

circumstances, we preliminarily find that antidumping duties have been absorbed by Makita on 16.3 percent of its U.S. sales.

#### Preliminary Results of Review

As a result of our review, we preliminarily determine that the following weighted-average dumping margin exists for the period June 30, 1995, through July 1, 1996:

Manufacturer/exporter	Margin (per-cent)
Makita Corporation .....	0.50

Parties to the proceeding may request disclosure within five days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter. Case briefs and/or other written comments from interested parties may be submitted not later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final results of this administrative review, including its analysis of issues raised in any written comments or at a hearing, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. We have calculated an importer-specific *ad valorem* duty assessment rate based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. (This is equivalent to dividing the total amount of antidumping duties, which are calculated by taking the difference between statutory NV and statutory EP or CEP, by the total statutory EP or CEP value of the sales compared, and adjusting the result by the average difference between EP or CEP and customs value for all merchandise examined during the POR).

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative reviews, as

provided by section 751(a)(1) of the Act: (1) The cash deposit rate for Makita will be the rate established in the final results of this review (except that no deposit will be required for Makita if we find zero or *de minimis* margins, *i.e.*, margins less than 0.5 percent); (2) for previously reviewed or investigated companies not listed above, the cash deposit rate 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 review, a prior 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) the cash deposit rate for all other manufacturers or exporters will continue to be 54.52 percent, the "All Others" rate made effective by the LTFV investigation.

These deposit requirements, 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 C.F.R. 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)(1)) and 19 C.F.R. 353.22(c)(5).

Dated: July 31, 1997.

**Robert S. LaRussa,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 97-20940 Filed 8-7-97; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-825]

#### Sebacic Acid From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review

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

**ACTION:** Notice of preliminary results of antidumping duty administrative review

of sebacic acid from the People's Republic of China.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on sebacic acid from the People's Republic of China (PRC) in response to requests from the petitioner, Union Camp Corporation, and three respondents: Tianjin Chemicals Import and Export Corporation (Tianjin), Guangdong Chemicals Import and Export Corporation (Guangdong) and Sinochem International Chemicals Company, Ltd. (SICC). This review covers four exporters of the subject merchandise, including the three respondent companies above and Sinochem Jiangsu Import and Export Corporation (Jiangsu). The period of review (POR) is July 1, 1995, through June 30, 1996.

We have preliminarily determined that sales have been made below normal value (NV) during this period. If these preliminary results are adopted in the final results of this administrative review, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between United States price (USP) and NV. These assessment rates, if adopted for the final results of the review, will be calculated on an importer-specific *ad valorem* duty basis. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** August 8, 1997.

**FOR FURTHER INFORMATION CONTACT:** Lyn Baranowski, Doreen Chen, or Stephen Jacques, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-3793.

#### 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 Rounds Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are in reference to the regulations, codified at 19 CFR part 353, as they existed on April 1, 1996.

#### SUPPLEMENTARY INFORMATION:

##### Background

The Department published in the **Federal Register** an antidumping duty order on sebacic acid from the PRC on July 14, 1995 (59 FR 35909). On July 8,

1996, the Department published in the **Federal Register** (61 FR 35712) a notice of opportunity to request an administrative review of the antidumping duty order on sebacic acid from the PRC covering the period July 1, 1995, through June 30, 1996.

On July 9, 1996, in accordance with 19 CFR 353.22(a), Union Camp requested that we conduct an administrative review of Tianjin, Guangdong, SICC, and Jiangsu. On July 30, 1996, Tianjin and SICC requested that we conduct an administrative review. We published a notice of initiation of this antidumping duty administrative review on August 15, 1996 (61 FR 42416). The Department is conducting this administrative review in accordance with section 751 of the Act.

### Scope of Review

The products covered by this order are all grades of sebacic acid, a dicarboxylic acid with the formula (CH<sub>2</sub>)<sub>8</sub>(COOH)<sub>2</sub>, which include but are not limited to CP Grade (500ppm maximum ash, 25 maximum APHA color), Purified Grade (1000ppm maximum ash, 50 maximum APHA color), and Nylon Grade (500ppm maximum ash, 70 maximum ICV color). The principal difference between the grades is the quantity of ash and color. Sebacic acid contains a minimum of 85 percent dibasic acids of which the predominant species is the C10 dibasic acid. Sebacic acid is sold generally as a free-flowing powder/flake.

Sebacic acid has numerous industrial uses, including the production of nylon 6/10 (a polymer used for paintbrush and toothbrush bristles and paper machine felts), plasticizers, esters, automotive coolants, polyamides, polyester castings and films, inks and adhesives, lubricants, and polyurethane castings and coatings.

Sebacic acid is currently classifiable under subheading 2917.13.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this proceeding remains dispositive.

This review covers the period July 1, 1995, through June 30, 1996, and four exporters of Chinese sebacic acid.

### Verification

We conducted verification of the sales and factor information provided by respondent SICC located in Beijing, PRC and its producer, Tianjin Zhong He Chemical Plant (Zhong He), located in Tianjin, PRC. We conducted the verifications using standard verification

procedures, including onsite 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 the public versions of the verification reports.

### Separate Rates

#### 1. Background and Summary of Findings

It is the Department's standard policy to assign all exporters of the merchandise subject to review in non-market-economy countries a single rate, unless an exporter can demonstrate an absence of government control, both in law and in fact, with respect to exports. To establish whether an exporter is sufficiently independent of government control to be entitled to a separate rate, the Department analyzes the exporter in light of the criteria established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China* (56 FR 20588, May 6, 1991) (*Sparklers*), as amplified in the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China* (59 FR 22585, May 2, 1994) (*Silicon Carbide*). Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. Evidence relevant to a *de facto* absence of government control with respect to exports is based on four factors, whether the respondent: (1) Sets its own export prices independent from the government and other exporters; (2) can retain the proceeds from its export sales; (3) has the authority to negotiate and sign contracts; and (4) has autonomy from the government regarding the selection of management. See *Silicon Carbide* at 22587; See also *Sparklers* at 20589.

In our final determination of sales at less than fair value, the Department determined that there was *de jure* and *de facto* absence of government control of each company's export activities and determined that each company warranted a company-specific dumping margin. See *Final Determination of Sales at Less Than Fair Value: Sebacic Acid From the People's Republic of China*, 59 FR 28053 (Sebacic Acid). For this period of review, SICC and Tianjin

have responded to the Department's request for information regarding separate rates. We have found that the evidence on the record is consistent with the final determination in the LTFV investigation and continues to demonstrate an absence of government control, both in law and in fact, with respect to their exports, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. During verification of SICC, we examined its business and financial statements. We found no evidence of government control of SICC's export activities.

For Guangdong, which had no sales during this POR, the company-specific rate of 13.54% from the previous administrative review remains unchanged.

#### 2. Separate Rate Determination for Non-responsive Company

For Jiangsu, which did not respond to the questionnaire, we preliminarily determine that this company does not merit a separate rate. Because the Department assigns a single rate to companies in a non-market economy unless an exporter can demonstrate absence of government control, we preliminarily determine that Jiangsu is subject to the country-wide rate for this case.

### United States Price

For SICC and Tianjin, the Department based USP on export price (EP), in accordance with section 772(a) of the Act. We made deductions from EP, where appropriate, for foreign inland freight, ocean freight, brokerage and handling, and marine insurance. See "Factor Valuation" section of this notice. We selected India as the surrogate country for the reasons explained in the "Normal Value" section of this notice.

### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the normal value (NV) using a factors-of-production methodology if: (1) The merchandise is exported from an NME country; and (2) the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act.

The Department has treated the PRC as an NME country in all previous antidumping cases. In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is a NME country shall remain in effect until revoked by the administering authority. None of the parties to this proceeding has contested such

treatment in this review. Furthermore, available information does not permit the calculation of NV using home market prices, third country prices or CV under section 773(a) of the Act. Therefore, we treated the PRC as a NME country for purposes of this review and calculated NV by valuing the factors of production in a comparable market economy country which is a significant producer of comparable merchandise. Factors of production include, but are not limited to: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital cost, including depreciation.

Section 773(c)(4) of the Act and section 353.52(b) of the Department's regulations direct us to select a surrogate country that is economically comparable to the PRC. On the basis of per capita gross national product (GNP), the growth rate in per capita GNP, and the national distribution of labor, we find that India is a comparable economy to the PRC (See Memorandum from Director, Office of Policy, to Office Director, AD/CVD Group III, Office 9, dated June 24, 1997.).

The statute (section 773(c)(4) of the Act and section 353.52(b) of the Department's regulations) also requires that, to the extent possible, the Department use a surrogate country that is a significant producer of merchandise comparable to sebacic acid. The countries that we confirmed to be producers of sebacic acid, such as Japan and the United States, do not have economies comparable to the PRC. However, we found that India was a significant producer of comparable merchandise (e.g., oxalic acid) during the POR. Though sebacic acid and oxalic acid have different end uses, both are dicarboxylic acids. In addition, many of the inputs used to produce sebacic acid are also used to produce oxalic acid. Therefore, we find that India fulfills both requirements of the statute.

For purposes of calculating NV, we valued PRC factors of production, in accordance with section 773(c)(1) of the Act. In examining surrogate values, we selected, where possible, the publicly available value which was: (1) An average non-export value; (2) representative of a range of prices within the POR or most contemporaneous with the POR; (3) product-specific; and (4) tax-exclusive. We chose values with a preference for prices most contemporaneous with the POR. Where we could not obtain a POR-representative price for an input, we selected a value in accordance with the

remaining criteria mentioned above and which was the closest in time to the POR. In accordance with this methodology, we valued the factors of production as follows:

For castor oil and castor seed, the Department valued this material using price data reported in *The Economic Times* (Bombay) for Calcutta, Delhi, Hyderabad, and Kanpur during the months of June 1995 through December 1995. Respondents provided this price information for castor oil and castor seed. The Department adjusted these values to account for freight costs between the supplier and the respondents' sebacic acid manufacturing facilities.

For caustic soda, the Department used the value reported in the publication *Indian Chemical Weekly*, using data from the months of July 1995 through June 1996. Because price quotes for caustic soda reported by *Chemical Weekly* are for chemicals with a 100% concentration level of caustic soda, we made chemical purity adjustments according to the particular concentration level of caustic soda used by respondents. We adjusted these values to exclude taxes and to include freight expenses incurred from the suppliers to the respondents' sebacic acid manufacturing facilities.

For cresol, both respondents and petitioner reported market values published by *Chemical Weekly* for the period of July 1995 through June 1996. The Department reviewed pricing information for other months of the POR which indicated that the market price reported by respondents are representative of the market price of the material for the entire POR. We adjusted this value for taxes and freight expenses.

The valuation of activated carbon, which is interchangeable with macropore resin, was based upon information found in the publication *India's Imports by Commodities-Countries* (Monthly Statistics of the Foreign Trade of India (IMF)). This pricing information reflects the average unit import price for the period April 1995 through February 1996.

The market values for sodium chloride (also referred to as sodium chlorite or vacuum salt), sulphuric acid, and zinc oxide were based upon the published market prices reported in *Chemical Weekly* for the period of July 1995 through June 1996. We adjusted these values for taxes and freight expenses.

For benzenic sulphuric acid, neither the petitioner nor the respondent submitted a surrogate value. After extensive research, we failed to locate a chemical called "benzenic sulphuric

acid." However, according to the *Encyclopedia of Chemical Technology*, when benzene is sulfonated with sulphuric acid, a chemical called benzenic sulfonic acid is produced. Therefore, we used a value for benzenic sulfonic acid as a substitute surrogate value for benzenic sulphuric acid. The value we used is from the *Monthly Statistics of the Foreign Trade of India* for the period April 1995 through February 1996.

For direct labor, we used 1994 data from *Investing, Licensing & Trading Conditions Abroad, India*, issues November 1995 and November 1996, by the Economist Intelligence Unit.

For factory overhead, we used information obtained from the April 1995 *Reserve Bank of India Bulletin*. From "Statement 1—Combined Income, Value of Production, Expenditure and Appropriation Accounts, Industry Group-wise" of that report for the Indian metals and chemicals industries, we summed those components which pertain to overhead expenses and divided them by the sum of those components pertaining to the cost of manufacturing to calculate an overhead rate of 15.42 percent.

For steam coal, we used prices published in *Monthly Statistics of Foreign Trade of India, Volume II—Imports* for the period of April 1995 through January 1996, and for electricity, we used information obtained from the *Current Energy Scene in India* for July 1995.

For selling, general, and administrative (SG&A) expenses, we used information from the same source we used for factory overhead. We summed the values which comprised the components of SG&A and divided that figure by the same cost of manufacturing figure used to determine factory overhead, to arrive at an SG&A rate of 21.67 percent.

For the calculation of profit, we used information from the April 1995 *Reserve Bank of India Bulletin*. We divided the reported before-tax profit for the "processing and manufacture: metals, chemicals, and products thereof" category by the sum of those components pertaining to the cost of manufacturing plus SG&A to calculate a profit rate of 5.24 percent.

For the value of export packing (plastic bags and woven bags), the Department used the value of imports into India during April 1995 through February 1996, as reported in the *Monthly Statistics of Foreign Trade of India, Volume II*. We adjusted this value to account for freight expenses.

For foreign inland freight, the Department relied upon the trucking

freight rates reported to the Department in an August 1993 embassy cable from India, pursuant to the less-than-fair-value investigation of *Certain Helical Spring Lock Washers from the PRC* and the rail freight rates reported to the Department in a December 1989 embassy cable for the final results of the antidumping administrative review for *Shop Towels of Cotton from the PRC*. This is the same information we used in the sebacic acid less-than-fair-value investigation. We adjusted these rates for the POR to reflect inflation, based on information published in the *International Financial Statistics* of the International Monetary Fund.

For ocean freight, we used the surrogate value provided by the respondent in the first review. This value was added to values for delivery destination charges and fuel adjustment charges provided by the Federal Maritime Commission on January 24, 1997.

To calculate the expense for marine insurance, we used information from a publicly summarized version of the questionnaire response for the investigation of sales of less than fair value of *Sulphur Vat Dyes from India*. The marine insurance rate reported in the public version of the October 8, 1992 response was adjusted for inflation to reflect marine insurance charges during the POR, based on information published in the *International Financial Statistics* of the International Monetary Fund.

For foreign brokerage and handling charges, we used information from publicly available data for foreign brokerage and handling reported for the investigation for *Sulphur Vat Dyes*. The rate documented is Rs 0.39/kg. We adjusted this value for inflation using the inflator value of 1.40 that the Department calculated from the *International Financial Statistics*, published by the International Monetary Fund.

Consistent with the methodology employed in the final determination in the less-than-fair-value investigation of this case, we have determined that fatty acid and glycerine are by-products. See *Sebacic Acid* at 28056. Therefore, as by-products, we subtracted the sales revenue of fatty acid and glycerine from the production costs of sebacic acid. This treatment of by-products is also consistent with generally accepted accounting principles. (See *Cost Accounting: A Managerial Emphasis* (1991) at pages 539–544).

To value fatty acid, we used publicly available published information from the *Monthly Statistics of the Foreign Trade of India* (Monthly Statistics) for

the period April 1995 through February 1996.

To value glycerine, we used the average price for glycerine (IW and CP) in the publication *Chemical Weekly* for the period July 1995 through June 1996 and adjusted the value to account for sales and excise taxes.

We also allocated a by-product credit for glycerine to the production cost for the co-product caproyl alcohol. We deducted a by-product credit for glycerine from both sebacic acid and caproyl alcohol based on the ratio of the value of sebacic acid to the total value of both sebacic acid and caproyl alcohol.

Consistent with the methodology employed in the final determination in the less-than-fair-value investigation of this case, we have determined that caproyl alcohol is a co-product. Therefore, we have allocated the factor inputs, based on the relative quantity of output of this product and sebacic acid. Additionally, we have used the production times necessary to complete each production stage of sebacic acid as a basis for allocating the amount of labor, energy usage, and factory overhead among the products. This treatment of co-products is consistent with generally accepted accounting principles. (See *Cost Accounting: A Managerial Emphasis* (1991) at pages 528–533).

To value caproyl alcohol, we used publicly available published information for octanol from *Chemical Weekly* and adjusted for sales and excise taxes. We used the *Chemical Weekly* octanol value as the surrogate value for caproyl alcohol because, in a letter submitted by respondents in attachment four of their January 6, 1997 submission concerning surrogate values, the editor of *Chemical Weekly* states that the reference to octanol in the journal refers to the more common 2-octanol, another name for caproyl alcohol.

#### Preliminary Results of Review

For Jiangsu, which failed to respond to the questionnaire, we have not granted a separate rate and the country-wide rate will apply to all sales. For Guangdong, which reported that there were no sales during the POR, its company-specific rate from the previous administrative review remains unchanged.

We preliminarily determine that the following dumping margins exist:

Manufacturer/ exporter	Time period	Margin (per- cent)
Tianjin Chemicals I/E Corp	7/01/95—6/30/96	0.00

Manufacturer/ exporter	Time period	Margin (per- cent)
Sinochem International Chemicals Corp .....	7/01/95—6/30/96	0.00
Guangdong Chemicals I/E Corp .....	7/01/95—6/30/96	13.54
Country-Wide Rate .....	7/01/95—6/30/96	243.40

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit written comments (case briefs) within 30 days of the date of publication of this notice. Rebuttal comments (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, within 180 days of publication of these preliminary results.

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

Furthermore, the following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) For the reviewed companies named above which have separate rates (SICC and Tianjin), the cash deposit rates will be the rates for those firms established in the final results of this administrative review; (2) for companies previously found to be entitled to a separate rate and for which no review was requested, the cash deposit rates will be the rate established in the most recent review of that company; (3) for all other non-PRC exporters of subject merchandise from the PRC, the cash deposit rates will be the rates applicable to the PRC supplier of that exporter; and (4) the cash deposit rate for non-PRC exporters of subject

merchandise from the PRC will be the rate applicable to the PRC supplier of that exporter. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

#### Notification of Interested Parties

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)(1)) and section 353.22 of the Department's regulations.

Dated: July 31, 1997.

**Robert S. LaRussa,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 97-20937 Filed 8-7-97; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-351-806]

#### Silicon Metal From Brazil; Preliminary Results of Antidumping Duty Administrative Review and Intent Not To Revoke in Part

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

**ACTION:** Notice of preliminary results of the antidumping duty administrative review and intent not to revoke in part.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on silicon metal from Brazil in response to requests by respondents Eletrosilex Belo Horizonte (Eletrosilex), Companhia Ferroligas Minas Gerais—Minasligas (Minasligas), Companhia Brasileira Carbureto de Calcio (CBCC), RIMA Industrial S/A (RIMA), and Wabash Alloys, a division of Connell Limited Partnership, an interested party which imported silicon metal during the period of review. This review covers the period July 1, 1995, through June 30, 1996.

We preliminarily determine not to revoke the order with respect to CBCC or Minasligas. These companies submitted timely requests for revocation in this review, however, in the final results of the preceding administrative review of this order the Department determined that both companies had dumping margins greater than *de minimis*. Accordingly, these companies have not met the requirements of 19 CFR 353.25 (*i.e.*, three consecutive years with zero or *de minimis* dumping margins) and therefore do not qualify for revocation under the Department's regulations.

We preliminarily determine that sales have been made at less than normal value (NV) during the POR by Eletrosilex and Rima. If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess ad-valorem antidumping duties equal to the difference between export price (EP) and NV. Interested parties are invited to comment on these preliminary results. Parties who submit comments are requested to submit with the argument: (1) A statement of the issue; and (2) a brief summary of the argument.

**EFFECTIVE DATE:** August 8, 1997.

#### FOR FURTHER INFORMATION CONTACT:

Alexander Braier, Yury Beyzarov, Sharon Harris, Sinem Sonmez, or James C. Doyle, Office of Antidumping/Countervailing Enforcement, Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, D.C. 20230; telephone 482-3793.

#### SUPPLEMENTARY INFORMATION:

##### Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations, as codified at 19 CFR part 353 (1996).

##### Background

On July 31, 1991, the Department published in the **Federal Register** the antidumping duty order on silicon metal from Brazil (56 FR 36135). On July 8, 1996, the Department published a "Notice of Opportunity to Request Administrative Review" on silicon metal from Brazil in the **Federal**

**Register** for the period July 1, 1995, through June 30, 1996 (61 FR 35712).

In accordance with 19 CFR 353.22(a)(1), Eletrosilex, Minasligas, CBCC, and RIMA requested that the Department conduct an administrative review of their respective sales. Pursuant to 19 CFR 353.25, Minasligas and CBCC also requested revocation of the antidumping duty order in part. On August 15, 1995, the Department published in the **Federal Register** a notice of initiation of this antidumping duty administrative review (61 FR 42416). On March 7, 1997, the Department published in the **Federal Register** its notice extending the deadline in these preliminary results until May 14, 1997 (62 FR 10540). Due to the complicated issues in this case, the Department again extended the deadline for these preliminary results until July 31, 1997 (62 FR 27235).

#### Verification

From March 17 through March 22, 1997, in accordance with section 782(i) of the Act, we verified information provided by Minasligas and Rima using standard verification procedures including examination of relevant sales and financial records, and selection of original source documentation containing relevant information. Our verification results are outlined in the respective verification reports, the public versions of which are available in the Central Records Unit of the Department of Commerce, room B-099.

#### Scope of Review

The merchandise covered by this review is silicon metal from Brazil containing at least 96.00 percent but less than 99.99 percent silicon by weight. Also covered by this review is silicon metal from Brazil containing between 89.00 and 96.00 percent silicon by weight but which contains more aluminum than the silicon metal containing at least 96.00 percent but less than 99.99 percent silicon by weight. Silicon metal is currently provided for under subheadings 2804.69.10 and 2804.69.50 of the Harmonized Tariff Schedule (HTS) as a chemical product, but is commonly referred to as a metal. Semiconductor grade silicon (silicon metal containing by weight not less than 99.99 percent silicon and provided for in subheading 2804.61.00 of the HTS) is not subject to the order. HTS item numbers are provided for convenience and for U.S. Customs purposes. The written description remains dispositive as to the scope of product coverage.