Circuit upheld Commerce's acceptance of the allocation methodology in the foreign producer's normal books and records because that methodology reasonably reflected the foreign producer's cost of production. See Thai Pineapple at 12–14. The Federal Circuit stated:

> To the extent that the records of [the foreign producer] reasonably reflect the costs of production, Commerce may rely upon them. See NTN Beaning Corp., 74 F. 3d at 1206. Conversely, if the records are not reasonably reflective of cost, Commerce may appropriately deviate from them. See Thai Pineapple at 13.

In this case, as explained above, the Department has found the accounting methodology employed by SKC in its

books does *not* reflect the actual costs of A- and B-grade products. Because A- and B-grade films undergo an identical production process using the same production inputs, the Department's allocation of scrap cost equally to A- and B-grade film is appropriate, and is consistent with the Federal Circuit's ruling in Thai Pineapple.

Comment 2: CEP Profit

SKC asserts that the Department failed to account for imputed credit and domestic inventory carrying costs in its calculation of total profit in the CEP profit calculation. SKC contends that all imputed expenses should be included in U.S. selling expenses because (1) SKC has already offset the interest expense that the Department used in the calculation of total U.S. costs for these imputed expenses and (2) adjustments for these expenses are not otherwise reflected in the total costs that are deducted from total revenue to derive CEP profit.

Petitioners agree with SKC that the Department incorrectly calculated CEP profit but disagree with SKC as to the nature of the Department's error. Petitioners claim that as a result of SKC's specific categorization of revenues and costs, SKC has excluded the portion of CV financing expense which reflects imputed credit and inventory carrying costs included in U.S. expenses. (These items are revenue amounts in the calculation of CEP.) Therefore, Petitioners argue, SKC's total expenses are categorically different than its U.S. expenses, and SKC's total expenses are understated by mixing elements of revenue and cost. Petitioners assert that the Department should (1) recalculate SKC's finance expense without adjustments for accounts receivable and finished goods inventory, and with no adjustment for certain interest income items, (2) exclude ''refunded customs duties'' from SKC's aggregate cost of sales, and (3) calculate U.S. expenses for purposes of calculating CEP profit as the sum of U.S. movement expenses, direct and indirect U.S. selling expenses, and U.S. further manufacturing cost.

Department's Position

We have adhered to our established practice and used the actual revenues and expenses listed in SKC's audited financial statements to calculate CEP profit. Also, consistent with established practice, we have excluded imputed interest expenses from the calculation of the U.S. selling expenses as used in our CEP profit calculation and have employed the actual interest expenses incurred by SKC in accordance with section 772(f)(2)(D) of the Act. Because our revised calculation of interest expense includes no offset for imputed expenses, SKC's argument that imputed expenses should be included in the calculation of CEP profit is moot.

In determining a company's costs for COP and CV purposes, we include an amount for interest expense. As with other cost elements, this cost is calculated on an annual basis. (See Certain Stainless Wire Rods from France: Final Results of Antidumping Duty Administrative Review, 61 FR 47874, 47882 (September 11, 1996).) In these final results, we have removed SKC's claimed deductions for imputed credit and inventory carrying cost from its reported interest expense calculation. This is consistent with our practice of using the same interest expense rate for both COP and CV, and basing that calculation upon the actual expenses shown on the financial statements. (See Notice of Final Determination at Less Than Fair Value: Certain Pasta from Italy, 61 FR 30326, 30333 (June 14, 1996).)

We disagree with petitioners that the interest income used as an offset to interest expense should be disallowed. This interest income is short-term in nature and is an allowable offset to total interest expenses. Also, we do not accept petitioners' argument that SKC should not be allowed to adjust its cost of sales for ''refunded customs duties.'' The refunded duties are reflected in the cost of goods sold in SKC's financial statement. These refunded duties, however, are not a part of the model specific cost of manufacture to which the interest rate is applied. (Refunded duties are included as an adjustment to the sales price in the anti-dumping calculation.) Thus, in order to compute the interest expense rate on the same basis to which it is being applied, it is reasonable to add the refunded duties back to the cost of sales in the calculation of the interest expense rate.

Finally, we disagree with Petitioners' claim that movement charges should be included in the U.S. expenses used to calculate CEP profit. Unlike the statutory provision that defines the ''total expenses'' to be used in calculating CEP profit, Congress explicitly identified the expenses that constituted total U.S. expenses in section 772(f)(2)(B) of the Act. Section 772(f)(2)(B) of the Act provides that total U.S. expenses used to compute CEP profit are limited to those appearing under section 772(d) (1) and (2) of the statute. Movement expenses do not appear under either one of those subsections, but rather are described under section 772(c)(2)(A) of the Statute. (See ITA Policy Bulletin 97.1, September 4, 1997 (CEP Policy Bulletin).) Therefore, in accordance with section 772(f)(2)(B) of the Act, we have *not* included movement expenses in our calculation of the total U.S. selling expenses used to allocate CEP profit.

Comment 3: U.S. Indirect Selling Expenses and CEP Profit

SKC contends that the Department should include the U.S. indirect selling expenses incurred in the home market in its calculation of CEP profit. SKC notes that the Department's CEP Policy Bulletin does not distinguish ''activities in the United States from other U.S. selling activities'' in calculating total profit. The Petitioners did not comment on this matter.

Department's Position

We agree with SKC. Consistent with our established practice, we have not distinguished activities in the United States from other U.S. selling activities in our calculation of total profit that is then allocated to U.S. expenses. We have revised our calculations accordingly.

Comment 4: Indirect Selling Expenses for Further Manufactured Sales

At the onset of verification, SKC submitted a corrected indirect selling expense rate for further manufactured sales. SKC contends that in its preliminary results, the Department erroneously applied the revised indirect selling expense rate to all U.S. sales rather than to the U.S. further manufuactured sales to which this calculation was limited. The Petitioner did not comment in this matter.

Department's Position

We agree with SKC. We have revised our computer program and applied SKC's revised indirect selling expenses only to further manufactured sales.

Comment 5: U.S. Interest Revenue

SKC contends that the Department erroneously set interest expense to zero for certain U.S. sales to Anacomp on which SKC earned interest revenue. Petitioners did not comment on this matter.

Department's Position

We agree with SKC. In these final results we have revised our computer program and adjusted for the interest expense that SKC incurred on all of its sales to Anacomp.

Final Results of Review

As a result of our analysis of the comments received, we determine that a

margin of 0.69 percent exists for SKC for the period June 1, 1997 through May 31, 1998.

The U.S. Customs Service will assess antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to the Customs Service. We have calculated an importer specific assessment value for subject merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of sales examined.

Furthermore, the following deposit requirements shall be required for all shipments of PET film from the Republic of Korea entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results of this review, as provided by section 751(a)(1) of the Act: (1) The cash deposit for SKC shall be 0.69 percent; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the less-than-fair-value (LTFV) investigation or a previous review, the cash deposit will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review or the original investigation, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in the final results of the most recent review or the LTFV investigation; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 21.5 percent the ''all others'' rate established in the LTFV investigation.

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

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

This administrative review and notice is in accordance with section 751(a)(1) of the Act.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

Dated: November 9, 1999.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–822–801, A–447–801, A–451–801, A–485–601, A–821–801, A–842–801, A–843–801, A–823–801, A–844–801]

Continuation of Antidumping Duty Orders: Solid Urea From Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

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

ACTION: Notice of continuation of antidumping orders: solid urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

SUMMARY: On September 3, 1999, the Department of Commerce (''the Department''), pursuant to sections 751(c) and 752 of the Tariff Act from 1930, as amended (''the Act''), determined that revocation of the antidumping duty orders on solid urea from Belarus, Estonia, Lithuania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan and the antidumping duty order on solid urea from Romania would be likely to lead to continuation or recurrence of dumping (64 FR 4835 (September 3, 1999) and 64 FR 48360 (September 3, 1999), respectively). On November 4, 1999, the International Trade Commission (''the Commission''), pursuant to section 751(c) of the Act, determined that revocation of the antidumping duty orders on solid urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time (64 FR 60225 (November 4, 1999)). Therefore, pursuant to 19 CFR 351.218(e)(4), the Department is publishing notice of the continuation of the antidumping duty orders on solid urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

EFFECTIVE DATE: November 17, 1999.

FOR FURTHER INFORMATION CONTACT: Martha V. Douthit or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., NW, Washington, DC 20230; telephone: (202) 482–5050 or (202) 482–1560, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 1, 1999, the Department initiated, and the Commission instituted, sunset reviews (64 FR 9970 and 64 FR 10020, respectively) of the antidumping duty orders on solid urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan pursuant to section 751(c) of the Act. As a result of these reviews, the Department found that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping and notified the Commission of the magnitude of the margin likely to prevail were the orders to be revoked (*see Final Results of Expedited Sunset Reviews: Solid Urea from Armenia, Belarus, Estonia, Lithuania, Russia, Ukraine, Tajikistan, Turkmenistan, and Uzbekistan*, 64 FR 48358 (September 3, 1999), and *Final Results of Expedited Sunset Review: Solid Urea from Romania*, 64 FR 48360 (September 3, 1999)).

On November 4, 1999, the Commission determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders on solid urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time (*see Solid Urea from Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan*, 64 FR 60225 (November 4, 1999), and USITC Pub. 3248, Investigations Nos. 731–TA–339 and 340–A–I (Review) October 1999).

Scope

The merchandise subject to these antidumping duty orders is solid urea. This merchandise was previously subject to an antidumping duty order on solid urea from the Union of Soviet Socialist Republics (''U.S.S.R''). However, with the dissolution of the U.S.S.R., the order was subsequently