

U.S. Department of Agriculture, gives notice that an environmental impact statement is not being prepared for the Elm Fork Watershed, Multiple-Purpose Structure (MPS) No. 19, Cooke County, Texas.

FOR FURTHER INFORMATION CONTACT: Salvador Salinas, Assistant State Conservationist (SP&P), Natural Resources Conservation Service, 101 South Main, Temple, Texas 76501-7682, Telephone (254) 742-9800.

SUPPLEMENTARY INFORMATION: The environmental assessment of this federally assisted action indicates that the project will not cause significant local, regional, or national impacts on the environment. As a result of these findings, John P. Burt, State Conservationist, has determined that the preparation and review of an environmental impact statement is not needed for this project.

The project will provide municipal water and recreational activities for the city of Muenster, Texas and reduce flooding and improve surface water quality in and below MPS No. 19. The environmental assessment addresses the installation of the Multiple-Purpose Structure (MPS No. 19) that remains to be installed.

Installation of the site, including dam, emergency spillway, and municipal water pool, will require 359 acres. The dam and emergency spillway will be planted to grasses that have wildlife values. A mitigation plan has been developed to offset the loss of any wildlife habitat. The fee title area needed for the structure will be fenced to control livestock, therefore greatly benefiting ground nesting birds. The structure will affect 185 acres of prime farmland. Downstream flooding of wildlife habitat will be reduced. No endangered plants or animals or their habitat will be affected. No cultural or historical properties will be affected.

Multiple-Purpose Structure No. 19 will create 309 acres of aquatic habitat creating a fisheries resource where none exists.

Federal assistance will be provided under authority of Public Law 78-534, the Flood Control Act of 1944. Total project costs for Multiple-Purpose Structure No. 19 is estimated to be \$6,923,687, of which \$3,810,525 will be paid from Public Law 534 funds and \$3,113,162 from local funds.

The notice of a Finding of No Significant Impact (FONSI) has been forwarded to the Environmental Protection Agency and to various Federal, State, and local agencies and interested parties. A limited number of copies of the FONSI are available to fill

single copy requests at the above address. Basic data developed during the environmental assessment are on file and may be reviewed by contacting John P. Burt.

No administrative action on implementation of the proposal will be taken until 30 days after the date of this publication in the **Federal Register**.

Dated: June 8, 2001.

Salvador Salinas,

Assistant State Conservationist (SP&P).

[FR Doc. 01-15579 Filed 6-20-01; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Natural Resources Conservation Service

Notice of Proposed Changes to Section IV of the Field Office Technical Guide (FOTG) of the Natural Resources Conservation Service in Indiana

AGENCY: Natural Resources Conservation Service (NRCS), USDA.

ACTION: Notice of availability of proposed changes in Section IV of the FOTG of the NRCS in Indiana for review and comment.

SUMMARY: It is the intention of NRCS in Indiana to issue a revised conservation practice standard in Section IV of the FOTG. The revised standards are Grade Stabilization Structure (410), Nutrient Management (590), Tree/Shrub Pruning (660) and Wetland Creation (658). These practices may be used in conservation systems that treat highly erodible land and/or wetlands.

DATES: Comments will be received on or before July 23, 2001.

ADDRESSES: Address all requests and comments to Jane E. Hardisty, State Conservationist, Natural Resources Conservation Service (NRCS), 6013 Lakeside Blvd., Indianapolis, Indiana 46278. Copies of this standard will be made available upon written request. You may submit your electronic requests and comments to darrell.brown@in.usda.gov.

FOR FURTHER INFORMATION CONTACT: Jane E. Hardisty, 317-290-3200.

SUPPLEMENTARY INFORMATION: Section 343 of the Federal Agriculture Improvement and Reform Act of 1996 states that after enactment of the law, revisions made to NRCS state technical guides used to carry out highly erodible land and wetland 2 provisions of the law, shall be made available for public review and comment. For the next 30 days, the NRCS in Indiana will receive comments relative to the proposed

changes. Following that period, a determination will be made by the NRCS in Indiana regarding disposition of those comments and a final determination of changes will be made.

Dated: May 16, 2001.

Jane E. Hardisty,

State Conservationist, Indianapolis, Indiana.

[FR Doc. 01-15580 Filed 6-20-01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-870, A-560-814, A-557-811, A-485-807, and A-791-812]

Notice of Initiation of Antidumping Duty Investigations: Certain Circular Welded Carbon-Quality Steel Pipe From China, Indonesia, Malaysia, Romania, and South Africa

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

ACTION: Initiation of antidumping duty investigations.

EFFECTIVE DATE: June 21, 2001.

FOR FURTHER INFORMATION CONTACT:

James Doyle (China), Steve Bezirgianian (Indonesia), Robert James (Romania), and Sally Gannon (Malaysia and South Africa) at (202) 482-0159, (202) 482-1131, (202) 482-0649, and (202) 482-0162, 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, as amended (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 (2000).

The Petition

On May 24, 2001, the Department of Commerce (the Department) received a petition filed in proper form by the following parties: Allied Tube & Conduit Corporation, Century Tube Corporation, IPSCO Tubulars, Inc., Laclede Steel, LTV Copperweld, Maverick Tube Corporation, Northwest Pipe Company, Sharon Tube Company,

Western Tube & Conduit Corp., Wheatland Tube Co., and United Steelworkers of America, AFL-CIO (collectively, the petitioners). The Department received information supplementing the petition from the petitioners throughout the 20-day initiation period.

In accordance with section 732(b) of the Act, the petitioners allege that imports of certain circular welded carbon-quality steel pipe from China, Indonesia, Malaysia, Romania, and South Africa 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, or are threatening to materially injure, an industry in the United States.

The Department finds that the petitioners filed this petition on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C) and 771(9)(D) of the Act and have demonstrated sufficient industry support with respect to each of the antidumping investigations that they are requesting the Department to initiate. (*See the Determination of Industry Support for the Petition* section below.)

Scope of Investigations

The scope of these investigations covers certain welded carbon quality steel pipes and tubes, of circular cross-section, with an outside diameter of 0.372 inches (9.45 mm) or more, but not more than 16 inches (406.4 mm), regardless of wall thickness, surface finish (black, galvanized, or painted), end finish (plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (ASTM, proprietary, or other), generally known as standard pipe and structural pipe.

Standard pipes and tubes are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may carry liquids at elevated temperatures but may not be subject to the application of external heat. It may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells, and for structural applications in general construction. It primarily is made to American Society for Testing and Materials (ASTM) A-53, A-135, and A-795 specifications, but can also be made to the British Standard (BS)-1387 specification.

Structural pipe is intended for use in the construction of bridges and buildings, and general structural applications. It also can be used for making steel scaffolding and for piling applications. It primarily is made to ASTM A-500 and A-252 specifications.

Hence, specifically included within the scope of these petitions are products stenciled to the ASTM standards A-53, A-135 A-795, A-120, A-500, A-252, or their equivalents. Standard and structural pipe products may also be produced to proprietary specifications rather than to industry standard. This is often the case with fence tubing, for example.

The scope does not include boiler tubes, pressure tubing, mechanical tubing, finished conduit, oil country tubular goods (OCTG), and line pipe. However, with regard to these excluded products, if petitioners or other interested parties provide to the Department reasonable grounds to believe or suspect that the products are being used in a standard or structural application, the Department may instruct the U.S. Customs Service (Customs) to require end-use certifications. In addition, line pipe meeting the American Petroleum Institute (API) line pipe specification is excluded from the scope of these investigations, and any resultant antidumping duty orders, if covered by the scope of another antidumping duty order from the same country.

The pipe products that are the subject of these investigations are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7306.30.10 and 7306.30.50. This petition also covers dual-certified A-53/API or single certified pipe that enters the United States if it is used in, or intended for use in, standard pipe or structural pipe applications. Such certified pipe may include API-5L or API-5L X-42 pipe. Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise under investigation is dispositive.

During our review of the petition, 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 July 3, 2001. 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 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.¹

Section 771(10) of the Act defines the domestic like product as "a product which 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 investigations.

In this case, "the article subject to investigation" also is substantially similar to the scope of the Department's antidumping duty administrative review involving circular welded non-alloy steel pipe published in 2001. *See Circular Welded Non-Alloy Steel Pipe From Mexico: Final Results of*

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

Antidumping Duty Administrative Review, 66 FR 21311 (April 30, 2001). Thus, based on our analysis of the information presented to the Department above, we have determined that there is a single domestic like product which is defined in the *Scope of Investigations* section above, and have analyzed industry support in terms of this domestic like product.

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) At least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Ten U.S. producers of the domestic like product, and the trade union which represents its workers, are petitioners in this case. Petitioners assert that they represent 79.1 percent of the domestic industry production of the noted pipe, based on the appropriate AISI final data for 2000, in addition to their own production data. (See *Amendment to the Petition* at 10 and Exhibits 9 and 10 (June 6, 2001).) Furthermore, the Department received no opposition to the petition. Therefore, the requirements of section 732(c)(4)(A)(i) are met. In addition, we conclude that the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition. Thus, the requirements of section 732(c)(4)(A)(ii) are also met.

Accordingly, the Department determines that the petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. See the *Import Administration AD Investigation Checklist*, June 13, 2001 (*Initiation Checklist*) (public version on file in the Central Records Unit of the Department of Commerce, Room B-099).

Export Price and Normal Value

The following are descriptions of the allegations of sales at less than fair value upon which the Department has based its decision to initiate these investigations. The sources of data for the deductions and adjustments relating to home market price, U.S. price, constructed value (CV) and factors of production (FOP) are detailed in the *Initiation Checklist*. Where the petitioners obtained data from foreign

market research, we contacted the researcher to establish its credentials and to confirm the validity of the information being provided. See Memorandum to the File from Sally C. Gannon, Contacts with Source of Market Research for Antidumping Petition Regarding Imports of Certain Circular Welded Carbon-Quality Steel Pipe from Malaysia and South Africa (June 13, 2001) (Market Research for Malaysia and South Africa), and Memorandum to the File from Helen M. Kramer through Steve Bezirgianian, Telephone Conversation with Market Researcher (June 13, 2001) (Market Research for Indonesia). Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, if appropriate.

The anticipated period of investigation (POI) for the market economy countries is April 1, 2000, through March 31, 2001, while the anticipated POI for China and Romania, the non-market economy (NME) countries, is October 1, 2000, through March 31, 2001.

Regarding an investigation involving an NME, the Department presumes, based on the extent of central government control in an NME, that a single dumping margin, should there be one, is appropriate for all NME exporters in the given country. See, e.g., *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the PRC*, 59 FR 22585 (May 2, 1994). In the course of these investigations, all parties will have the opportunity to provide relevant information related to the issues of China's and Romania's NME status and the granting of separate rates to individual exporters.

Lastly, export price (EP) for four of the subject countries was based on the Customs value data published by the Department's Bureau of the Census (IM-145 data). Specifically, the petitioners calculated the average unit values (AUVs) of certain circular welded carbon-quality steel pipe entering the United States from China, Indonesia, Romania, and South Africa during the respective POIs, and made the applicable adjustments to the AUVs. For Malaysia, petitioners obtained a price quote for EP based on foreign market research. The margins calculated using these methodologies are as follows: China, 105.32 to 134.12 percent; Indonesia, 3.32 to 29.38 percent; Malaysia, 20.2 percent; Romania, 122.12 to 149.63 percent; and South Africa, 81.7 percent.

Because the Department considers the country-wide import statistics for the POI through March 2001 and price quotes based on market research used to calculate the estimated margins for the subject countries to be sufficient for purposes of initiation, we are initiating these investigations on these bases, as discussed below and in the *Initiation Checklist*.

China

Export Price

Petitioners based export price (EP) on import values declared to Customs (IM-145 data). In calculating the AUVs, the petitioners used the HTSUS categories corresponding to the four-inch black plain end pipe (BPE) and four-inch galvanized plain end pipe (GPE) subject to their petition, and also used the average AUV for the POI. Petitioners have used the free alongside ship (F.A.S.) Customs values as the F.O.B. price of the merchandise, packaged and ready for delivery at the foreign port. To approximate ex-factory prices, petitioners deducted foreign inland freight from the Customs value. Petitioners calculated average foreign inland freight charges using estimated atlas distances and Indian freight rates as a surrogate value. For purposes of initiation we have found this to be a reasonable estimate.

Normal Value

The petitioners asserted that the PRC is a non-market economy (NME) and no determination to the contrary has yet been made by the Department. In previous investigations, the Department has determined that the PRC is an NME. See, e.g., *Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China; Notice of Preliminary Results of Antidumping Duty Administrative Review (Hot-Rolled from China)*, 66 FR 22183 (May 31, 2001), *Steel Wire Rope from the People's Republic of China; Notice of Final Determination of Sales at Less Than Fair Value (Steel Wire Rope from China)*, 66 FR 12759 (February 28, 2001). In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation.

For NV, the petitioners based the FOP, as defined by section 773(c)(3) of the Act, on the consumption rates of one U.S. hot-rolled steel producer. The petitioners assert that information

regarding Chinese producers' consumption rates is not available, and that the U.S. producer employs a production process which is similar to the production processes employed by producers of certain circular welded carbon-quality steel pipe in the PRC. Thus, the petitioners have assumed, for purposes of the petition, that producers in the PRC use the same inputs in the same quantities as the U.S. producer in question uses. Based on the information provided by the petitioners, we believe that the petitioners' FOP methodology represents information reasonably available to the petitioners and is appropriate for purposes of initiating this investigation.

The petitioners assert that India is the most appropriate surrogate country for the PRC, claiming that India is: (1) A market economy; (2) a significant producer of comparable merchandise; and (3) at a level of economic development comparable to the PRC in terms of per capita GNP. Based on the information provided by the petitioners, we believe that the petitioners' use of India as a surrogate country is appropriate for purposes of initiating this investigation.

In accordance with section 773(c)(4) of the Act, the petitioners valued FOP, where possible, on reasonably available, public surrogate data from India. Materials, with the exception of natural gas, were valued based on Indian import values, as published in the *1998 and 1999 Monthly Statistics of Foreign Trade of India*, and inflated based on the Indian Wholesale Price Index. Surrogate value data from India for natural gas was not available; petitioners instead used an Indonesian surrogate value for natural gas. Labor was valued using the regression-based wage rate for the PRC provided by the Department, in accordance with 19 CFR 351.408(c)(3). Electricity was valued using *Energy Prices and Taxes, Second Quarter 2000*, published by the Organization for Economic Cooperation and Development (OECD) International Energy Agency.

For overhead, depreciation, SG&A expenses, and profit, the petitioners applied rates derived from the financial statements of TATA, an Indian steel producer that produces pipe, as part of its operations. The petitioners calculated the factory overhead expense ratio, depreciation expense ratio and SG&A expense ratio based on TATA's 1999-2000 consolidated statement. Petitioners based profit on net profit before taxes from TATA's 1999-2000 income statement.

Based on the information provided by the petitioners, we believe that the

surrogate values represent information reasonably available to the petitioners and are acceptable for purposes of initiating this investigation.

Based upon comparisons of EP to CV, we recalculated estimated dumping margins ranging from 105.32 to 134.12 percent.²

Indonesia

Export Price

Petitioners used import values declared to Customs (IM-145 data) to determine average import value during April 2000 to March 2001 (the POI) for four-inch BPE and four-inch GPE, which fall under the headings of HTSUS 7306.30.50.55 and 7306.30.50.32, respectively. Petitioners disregarded the foreign inland freight to the port because the steel company is close to the export port. Petitioners could not obtain information on foreign brokerage, port charges and the Indonesian trading company's markup, and therefore these expenses were not deducted from the Customs values when calculating the estimated dumping margin.

Normal Value

Petitioners obtained a price quote offered by an Indonesian producer to an unaffiliated home market customer in the ordinary course of business and within the POI. The quote was for BPE and GPE. The prices were on a delivered basis, and thus include freight. Petitioners were unable to obtain current actual freight charges and used publicly available information from past antidumping investigations on the Department's web site. They adjusted the 1993 freight rate for inflation using the Indonesian Wholesale Price Index and converted it to U.S. dollars using the average exchange rate for the POI. Normal value was calculated by subtracting the estimated freight charge from the price quotes.

Petitioners also calculated CV for four-inch BPE and four-inch GPE. They used publicly available financial information for PT Bakrie & Brothers, the parent of a major producer of the subject merchandise for which no financial information is available. Petitioners used the depreciation expenses reported in the Statement of Cash Flow to calculate the depreciation rate and derived SG&A and net financial expenses from the consolidated income statement. However, as insufficient information was available to calculate the overhead rate, petitioners omitted it. The financial statements did not report

any profit, and none was included in the calculation of CV.

Because the Indonesian producer's costs are unavailable, petitioners obtained the factors usage by a U.S. surrogate for producing a short ton of four-inch BPE and GPE during the period October 2000 through March 2001. For the primary input material, hot-rolled coil, petitioners used the ranged home market price in Indonesia reported in the Petition on Certain Hot-Rolled Carbon Steel Flat Products from Indonesia filed on November 13, 2000, which was within ten percent of the actual price. For other direct materials inputs, petitioners used the AUVs in U.S. dollars for Indonesian imports in 1998 reported in the *U.N. Commodity Trade Statistics*, the latest available. These values were adjusted to March 2001 levels using the U.S. Producer Price Index. The cost of manufacture was reduced by the value of by-products. Petitioners used the cost of electricity for medium industrial service effective since April 1, 2000, as published on the Indonesian Electricity Co. Ltd. East Java Distribution website. The natural gas price for 1998 was obtained from the OECD International Energy Agency publication, *Energy Prices and Taxes*, adjusted for inflation and converted into dollars. Labor cost was calculated using the September 2000 average wage in the basic metals industry in Indonesia from the Statistics Indonesia web site. Petitioners calculated CV by adding cost of production and interest expenses from PT Bakrie & Brothers' consolidated financial statement.

The estimated dumping margins for Indonesia based on a comparison between EP and home market price range between 24.99 and 29.38 percent. Based upon the comparison of EP to CV, the petitioners calculated estimated dumping margins ranging between 3.32 and 22.16 percent.

Malaysia

Export Price

The petitioners based EP on a U.S. price quote of steel pipe imported from Malaysia which is potentially classifiable under HTSUS subheadings 7306.30.50.32 or 7306.10.00. Since 93 percent of the volume of imports potentially classifiable under these two HTSUS subheadings entered the United States under HTSUS number 7306.30.50.32, for purposes of calculating the EP, petitioners assumed that imports of this product from Malaysia would be classified under HTSUS 7306.30.50.32. The product for which petitioners obtained the U.S.

² Due to a mathematical error in the margin calculation in the original petition, the margin has decreased by less than one percent.

price quote corresponds to the merchandise in the home market price quote. (See *Normal Value* section below.) This U.S. price quote reflects an F.O.B. price in U.S. dollars. Petitioners obtained information on ocean freight and insurance, normal customs duty, trading company mark-ups and port handling charges and deducted these expenses from the F.O.B. value. Petitioners did not deduct foreign inland transportation since no information was available concerning the delivery distance between the mills and the ports from where the exports embarked.

Normal Value

Petitioners used a price quote obtained by a foreign market researcher for the home market price. The quote represents a selling price (exclusive of taxes and after necessary conversions) in U.S. dollars per net ton during the latter half of March 2001 for the same product for which the U.S. price quote was obtained. While terms of sale were delivered, petitioners did not deduct any amount for inland freight because no information was available concerning the delivery distance between the mill and the customer. As stated above, petitioners did not deduct inland freight from EP, so, according to petitioners, there is no effect on the margin. See *Initiation Checklist*.

The estimated dumping margin for Malaysia based on a comparison between EP and home market price is 20.2 percent.

Romania

Export Price

Petitioners identified Tepro S.A. Iasi as the major Romanian producer/exporter of subject merchandise to the United States. Petitioners based EP on the import values declared to Customs (IM-145 data) for the HTSUS numbers corresponding to the BPE and GPE pipes subject to the petition. Petitioners subtracted estimated domestic inland freight costs incurred to transport the subject merchandise from the factory to the port of export. They based the estimated cost on an Egyptian shipment value that the Department used as the surrogate value for shipping in the investigation of certain hot-rolled carbon steel flat products from Romania.

Normal Value

With respect to NV, petitioners asserted that Romania is an NME country. In previous investigations the Department has determined that Romania is an NME country. (See *Preliminary Determination of Sales at*

Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from Romania, 66 FR 22194, 22197 (May 3, 2001) (*Hot-Rolled Steel from Romania*); *Final Determination of Sales at Less Than Fair Value: Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Romania*, 65 FR 39125, 39126 (June 23, 2000).) Pursuant to section 771(18)(C)(i) of the Act, the Department's determination of NME status remains in effect until a contrary determination is made. The Department has not done so with respect to Romania. Petitioners therefore provided factors of production for constructed value (CV) pursuant to section 773(c) of the Act.

The antidumping statute requires that NV for NME producers be determined by valuing the NME factors of production at their cost in the market economy country chosen as a surrogate. (See 19 CFR 351.408(a).) The Department is required to use, to the extent possible, the prices of costs of factors of production from a surrogate country that is at a level of economic development comparable to that of Romania, and is also a significant producer of comparable merchandise.

Petitioners selected Egypt as the primary surrogate country for the calculation of the CV, and Jordan as the secondary surrogate country when Egyptian information was not available because both of these countries met the statutory requirements described above. Furthermore, the Department had used Egypt as the surrogate country in the antidumping investigation of hot-rolled steel from Romania. (See *Hot-Rolled Steel from Romania* at 22197.) For the calculation of one factor, the overhead ratio, it used the financial statement of an Indonesian producer because there was no financial statement from either an Egyptian or Jordanian producer that would permit calculation of overhead as a separate element and because the Department had used Indonesia as the surrogate country for Romania in two recent antidumping proceedings. (See *Preliminary Determination of Sales at Less Than Fair Value: Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Romania*, 65 FR 5594, 5598 (February 4, 2000) (*Carbon and Alloy Pipe from Romania Preliminary Results*) and *Preliminary Results of Antidumping Duty Administrative Review and Final Partial Recission of Review: Cut-to-Length Carbon Steel Plate from Romania*, 65 FR 54208, 54210 (September 7, 2000) (*Plate from Romania Preliminary Results*).) As necessary, petitioners inflated non-contemporaneous surrogate values to

the POI using IMF International Financial Statistics. It did not make any currency conversions because all values used were denominated in U.S. dollars in the original sources.

Petitioners reported that input quantity information for Romanian producers of certain circular welded carbon quality steel pipe is not readily available. Therefore, they assumed that Romanian producers employed a production process similar to that utilized by domestic producers, and based input quantities on the experience of a U.S. domestic producer.

Petitioners valued hot-rolled coil, lacquer coating, natural gas, and zinc (both input and offset) using 1998 U.N. Commodity Trade Statistics. They valued electricity using an Egyptian value found in a development review report published by the World Bank. They valued labor using the labor rates found on the Department's website. Selling, general, and administrative (SG&A) expenses, financial expenses, profit, and depreciation were valued using data from the financial statement of the Egyptian steel manufacturer Alexandria National Iron & Steel Co. (Alexandria Steel). They valued overhead using data from the financial statement of the Indonesian steel manufacturer Krakatau Steel Co., Ltd. (Krakatau).³ Petitioners also added a cost for packing labor based on the labor rates on the Department's website. They did not add a value for packing materials because they were unable to obtain information on such materials.

The estimated dumping margins, based on a comparison between U.S. price and constructed NV are 122.12 percent and 149.63 percent.

South Africa

Export Price

The petitioners based EP on the AUV of steel pipe imported from South Africa under the HTSUS subheading 7306.30.50.55 (which corresponds to the merchandise for the home market price quote) for April 2000 through March 2001 (the POI), based on the import values declared to Customs (IM-145 data). Petitioners could not obtain

³ Petitioners used Krakatau's financial statement rather than that of Alexandria Steel to value overhead because the publicly available financial statements of Alexandria Steel do not contain information to separately calculate the overhead ratio. Furthermore, the Department had used Krakatau's financial statement in the investigation of certain small diameter carbon and alloy seamless standard, line and pressure pipe from Romania and in the 1998-99 administrative review of cut-to-length carbon steel plate from Romania. See *Carbon and Alloy Steel Pipe from Romania Preliminary Results* at 5598 and *Plate from Romania Preliminary Results* at 54210.

information on South African inland freight, brokerage, port charges, or South African trading company mark-ups, so these expenses were not deducted from the Customs values. According to petitioners, the resulting dumping margin is therefore understated.

Normal Value

Petitioners used data obtained from a foreign market researcher to determine the price charged in the home market. The price quote obtained by the researcher represents a selling price (exclusive of taxes) in U.S. dollars per net ton. The quote uses rand per linear meter as the unit of sale. Petitioners converted the home market price into U.S. dollars per net ton equivalent. Terms of sale were delivered. Petitioners did not deduct any amount for inland freight because it was unclear if the quoted price already included inland freight. According to petitioners, even if the quoted price included inland freight, petitioners had no information regarding delivery distance, so an accurate calculation would be impossible. Petitioners did not deduct inland freight from EP, so there should be no material effect on the margin. Petitioners' consultant found that the producer offers a standard ten percent discount from the list price, and a further 2.5 percent discount for accounts settled in less than 30 days. Petitioners calculated the NV for the product as price per net ton, less the two aforementioned discounts. See *Initiation Checklist*.

The estimated dumping margin for South Africa based on a comparison between EP and home market price is 81.7 percent.

Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of certain circular welded carbon-quality steel pipe from China, Indonesia, Malaysia, Romania, and South Africa are being, or are likely to be, sold at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. While the volume of imports from China, using the latest available data, exceeded the statutory threshold of seven percent for a negligibility exclusion, the individual volumes of imports from Indonesia, Malaysia, Romania, and South Africa

did not; however, when cumulated, the volumes for these four countries do exceed the threshold. (See section 771(24)(A)(ii) of the Act.) The petitioners contend that the industry's injured condition is evident in the declining trends in net operating profits, net sales volumes, profit-to-sales ratios, and capacity utilization. The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, lost sales, and pricing information. We have assessed the allegations and supporting evidence regarding material injury and causation, and have determined that these allegations are properly supported by accurate and adequate evidence and meet the statutory requirements for initiation. See *Initiation Checklist*.

Initiation of Antidumping Investigations

Based upon our examination of the petitions on certain circular welded carbon-quality steel pipe, and the petitioners' responses to our supplemental questionnaire clarifying the petitions, as well as our conversations with the foreign market researchers who provided information concerning various aspects of the petition, we have found that it meets the requirements of section 732 of the Act. See *Initiation Checklist*, Market Research for Malaysia and South Africa, and Market Research for Indonesia. Therefore, we are initiating antidumping duty investigations to determine whether imports of certain circular welded carbon-quality steel pipe from China, Indonesia, Malaysia, Romania, and South Africa 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 the petition has been provided to the representatives of the governments of China, Indonesia, Malaysia, Romania, and South Africa. We will attempt to provide a copy of the public version of the petition to each exporter named in the petition, as appropriate.

International Trade Commission Notification

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

Preliminary Determinations by the ITC

The ITC will determine, no later than July 9, 2001, whether there is a reasonable indication that imports of certain circular welded carbon-quality steel pipe from China, Indonesia, Malaysia, Romania, and South Africa 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 issued and published pursuant to section 777(i) of the Act.

Dated: June 13, 2001.

Faryar Shirzad,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Application for Duty-Free Entry of Scientific Instrument

Pursuant to Section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897; 15 CFR part 301), we invite comments on the question of whether an instrument of equivalent scientific value, for the purposes for which the instrument shown below is intended to be used, is being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a)(3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington, DC 20230. Applications may be examined between 8:30 a.m. and 5:00 p.m. in Room 4211, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC.

Docket Number: 01-013. *Applicant:* Stanford University, Department of Biological Sciences, Herrin Labs 80, Off Serra Street, Stanford, CA 94305-5020. *Instrument:* Electron Microscope, Model JEM-1230. *Manufacturer:* JEOL Ltd., Japan.

Intended Use: The instrument is intended to be used to carry out a variety of research projects which might include:

1. Ultrastructural studies of cultured hippocampal neurons to identify morphological features of synapse formation,