

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-560-810, A-580-843]

**Initiation of Antidumping Duty Investigations: Certain Expandable Polystyrene Resins from Indonesia and the Republic of Korea**

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

**EFFECTIVE DATE:** December 20, 1999.

**FOR FURTHER INFORMATION CONTACT:** Valerie Ellis or Charles Riggie at (202) 482-2336 and (202) 482-0650, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., 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 references to the provisions codified at 19 CFR Part 351 (1999).

*The Petitions*

On November 22, 1999, the Department of Commerce ("the Department") received petitions on certain expandable polystyrene resins ("EPS") from Indonesia and the Republic of Korea ("Korea") filed in proper form by BASF Corporation, Huntsman Expandable Polymers Company LC, Nova Chemicals Inc., and Styrochem U.S., Ltd., (collectively "the petitioners"). On December 1 and 3, 1999, the Department received amendments to the petitions.

In accordance with section 732(b) of the Act, the petitioners allege that imports of EPS from the above-mentioned countries 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 the petitioners filed these petitions on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C) and (D) of the Act, and they have demonstrated sufficient industry support with respect to each of the antidumping investigations they are

requesting the Department to initiate (*see Determination of Industry Support for the Petitions*, below).

*Scope of Investigations*

The scope of these investigations includes certain expandable polystyrene resins in primary forms; namely, raw material or resin manufactured in the form of polystyrene beads, whether of regular (shape) type or modified (block) type, regardless of specification, having a weighted-average molecular weight of between 160,000 and 260,000, containing from 3 to 7 percent blowing agents, and having bead sizes ranging from 0.4 mm to 3 mm.

Specifically excluded from the scope of these investigations is off-grade, off-specification expandable polystyrene resins.

The covered merchandise is found in the Harmonized Tariff Schedule of the United States (HTSUS) subheading 3903.11.00.00. Although this HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise is dispositive.

During our review of the petitions, we discussed the scope with the petitioners to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (62 FR 27323), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments by January 12, 2000. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

*Determination of Industry Support for the Petitions*

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 total 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 produce 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. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (*see* section 771(10) of the Act), 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.<sup>1</sup>

Section 771(10) of the Act defines the 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 domestic 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. Moreover, the petitioners do not offer a definition of domestic like product distinct from the scope of the investigation.

In this case, there is one domestic like product, which is defined in the "Scope of Investigations" section, above. The Department has no basis on the record to find the petitioners' definition of the domestic like product to be inaccurate. No comments were received on this issue. The Department, therefore, has adopted the domestic like product definition set forth in the petitions.

Moreover, the Department has determined that the petitions (and subsequent amendments) contain adequate evidence of industry support; therefore, polling is unnecessary (*see Attachments to Initiation Checklist, Re: Industry Support*, December 13, 1999). To the best of the Department's knowledge, the producers who support the petition account for more than 50

<sup>1</sup> *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 from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).

percent of the production of the domestic like product. Additionally, no person who would qualify as an interested party pursuant to section 771(9)(A), (C), (D), (E) or (F) of the Act has expressed opposition on the record to the petition. Accordingly, the Department determines that this 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 the Department's decision to initiate these investigations is based.

The petitioners, in determining normal value ("NV") for Indonesia and Korea relied upon price data contained in confidential market research reports filed with the Department. At our request, the petitioners arranged for the Department to contact the author of the reports to verify the accuracy of the data, the methodology used to collect the data, and the credentials of those gathering the market research. The Department's discussions with the author of the market research reports are summarized in *Memorandum to the File: Telephone Conversation with Market Research Firm* dated December 3, 1999. For a more detailed discussion of the deductions and adjustments relating to home market price, U.S. price and factors of production and sources of data for each country named in the petition, see *Initiation Checklist*, dated December 13, 1999. Should the need arise to use, as facts available under section 776 of the Act, any of this information in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, if appropriate.

#### *Indonesia*

The petitioners identified PT Risjad Brasali Styrimdo, PT Polychem Lindo, Inc., and PT Maspion Polystyrene as producers and exporters of EPS to the United States. For EPS from Indonesia, the petitioners based EP on the average unit value ("AUV") of the merchandise as derived from the U.S. government's IM-145 data. The petitioners calculated a net U.S. price by subtracting from the AUV estimated costs for foreign inland freight derived from data contained in the confidential market research report.

NV is based upon prices for products which are identical to the products used as the basis for the U.S. price. The petitioners calculated NV by deducting foreign movement charges and domestic packing expenses, and adding U.S. packing expenses. The petitioners did not adjust normal value for differences

in credit expenses because in the Indonesian market, the terms and conditions of domestic transactions were "cash in advance." The estimated dumping margins for EPS from Indonesia range from 94.93 to 96.65 percent.

#### *Korea*

The petitioners identified Kumho Chemicals Co., Ltd.; LG Chemical, Ltd.; Dongbu Hannong Chemical Co., Shin Ho Petrochemical Co., Ltd., Cheil Industries, Inc., and BASF Styrenics Korea, Ltd. as producers and exporters of EPS to the United States. For EPS from Korea, the petitioners based EP either on the AUV of the merchandise as derived from the U.S. government's IM-145 data or on actual invoices to U.S. customers and supporting affidavits from U.S. salespersons. They also relied on data contained in the confidential market research report regarding adjustments and deductions.

For comparisons using actual invoices and affidavits, the petitioners calculated a net U.S. price by subtracting estimated costs for selling agent commissions, U.S. inland freight, port charges, international shipping charges, customs duties, and foreign inland freight. For AUV comparisons, the petitioners deducted foreign market inland freight.

NV is based upon prices for products which are identical to the products used as the basis for the U.S. price. The petitioners calculated NV by deducting foreign movement charges and domestic packing expenses, and adding U.S. packing expenses. The petitioners also adjusted normal value for differences in credit expenses. The estimated dumping margins for EPS from Korea ranged from 43.79 to 89.39 percent.

#### *Fair Value Comparisons*

Based on the data provided by the petitioners, there is reason to believe that imports of EPS from Indonesia and Korea are being, or are likely to be, sold at less than fair value.

#### *Allegations and Evidence of Material Injury and Causation*

The petitions allege that the U.S. industry producing the domestic like products is being materially injured, and is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. The petitioners explained that the industry's injured condition is evident in the declining trends in (1) U.S. market share, (2) average unit sales values, (3) share of domestic consumption, (4) operating income, (5) sales, and (6) capacity utilization.

The allegations of injury and causation are supported by relevant evidence including U.S. Bureau of the Census import data, lost sales, and pricing information. While the petitioners did not submit information on other injurious trends such as a decline in employment, hours worked and wages paid, the Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation (see *Attachments to Initiation Checklist, Re: Material Injury*, December 13, 1999).

#### *Initiation of Antidumping Investigations*

Based upon our examination of the petitions on EPS from Indonesia and Korea, we find that the petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of EPS from Indonesia and Korea are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of this initiation.

#### *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 Indonesia and Korea. We will attempt to provide a copy of the public versions of each petition to each exporter named in the petition, as appropriate.

#### *ITC 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 no later than January 6, 2000, whether there is a reasonable indication that imports of certain expandable polystyrene resins from Indonesia and Korea are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 777(i) of the Act.

Dated: December 13, 1999.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[I.D. 121599A]

#### South Florida Artificial and Natural Reefs—Economic Valuation Study; Proposed Information Collection; Comment Request

**AGENCY:** National Ocean Service (NOS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Proposed collection; comment request.

**SUMMARY:** The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)).

**DATES:** Written comments must be submitted on or before February 18, 2000.

**ADDRESSES:** Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th and Constitution Avenue NW, Washington DC 20230 (or via Internet at [LEngelme@doc.gov](mailto:LEngelme@doc.gov)).

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Dr. Vernon R. Leeworthy, NOS/Special Projects Office, 1305 East West Highway, SSMC 4, 9th Floor, Silver Spring, Maryland 20910 (301-713-3000, ext. 138) or via Internet at [Bob.Leeworthy@noaa.gov](mailto:Bob.Leeworthy@noaa.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Abstract

The purpose of this data collection is to provide local, state and federal agencies in charge of managing the artificial and natural reefs of the coasts of southeast Florida (Palm Beach, Broward, Dade and Monroe Counties) with information on both the market economic impact (e.g., sales/output, income and employment) and non-

market economic value (consumer's surplus) associated with reef use. Separate surveys of residents of each county, visitors (non-residents of each county) and recreational for-hire operations will be conducted to estimate the amount of use (measured in person-days) on both artificial and natural reefs, spending in the local economies while undertaking the activities on the reefs, and information that will support estimation of non-market economic-use values using travel-cost- demand models and discrete-choice-contingent valuation methods.

Three surveys are planned:

A. Survey of Local Resident Reef Users: Telephone surveys of 500 boating resident households per county for each of the four counties in the study area will be conducted (Palm Beach, Broward, Dade and Monroe Counties). A computer-aided telephone instrument (CATI) will be used. Samples will be drawn from the State of Florida's boat registration files.

B. Survey of Non Resident Reef Users: Non-residents are defined as people who are not permanent residents of the county where interviewed. Interviewing will be done on-site from a stratified sample of non residents in each of the counties. There will be two separate sampled populations: 1) General Visitors and 2) Boating Visitors. Samples will be stratified by two seasons (e.g., summer and winter) and for boating visitors by activity and mode of boating. Activities include diving and fishing and boat modes include charter, party and own (household) boats.

C. Survey of Recreational for Hire Operations: From previous studies, it was determined that non-resident charter and party boat users did not always know whether they were fishing on artificial or natural reefs. Charter and party operators do know and can provide estimates of the amount of use on both artificial and natural reefs. A survey of charter and party boat fishing and diving operations will be used to gather information on the amount of use on artificial and natural reef use by charter and party boat visitors.

##### II. Method of Collection

The information will be collected by telephone surveys and personal interviews.

##### III. Data

*OMB Number:* None

*Form Number:* None

*Type of Review:* Regular submission

*Affected public:* Individuals, business or other for-profit

*Estimated Number of Respondents:* 9,600

*Estimated Time Per Response:* 15 minutes for interviews of reef users, 1 hour for surveys of recreational for-hire operations.

*Estimated Total Annual Burden*

*Hours:* 2,700

*Estimated Total Annual Cost to*

*Public:* \$0

#### IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and /or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: December 10, 1999.

**Linda Engelmeier,**

*Departmental Forms Clearance Officer, Office of Chief Information Officer.*

[FR Doc. 99-32922 Filed 12-17-99; 8:45 am]

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## COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

### Adjustment of an Import Limit for Certain Wool Textile Products Produced or Manufactured in Guatemala

December 16, 1999.

**AGENCY:** Committee for the Implementation of Textile Agreements (CITA).

**ACTION:** Issuing a directive to the Commissioner of Customs increasing a limit.

**EFFECTIVE DATE:** December 20, 1999.

**FOR FURTHER INFORMATION CONTACT:** Naomi Freeman, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-4212. For information on the quota status of this limit, refer to the Quota Status Reports posted on the bulletin boards of each Customs port, call (202) 927-5850, or refer to the U.S.