

On March 9, 2000, the petitioners¹ and the respondent² submitted allegations of ministerial errors. We agreed with all of AHMSA's allegations concerning clerical errors, and we agreed with all of petitioners' allegations except one; we disagreed that our omission of the arm's-length test was a clerical error.

The allegations are addressed in the Issues and Decision Memorandum from Joseph A. Spetrini, Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated October 19, 2000, on file in room B-099 of the main Commerce building. The Issues and Decisions Memorandum is hereby adopted by this notice; it can be accessed directly on the World Wide Web at <http://ia.ita.doc.gov>.

As a result of our analysis of the parties' allegations, we are amending our final results of review to revise the antidumping rate for AHMSA in accordance with 19 CFR 351.224(e), as shown below.

Manufacturer/exporter	Weighted average margin, percentage
AHMSA	21.75

Accordingly, the Department will determine, and the Customs Service will assess, antidumping duties on all entries of subject merchandise from AHMSA in accordance with these amended final results. The Department will issue appraisement instructions directly to Customs.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.224.

Dated: October 19, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-28192 Filed 11-1-00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-357-812, A-570-863]

Initiation of Antidumping Duty Investigations: Honey From Argentina and the People's Republic of China

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

EFFECTIVE DATE: November 2, 2000.

FOR FURTHER INFORMATION CONTACT: Charles Rast, Angelica Mendoza, Melissa Blackledge, or Donna Kinsella at, (202) 482-1324, (202) 482-3019, (202) 482-3518, and (202) 482-0194 respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigations

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR part 351 (1999).

The Petition

On September 29, 2000, the Department of Commerce ("the Department") received a petition on honey from Argentina and the People's Republic of China filed in proper form by the American Honey Producers Association ("AHPA") and the Sioux Honey Association ("SHA") (collectively "petitioners"). On October 4, 2000, the Department requested clarification of certain areas of the petition, and on October 6 and 10, 2000, petitioners responded to the Department's request for additional information. In addition, we received submissions from the parties with regard to industry support on October 16, 18, and 24.

In accordance with section 732(b) of the Act, petitioners allege that imports of honey from Argentina and the People's Republic of China ("China") are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring an industry in the United States.

Pursuant to section 732(c)(1)(B) the Department extended the deadline for initiation to no later than October 27, 2000.

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

Scope of Investigations

For purposes of these investigations, the products covered are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey. The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.

The merchandise subject to these investigations is currently classifiable under subheadings 0409.00.00, 1702.90, and 2106.90.99 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the HTSUS subheadings are provided for convenience and U.S. Customs Service ("U.S. Customs") purposes, the Department's 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 the scope in the petition accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (*Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments by November 9, 2000. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 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 determination.

¹ Petitioners are Bethlehem Steel Corporation, Geneva Steel, Gulf Lakes Steel, Inc. of Alabama, Inland Steel Industries, Inc., Lukens Steel Company, Sharon Steel Corporation, and U.S. Steel Group (a unit of USX Corporation).

² Respondent is Altos Hornos de Mexico S.A. de C.V. (AHMSA).

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) At least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

In addition, section 732(c)(4)(D) of the Act provides that if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the administering authority shall poll the industry or rely on other information in order to determine if there is support for the petition as required by subparagraph (A). Because the petitions at issue did not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department has relied on other information in order to determine whether they meet the statutory requirements for industry support.

Section 771(4)(A) of the Act defines the "industry" as "the producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the 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 (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. (*See Algoma Steel Corp. Ltd. v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High*

Information Content Flat Panel Displays and Display Glass from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition, 56 FR 32376, 32380-81 (July 16, 1991)).

Section 771(10) of the Act defines the domestic like product as "a product that is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

The domestic like product referred to in the petitions is the single domestic like product defined in the "Scope of Investigation" section above. The Department has no basis on the record to find the petitioners' definition of the domestic like product to be inaccurate. The Department, therefore, has adopted the domestic like product definition set forth in the petition.

Moreover, the Department has determined that the petition (and subsequent amendments) and supplemental information obtained through the Department's research contain adequate evidence of industry support; therefore, polling is unnecessary. It is undisputed that parties expressing support for the petition represent more than 25 percent of domestic production, and thus meet the requirements of section 732(c)(4)(A)(i). Moreover, knowing the 1999 total production of the domestic like product, and the portion of production represented by those supporting the petition, as well as those who have explicitly declined to take a position, the Department is able to conclude that, even if all parties whose production is not accounted for were to oppose the petition, parties expressing support for the petition would represent more than 50 percent of those expressing support or opposition. Therefore, the petition meets the requirements of section 732(c)(4)(A)(ii). For a detailed discussion of this analysis, *see* Attachment to the Initiation Checklist re: Industry Support, dated October 26, 2000.

Accordingly, the Department determines that these petitions are filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of honey from Argentina

and China are being, or are likely to be, sold at less than fair value.

The following are descriptions of the allegations of sales at less than fair value upon which the Department based its decision to initiate these investigations. A more detailed description of these allegations is provided in the respective IA Initiation Checklists. Should the need arise to use any of this information in our preliminary or final determinations for purposes of facts available under section 776 of the Act, we may re-examine the information and revise the margin calculations, if appropriate.

Argentina

Petitioners identified four export trading companies which accounted for the majority of the natural honey exported to the United States during 1999: Conagra, CEASA, Honeymax, and ACA. Petitioners provided export prices on the average F.O.B. Buenos Aires prices for natural honey exported to the United States from Argentina during 1999 by each of the four principal export trading companies. Petitioners used information obtained through foreign market research to demonstrate that the prices charged by Argentina's exporting trading companies are the prices that should be used to determine dumping margins for honey exported from Argentina. (*See Confidential Statement of {Foreign Market Researcher}*, Attachment 1 of petitioners' October 6, 2000 submission.) Section 772(a) of the Tariff Act of 1930 ("the Act"), as amended, 19 U.S.C. 1677a(a), defines the U.S. price as the price at which the subject merchandise is first sold by a producer or exporter to an unaffiliated U.S. customer. In addition, to the best of petitioners' knowledge, the export trading companies are the first party in the chain of distribution that have knowledge of the ultimate destination of the merchandise and, therefore, set prices for U.S. sales. The average FOB Buenos Aires prices obtained through foreign market research are consistent with the average FOB values in the official U.S. import statistics. (*See* Exhibit A-2 of the petition.)

With respect to normal value ("NV"), the petitioners provided home market prices based on foreign market research. Information contained in the petition does not definitively establish whether or not the home market is viable. The issue of home market viability will be further addressed during the course of the investigation. For purposes of initiation, NV will be based on home market prices. These products are comparable to the products exported to

the United States which serve as the basis for Export Price.

On October 10, 2000, the petitioner provided information demonstrating reasonable grounds to believe or suspect that sales of honey in the home market were made at prices below the cost of production ("COP"), in accordance with section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing ("COM"), sales, general, and administrative ("SG&A") expenses, and packing. To calculate the foreign producers' COP at the grower level, the petitioners used publicly available cost data obtained from Argentine honey producer bi-monthly trade journal articles. Based upon the comparison of the prices of the foreign like product in the home market to the calculated COP of the product at the grower level, we find reasonable grounds to believe that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to section 773(a)(4) and 773(e) of the Act, the petitioners also based NV for sales in Argentina on constructed value ("CV"). Petitioners calculated CV using the same COM and SG&A expenses used to compute home market COP. In addition to these costs, petitioners added the SG&A expenses incurred by the exporters because the honey growers sell their merchandise to exporters who in turn sell to customers in the United States. These costs are more appropriately classified as selling expenses incurred for U.S. sales. Therefore, we have included them as an adjustment to the U.S. sales price. Consistent with section 773(e)(2) of the Act, the petitioners also added to CV an amount for profit which was based upon CEASA and Conagra's financial statements. Because the product sold in the home market was produced by the growers and not by the exporters, we have included a profit rate of zero. However, if we need to resort to the use of facts otherwise available in the future, we will then pursue the growers' profit rates.

The estimated dumping margins, based on a comparison between U.S. price, as adjusted above, and CV, range from 28.84 to 30.17 percent.

Initiation of Cost Investigation

As noted above, pursuant to section 773(b) of the Act, petitioners provided information demonstrating reasonable grounds to believe or suspect that sales

of honey in Argentina were made at prices below the average COP of the honey producers in Argentina and, accordingly, requested that the Department conduct a country-wide sales-below-COP investigation in connection with the requested antidumping investigation for Argentina. The Statement of Administrative Action ("SAA"), submitted to the U.S. Congress in connection with the interpretation and application of the URAA, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 103-316, vol. 1, at 833 (1994). The SAA goes on to state that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation." *Id.*

Further, the SAA provides that "new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' * * * exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices." *Id.* Based upon the comparison of the prices from the petition for the representative foreign like products to their costs of production, we find "reasonable grounds to believe or suspect" that sales of these foreign like products in Argentina were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations.

China

Petitioners based EP on two comparison methodologies. First, petitioners calculated EP on an August 17, 2000 offer for the sale of subject merchandise produced in China to a customer in the United States. The offer for sale represents a quotation for natural honey to be sold to an unaffiliated U.S. purchaser prior to the date of importation. The price quote provides per-unit prices in U.S. dollars for six different grades of natural honey produced in China. The terms of sale are delivered and duty paid. Petitioners adjusted the quoted prices for freight and insurance incurred to transport the honey from the port in China to the U.S.

port, U.S. import duties, and insurance charges. Petitioners made an additional deduction for brokerage and handling charges incurred in China. Second, petitioners calculated EP based on average unit values ("AUVs") for natural honey reported in the U.S. Import Statistics for the period January through June 2000. Petitioners calculated the AUVs using import data from January 1, 2000, through June 30, 2000, based on HTSUS numbers 0409.00.0042, 0409.00.0044, 0409.00.0062, and 0409.00.0064. The terms of delivery are CIF. Petitioners adjusted the AUVs for brokerage and handling charges incurred in China and freight and insurance charges incurred to transport the honey from the port in China to the U.S. port.

Petitioners asserted that China is a non-market economy ("NME") country to the extent that available information does not permit the calculation of normal value using Chinese producers' own prices or costs for the subject merchandise or comparable merchandise. Petitioners, therefore, constructed a normal value based on the factors of production methodology pursuant to section 773(c) of the Act. In previous investigations, the Department has determined that China is an NME. *See, e.g., Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China*, 64 FR 5770, 5773 (Feb. 5, 1999). 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 China has not been revoked by the Department and, therefore, remains in effect for purposes of this investigation. Accordingly, the normal value of the product is based on factors of production valued in a surrogate market economy country in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of China's NME status and the granting of separate rates to individual exporters. *See, e.g., Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994).

Petitioners selected India as the appropriate surrogate country. Petitioners stated that India is the most suitable surrogate, because: (1) It is comparable in terms of overall economic development, per capita gross national product ("GNP"), the national distribution of labor, and the growth rate in per capita GNP; and (2) as the seventh largest producer of honey in the world in 1999, India is a significant

producer of the subject merchandise. Petitioners also stated that the Department selected India as the preferred surrogate in the 1994–95 antidumping investigation of honey from China. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey from the People's Republic of China*, 60 FR 14725, 14729 (March 20, 1995) (“*Honey from China*”). Based on the information provided by petitioners and Department practice, we believe that petitioners’ use of India as a surrogate country is appropriate for purposes of initiation of this investigation.

In accordance with section 773(c)(4) of the Act, petitioners valued factors of production, where possible, on reasonably available, public surrogate country data. For the normal value calculation, petitioners obtained surrogate value information on the cost of producing natural honey in India, including direct costs (*i.e.*, raw honey), indirect costs (*i.e.*, factory overhead and SG&A), and profit. Raw honey was valued using Indian domestic prices as reported in the Mahabaleshwar Honey Producers Cooperative Society Ltd. (“MHPC”) 1998–99 Annual Report. The number of labor hours was derived from the Chinese producer’s February 28, 1995 questionnaire response in *Honey from China*, and labor was valued using the Department’s regression-based wage rate in accordance with 19 CFR 351.408(c)(3). Factory overhead, SG&A, and profit were valued using financial data reported in MHPC’s 1998–99 Annual Report. Additional amounts for export packing were based on an offer for sale from an Indian manufacturer of steel drums and on the consumption rate for packing labor as reported by the Chinese producers in *Honey from China*. As necessary, petitioners inflated non-contemporaneous surrogate values to the period of investigation using IMF International Financial Statistics. Petitioners converted the Indian Rupee prices to U.S. dollars using the exchange rates published in the *Federal Reserve Statistical Release H.10* for the period April 2000 through August 2000. Based on the information provided by petitioners, we believe that their surrogate values represent information reasonably available to petitioners and are acceptable for purposes of initiation of this investigation.

Based on comparisons of EP to NV, the calculated dumping margins for natural honey from China range from 169.40 to 183.80 percent.

Allegations and Evidence of Material Injury and Causation

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

The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, lost sales, and pricing information. The Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation (see Attachments to Initiation Checklist, Re: Material Injury, October 26, 2000).

Initiation of Antidumping Investigations

Based upon our examination of the petition, our discussions on October 12, 2000, with the author of the foreign market research report supporting the petition, measures to confirm the information contained in this report (see Memorandum to the File; Re: Foreign Market Research, dated October 26, 2000), and all other information on the record regarding industry support, we have found that the petition meets the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of honey from Argentina and China, are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of Argentina and China. We will attempt to provide a copy of the public version of each 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, by no later than November 20, 2000, whether there is a reasonable indication that imports of honey from Argentina and China are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

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

Dated: October 26, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–28041 Filed 11–1–00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–351–806]

Silicon Metal From Brazil: Extension of Time Limit for Final Results of Antidumping Duty Administrative Review

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

EFFECTIVE DATE: November 2, 2000.

FOR FURTHER INFORMATION CONTACT: Nova Daly or Ron Trentham, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; (202) 482–0989 and (202) 482–6320, respectively.

SUPPLEMENTARY INFORMATION:

Statutory Time Limits

Section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), requires the Department of Commerce (the Department) to make a preliminary determination within 245 days after the last day of the anniversary month of an order/finding for which a review is requested and a final determination within 120 days after the date on which the preliminary determination is published. However, if it is not practicable to complete the review within the time period, section 751(a)(3)(A) of the Act allows the Department to extend the time limit for the preliminary determination to a maximum of 365 days and for the final determination to 180 days (or 300 days