

	Percent
Horticultura de la Sabana S.A. Hosa Ltda. Innovacion Andina S.A. Minispray S.A. ProHosa Ltda. Maxima Farms Group .....	3.02
Agricola los Arboles S.A. Colombian D.C. Flowers Polo Flowers Rainbow Flowers Maxima Farms Inc.	

Based on the above, the new rate for those companies not selected as respondents is 2.25 percent.

These amended final results of administrative review and notice are in accordance with section 751(a)(1) of the Act.

Dated: December 2, 1997.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

[FR Doc. 97-32211 Filed 12-8-97; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-412-810]

#### Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom; Preliminary Results of Antidumping Administrative Review

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

**ACTION:** Notice of Preliminary Results of Antidumping Duty Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom in response to requests by respondents, British Steel Engineering Steels Limited (BSES) and Glynwed Metal Processing Ltd. (Glynwed), and petitioner, Inland Steel Bar Company. This review covers the period March 1, 1996 through February 28, 1997.

We have preliminarily determined that sales have been made below normal value (NV). Interested parties are invited to comment on these preliminary results. Parties who submit comments are requested to submit with each comment (1) a statement of the issue and (2) a brief summary of the comment.

**EFFECTIVE DATE:** December 9, 1998.

**FOR FURTHER INFORMATION CONTACT:** G. Leon McNeill, Gideon Katz or Maureen Flannery, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone (202) 482-4733.

#### Applicable Statute and Regulations

Unless otherwise stated, 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. In addition, unless otherwise stated, all citations to the Department's regulations are references to the regulations as codified at 19 CFR Part 353 (1996).

#### SUPPLEMENTAL INFORMATION:

##### Background

The Department published in the **Federal Register** the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom on March 22, 1993 (58 FR 15324). On March 7, 1997 we published in the **Federal Register** (62 FR 10521) a notice of opportunity to request an administrative review of the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom covering the period March 1, 1996 through February 28, 1997.

In accordance with 19 CFR 353.22(a)(1), BSES and Glywed requested that we conduct an administrative review of their sales, and the petitioner, Inland Steel Bar Company, requested that we conduct an administrative review of BSES's sales. We published a notice of initiation of this antidumping duty administrative review on April 24, 1997 (62 FR 19988). The Department is conducting this administrative review in accordance with section 751 of the Act.

##### Scope of the Review

The products covered by this review are hot-rolled bars and rods of nonalloy or other alloy steel, whether or not descaled, containing by weight 0.03 percent or more of lead or 0.05 percent or more of bismuth, in coils or cut lengths, and in numerous shapes and sizes. Excluded from the scope of this review are other alloy steels (as defined by the *Harmonized Tariff Schedule of the United States* (HTSUS) Chapter 72, note 1(f)), except steels classified as other alloy steels by reason of containing by weight 0.4 percent or more of lead, or 0.1 percent or more of

bismuth, tellurium, or selenium. Also excluded are semi-finished steels and flat-rolled products. Most of the products covered in this review are provided for under subheadings 7213.20.00 and 7214.30.00.00 of the HTSUS. Small quantities of these products may also enter the United States under the following HTSUS subheadings: 7213.31.30.00, 60.00; 7213.39.00.30, 00.60, 00.90; 7214.40.00.10, 00.30, 00.50; 7214.50.00.10, 00.30, 00.50; 7214.60.00.10, 00.30, 00.50; and 7228.30.80.00. HTSUS subheadings are provided for convenience and Customs purposes. The written description of the scope of this order remains dispositive.

This review covers two manufacturers/exporters, BSES and Glynwed, and the period March 1, 1996 through February 28, 1997.

#### Verification

As provided in section 782(1) of the Act, we verified information provided by BSES using standard verification procedures, including on-site inspection of the manufacturer's facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in public versions of the verification reports.

#### United States Price

We based United States price on export price (EP), as defined in section 772(a) of the Act, because the merchandise was sold directly by the exporter to unaffiliated U.S. purchasers prior to the date of importation and constructed export price was not indicated by other facts of record.

#### BSES

The Department calculated EP for BSES based on packed, delivered prices to customers in the United States. We made deductions, where applicable, for foreign inland freight, FOB charges in the United Kingdom, ocean freight, marine insurance, U.S. Customs duties, brokerage and handling charges, merchandising processing fees, and U.S. inland freight charges, in accordance with 19 CFR 353.41(d). We also made an adjustment for invoice corrections (billing adjustments) made after shipment.

BSES's sales in the United Kingdom and the United States were made in quantities of less than 25 metric tons and 25 metric tons or more. As in all prior segments of the proceeding, where possible we matched U.S. sales to U.K. sales within the same quantity group: 25 tons or more, or less than 25 tons. (See,

*e.g., Final Determination of Sales at Less Than Fair Value; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 58 FR 6207, January 27, 1993; and *Final Results of Antidumping Duty Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 62 FR 18744, April 17, 1997.

### Glynwed

The Department calculated EP for Glynwed based on packed, delivered prices to customers in the United States. We made deductions, where applicable, for international freight (including foreign inland freight, U.S. inland freight, ocean freight, and vessel loading and handling charges), marine insurance, U.S. Customs duties, brokerage and handling charges, in accordance with 19 CFR 353.41(d). We also made an adjustment for invoice corrections (billing adjustments) made after shipment.

### Normal Value

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, the Department compared each company's volume of home market sales of the foreign like product to its volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(B) of the Act. Because each company's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating NV.

Many of BSES's and Glynwed's home market sales were made to affiliated original equipment manufacturers (OEMs). It is the Department's practice, in situations where home market sales are made to affiliated parties, to determine whether sales to affiliated parties might be appropriate to use as the basis of NV by comparing prices of those sales to prices of sales to unaffiliated parties, on a model-by-model basis. See *Final Results of Antidumping Duty Administrative Reviews, Partial Termination of Administrative Reviews, and Revocation in Part of Antidumping Duty Orders; Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, et al.* 60 FR 10900, February 28, 1995. (See Preliminary Results, 59 FR 9463, February 28, 1994, for discussion.) Because both BSES and Glynwed made home market sales to affiliated OEMs during the period of

review (POR), we tested these OEM sales to ensure that, on average, the affiliated-party sales were made at arm's length. To conduct this test, for each company, we compared the gross unit prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, invoice corrections, rebates, and packing. As a result of our arm's-length test, we disregarded each company's sales to the affiliated OEM customers in the home market where the prices charged to these affiliated customers were less than 99.5 percent of the prices charged to unaffiliated customers. See *Final Results of Antidumping Duty Administrative Review; Certain Welded Carbon Steel Pipes and Tubes from Thailand*, 62 FR 53817, October 16, 1997. We did not require respondents to provide downstream sales by the affiliated OEM customers because these customers further manufactured the subject merchandise into merchandise not covered by the order. Both BSES and Glynwed also sold through affiliated resellers to unaffiliated customers and reported these unaffiliated-customer transactions. We used these unaffiliated transactions in our determination of NV.

### Leaded Rod Sales

BSES did not report its home market sales of leaded rod produced by Scunthorpe Rod Mill (SRM) and Templeborough Rod Mill (TRM), affiliated parties of BSES, claiming that such merchandise would not match to its sales of leaded bar to the United States. (Neither BSES nor its affiliates sold leaded rod to the United States during the POR.) BSES provided a list of all SRM's and TRM's leaded rod products, including their product characteristics and product identification control numbers. In addition, BSES provided a sales file that identified every leaded rod product that SRM and TRM produced or sold during the POR. Upon examination of this information, we preliminarily determine that the leaded rod produced by SRM and TRM was neither identical to nor most similar to BSES's sales of leaded bar to the United States during the POR.

### Residuals

BSES's product identification number (CONNUM) contains a residual code as one of the physical characteristics in the model matching criteria. Residuals result from impurities in the scrap used for the production of leaded bar. Petitioner claims that, with the inclusion of the residual code, the model match is too narrowly defined, thereby significantly reducing the

number of matches possible between U.S. and home market sales. During verification, we found that customers specify the residual level on purchase orders as part of the description of chemical composition. Therefore, we preliminarily determine that residuals are an essential part of the product, and have continued to use residuals, as we have done in prior reviews, as a physical product characteristic for purpose of model matching. See, *e.g., Final Results of Antidumping Duty Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 62 FR 18744, April 17, 1997.

### Dimensional Ranges

Petitioner argues that respondent should have reported dimensional ranges rather than specific dimensions, claiming that small differences in dimensions will have no effect on cost or commercial value.

The Department found at verification that customers request certain specific dimensions for the home market products and the U.S. products, and BSES produces to those exact dimensional specifications. In addition, we have no information on the record indicating what, if any, dimensional ranges might be more appropriate than specific dimensions for matching purposes. Therefore, the Department is continuing to use specific dimension as one of the physical characteristics for matching purposes for these preliminary results.

### Home Market Rebates

During the POR, BSES offered rebates to its customers in the home market.

Petitioner argues that the Department should require BSES to tie rebates to individual transactions and calculate each individual rebate over only those sales benefitting from the rebate rather than over all sales made by the purchaser. During verification, we found that BSES has reported rebates that were specific to individual transactions. Therefore, for these preliminary results, the Department has adjusted home market prices for rebates as reported.

### General and Administrative Expenses

Petitioner contends that BSES's reported general and administrative (G&A) expenses appear to be low.

During verification, we examined G&A expenses and found that all such expenses were reported in total.

### Cost of Production Analysis

Pursuant to section 773(b) of the Act, for this POR, we initiated an

investigation of sales at less than cost of production (COP) of BSES. We did this because in the administrative review of BSES for the most recent period (as of the time our decision to initiate a COP investigation was made) we disregarded from our calculations BSES's home market sales found to be below the COP. See *Final Results of Antidumping Duty Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 62 FR 18744, April 17, 1997. Therefore, in accordance with section 773(b)(2)(A)(ii) of the Act, the Department had reasonable grounds to believe or suspect that sales at less than the cost of production may have occurred during this review period.

Glynwed was not covered in a prior review or the original investigation of sales at less than fair value (LTFV), and the Department did not receive a sales below cost allegation for Glynwed. Therefore, the COP analysis is only applicable to BSES.

Before making any NV comparisons for BSES, we conducted the COP analysis described below.

#### A. Calculation of COP

We calculated the COP based on the sum of BSES's cost of materials and fabrication employed in producing the foreign like product, plus amounts for home market selling, general, and administrative expenses (SG&A) and packing costs in accordance with section 773(b)(3) of the Act. We relied on the home market sales and COP information provided by BSES in its questionnaire responses. As we deducted selling expenses from home market prices, we also deducted selling expenses from calculated COPs.

#### B. Test of Home Market Prices

After calculating COP, we tested whether home market sales of lead and bismuth steel were made at prices below COP within an extended period of time in substantial quantities, and whether such prices permitted recovery of all costs within a reasonable period of time. We compared the model-specific COP to the reported home market prices less any applicable movement charges, rebates, and direct and indirect selling expenses.

#### C. Results of COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of respondent's sales of a specific model were at prices less than 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 20

percent or more of a respondent's sales of a specific model during the POR were at prices less than the COP, we disregarded the below-cost sales because we determined that the below-cost sales were made within an extended period of time in "substantial quantities" in accordance with sections 773(b)(2)(B) and (C) of the Act, and because, based on our comparisons of prices to weighted-average COPs for the POR, we determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable period of time, as defined in section 773(b)(2)(D) of the Act. Based on this test, we disregarded certain below-cost sales made by BSES.

#### Price-to-Price Comparisons

Pursuant to section 777A(d)(2), we compared the EPs of individual transactions to the monthly weighted-average price of sales of the foreign like product where there were sales at prices above COP, as discussed above. We based NV on packed, delivered prices to unaffiliated purchasers in the home market, and to affiliated purchasers in the home market to the extent that prices were at arm's-length. We made adjustments, where applicable, in accordance with section 773(a)(6) of the Act. Where applicable, we made adjustments to home market price for invoice corrections, rebates, and inland freight. We also made a circumstance-of-sale adjustment for differences in credit insurance and product liability insurance expenses pursuant to section 773(a)(6)(C)(iii) of the Act. Because home market credit insurance expenses and product liability insurance expenses are incurred on a sale-by-sale basis and directly related to sales, we have treated these expenses as direct selling expenses in both the home market and the U.S. market. Accordingly, we made the circumstance-of-sale adjustments by adding the amounts of U.S. credit insurance and product liability insurance for each U.S. sale to the NV, and subtracting the home market amounts from NV. We also added U.S. commissions for each U.S. sale to the NV. In order to adjust for differences in packing between the two markets, we increased home market price by U.S. packing costs and reduced it by home market packing costs. Prices were reported net of value added taxes (VAT) and, therefore, no deduction for VAT was necessary. We made adjustments, where appropriate, for physical differences in merchandise, in accordance with section 773(a)(6)(C)(ii) of the Act.

#### Constructed Value

We only used constructed value with respect to BSES. In accordance with section 773(e) of the Act, we calculated CV based on the sum of BSES's cost of materials and fabrication employed in producing the subject merchandise, SG&A and profit incurred and realized in connection with production and sale of the foreign like product, and U.S. packing costs. We used the costs of materials, fabrication, and general and administrative expenses as reported in the CV portion of BSES's questionnaire response. We used the U.S. packing costs as reported in the U.S. sales portion of BSES's questionnaire response. In accordance with section 773(e)(2)(A), we based SG&A and profit on the amounts incurred and realized by BSES 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 based selling expenses and profit on the information reported in the home market sales portion of BSES's questionnaire response. For selling expenses, we used the average per-unit home market selling expenses of home market sales of the foreign like product, exclusive of sales disregarded under the cost test, weighted by the total quantity sold for these sales. For actual profit, we first calculated the difference between the home market sales value and home market COP, for all home market sales of the foreign like product in the ordinary course of trade, and divided the sum of these differences by the total home market COP for these sales. We then multiplied this percentage by the COP for each U.S. model to derive an actual profit.

#### Commission Offset

Because there are commissions on U.S. sales and not on home market sales for both BSES and Glynwed, we made an adjustment for indirect selling expenses in the home market to offset the U.S. commissions, in accordance with 19 CFR 353.56(b)(1).

We based the commission offset amount on the amount of the home market indirect selling expenses. We limited the home market indirect selling expense deduction by the amount of the commissions incurred on sales to the United States.

#### Preliminary Results of the Review

As a result of our comparison of EP and NV, we preliminarily determine that the following weighted-average dumping margins exist:

Manufacturer/exporter	Period	Margin (percent)
British Steel Engineering Steels Limited (BSES) (formerly United Engineering Steels Limited) .....	3/1/96-2/28/97	11.90
Glynwed Metal Processing Ltd. (Glynwed) .....	3/1/96-2/28/97	7.69

Parties to the proceeding may request disclosure within 5 business days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Pursuant to 19 CFR 353.38, any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between EP and NV may vary from the percentages stated above. Upon completion of this review, the Department will issue appraisal instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of certain hot-rolled lead and bismuth carbon steel products from the United Kingdom entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) the cash deposit rate for the reviewed company will be the rate established in the final results of this review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original LTFV investigation or a previous review, the cash deposit will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this or a previous review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 25.82 percent, the "all others" rate

established in the LTFV investigation (58 FR 6207, January 27, 1993).

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

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)) and 19 CFR 353.22.

Dated: December 1, 1997.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

[FR Doc. 97-32213 Filed 12-8-97; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-559-001]

#### **Preliminary Results of Countervailing Duty Administrative Review: Certain Refrigeration Compressors From the Republic of Singapore**

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

**EFFECTIVE DATE:** December 9, 1997.

**FOR FURTHER INFORMATION CONTACT:** Robert Bolling or Rick Johnson, Office of Antidumping/Countervailing Duty Enforcement, Group III, Office IX, Import Administration, U.S. Department of Commerce, Room 1874, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-3434, or 482-0165, respectively.

**SUMMARY:** In response to requests by the Government of the Republic of Singapore (GOS), Matsushita Refrigeration Industries (Singapore) Pte. Ltd. (MARIS), Asia Matsushita Electric (Singapore) Pte. Ltd. (AMS), and the

petitioner, Tecumseh Products Company (Tecumseh), the Department of Commerce (the Department) is conducting an administrative review of the agreement suspending the countervailing duty investigation on certain refrigeration compressors from the Republic of Singapore. This review covers the GOS, MARIS, and AMS. AMS was the sole exporter of the subject merchandise to the United States during the period April 1, 1995, through March 31, 1996, the period of review (POR). We preliminarily determine that the signatories have complied with the terms of the suspension agreement during the POR.

Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding are requested to submit with their argument (1) a statement of the issue and (2) a brief summary of the argument.

#### **Applicable Statute**

Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on or after January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Tariff Act) in accordance with the Uruguay Round Agreements Act (URAA).

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On November 18, 1996, the GOS, MARIS, and AMS, requested an administrative review of the agreement suspending the countervailing duty investigation on certain refrigeration compressors from the Republic of Singapore (*Certain Refrigeration Compressors from the Republic of Singapore: Suspension of Countervailing Duty Investigation*, ("Refrigeration Compressors") 48 FR 51167, 51170 (November 7, 1983)). On November 19, 1996, petitioner also requested an administrative review of the agreement suspending the countervailing duty investigation on certain refrigeration compressors from the Republic of Singapore. We initiated the review on December 16, 1996 (*Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 61 FR 66017, (December 16, 1996)). The Department is now