dumping and the likelihood of material injury with respect to imports of honey from the PRC, and that there have been massive imports of honey from High Hope, Zhejiang, and the PRC-wide entity over a relatively short period of time. As a result, we preliminarily determine that critical circumstances exist for imports of honey from High Hope, Zhejiang, and the PRC-wide entity, in accordance with section 733(e)(2) of the Act. Because we did not find that massive imports, within the meaning of 19 CFR 351.206(h), existed for Inner Mongolia, Kunshan, Shanghai Eswell, Anhui, and Henan, we preliminarily determine that critical circumstances do not exist for imports of honey from these companies. See CC Memo.

Verification

In accordance with section 782(i) of the Act, we intend to verify all information relied upon in making our final determination.

Final Critical Circumstances Determination

We will make a final determination concerning critical circumstances for the PRC when we make our final determination regarding sales at LTFV in this investigation, which will be no later than 135 days after the publication of this notice in the **Federal Register**.

Suspension of Liquidation

In accordance with section 733(e)(2) of the Act, for High Hope, Zhejiang, and the PRC-wide entity, the Department will direct the Customs Service to suspend liquidation of all entries of subject merchandise from the PRC that are entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days prior to the date of publication of this notice in the **Federal Register.** For the remaining companies (i.e., Inner Mongolia, Kunshan, Shanghai Eswell, Anhui, and Henan), the Department will direct the Customs Service to suspend liquidation of all entries of subject merchandise from the PRC that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register.** The Customs Service shall require a cash deposit or posting of a bond equal to the estimated preliminary dumping margin indicated in the chart below. This suspension of liquidation will remain in effect until further notice.

The margin in the preliminary determination is as follows:

Exporter/ manufacturer	Margin (percent)	Critical circumstances
Inner Mongolia	44.00	No.
Kunshan	37.51	No.
Zhejiang	36.98	Yes.
High Hope	39.76	Yes.
Shanghai Eswell.	39.76	No.
Anhui	39.76	No.
Henan	39.76	No.
PRC-wide Entity.	183.80	Yes.

Disclosure

The Department will disclose calculations performed within five days of this determination to the parties to the proceeding in this investigation in accordance with 19 CFR 351.224(b).

International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, the ITC will determine, before the later of 120 days after the date of this preliminary determination or 45 days after our final determination, whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five days after the deadline for submission of case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette.

Section 774 of the Act provides that the Department will hold a hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. In the event that the Department receives requests for hearings from parties to more than one honey case, the Department may schedule a single hearing to encompass all those cases. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time. Interested parties who wish to request a hearing, or participate if one is requested, must submit a written request within 30 days of the publication of this notice. Oral presentations will be limited to issues raised in the briefs. We will make our final determination no later than 75 days after the date of publication of this preliminary determination.

This determination is issued and published in accordance with sections 733(d) and 777(i)(1) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the Assistant Secretary for Import Administration.

Dated: May 4, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, Import Administration.

[FR Doc. 01–11940 Filed 5–10–01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–357–812]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey From Argentina

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

EFFECTIVE DATE: May 11, 2001.

FOR FURTHER INFORMATION CONTACT: Melissa Blackledge, Charlie Rast or Donna Kinsella at (202) 482–3518, (202) 482–1324 or (202) 482–0194, respectively; Antidumping and Countervailing Duty Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

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 Department of Commerce (Department) regulations refer to the regulations codified at 19 CFR part 351 (April 2000).

Preliminary Determination

We preliminarily determine that honey from Argentina is being sold, or

is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

On October 26, 2000, the Department initiated antidumping duty investigations of imports of honey from Argentina and the People's Republic of China (China). See Initiation of Antidumping Duty Investigations: Honey from Argentina and the People's Republic of China. 65 FR 65831–65834 (November 2, 2000) (Initiation Notice). The petitioners in these investigations are the American Honey Producers Association and the Sioux Honey Association (petitioners). Since the initiation of the investigations, the following events have occurred with respect to honey from Argentina.

On October 30, 2000, the Department requested information from the U.S. Embassy in Argentina to identify producers/exporters of subject merchandise. On November 13, 2000, the United States International Trade Commission (the Commission) notified the Department of its affirmative preliminary injury determination on imports of subject merchandise from Argentina and China. On November 17, 2000, the Commission published its preliminary determination that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Argentina (65 FR 69573).

On November 27, 2000, the Department issued Section A, Question 1 of the antidumping questionnaire to Radix, S.R.L. (Radix), HoneyMax, S.A. (HoneyMax), ConAgra Argentina, S.A. (ConAgra), Compania Europea Americana, S.A. (CEASA), Foodway, S.A. (Foodway), and Asociacion de Cooperativas Argentinas (ACA), requesting volume and value information for the POI for each exporter. We received the information requested on December 8, 2000. Based on this information, the Department selected the three largest exporters/producers by volume as respondents in this investigation. See Memorandum to Joseph A. Spetrini, Selection of Respondents, dated December 19, 2000.

On December 19, 2000, the Department issued its antidumping questionnaire to Radix, ConAgra, and ACA. We requested that respondents respond to Section A (general information, corporate structure, sales practices, and merchandise produced), Section B (home market or third-country sales), and Section C (U.S. sales) of the questionnaire.

On January 9, 2001, ConAgra informed the Department that it would not be submitting responses to Sections A, B, or C of the Department's questionnaire. ACA and Radix submitted responses to Section A of the Department's questionnaire on January 10, 2001, and January 16, 2001, respectively. ACA filed corrections to its Section A response on January 30, 2001, January 31, 2001, and February 12, 2001.

In their Section A responses, ACA and Radix indicated that they were both exporters, not producers, of honey. On January 11, 2001, the Department requested comments from interested parties on the Department's proposed methodology for selecting respondents for cost purposes in the sales below cost investigation, which was initiated by the Department on October 26, 2000. Because ACA and Radix stated that they did not produce the honey sold during the period of investigation (POI), the Department indicated in its letter that it intended to select at random 12 to 15 honey producers to serve as respondents in the sales below cost investigation and to use the selected producers' costs to derive an average country-wide cost of production for use in the investigation. Radix and ACA submitted comments on January 11, 2001, and January 18, 2001. Radix and ACA filed additional comments on January 26, 2001, and February 23, 2001, respectively. Petitioners commented on January 17, 2001, January 18, 2001, January 23, 2001, January 26, 2001, March 30, 2001, and April 11, 2001. The Argentine embassy commented on January 29, 2001. On February 23, 2001, the Department selected 12 cost respondents and issued Section D of the questionnaire to the selected honey producers.

Additional comments were submitted on behalf of the selected beekeepers on March 29, 2001, and April 9, 2001.

ACA and Radix submitted responses to sections B and C of the Department's questionnaire on February 9, 2001, and February 16, 2001, respectively. ACA filed corrections to its response on February 12, 2001, February 14, 2001, and February 20, 2001.

Petitioners submitted comments on Radix's questionnaire responses on January 26, 2001, and February 20, 2001. Petitioners commented on ACA's original questionnaire responses on January 26, 2001, and February 21, 2001. ACA responded to petitioners' February 21, 2001, filing on February 23, 2001. Petitioners submitted additional comments on February 23, 2001, and February 27, 2001.

We issued supplemental questionnaires to Radix and ACA on February 2, 2001, and February 23, 2001. Radix responded on February 16, 2001, and March 16, 2001. ACA responded on February 16, 2001, and March 26, 2001. We requested additional information from Radix on March 5, 2001 and from ACA on March 5, 2000, March 9, 2000, and March 16, 2000. Radix submitted its response on March 16, 2001. ACA filed responses on March 9, 2001, March 14, 2001, and March 16, 2001. On April 3, 2001, ACA filed corrections to its supplemental questionnaire response for Sections B through C. Petitioners submitted comments on ACA's and Radix's supplemental questionnaire responses on February 27, 2001, and March 27, 2001, respectively.

On February 14, 2001, petitioners made a timely request for a fifty-day postponement of the preliminary determination pursuant to section 733(c)(1)(A) of the Act. On February 22, 2001, we postponed the preliminary determination until no later than May 4, 2001. See Honey From Argentina and the People's Republic of China; Notice of Postponement of Preliminary Determinations in Antidumping Duty Investigations, 66 FR 12924 (March 1, 2001).

On February 23, 2001, the Department issued Section D of the Department's antidumping questionnaire to the twelve selected beekeeper respondents. After issuing several extensions to the beekeepers to the deadline for responding to Section D of the Department's questionnaire, on April 26, 2001, the Department received a letter on behalf of the twelve Argentine beekeepers, stating that they were unable to obtain usable cost information and would not be responding to the Department's Section D questionnaire. Petitioners submitted comments on April 30, 2001, regarding the failure of the beekeepers to provide responses to Section D of the Department's questionnaire. On May 1, 2001, Radix submitted a letter to the Department withdrawing from the investigation and requesting that its business proprietary data be removed from the record and returned to Radix.

Period of Investigation

The POI is July 1, 1999 through June 30, 2000. This period corresponds to the four most recent fiscal quarters prior to the filing of the petition (*i.e.*, September 2000), and is in accordance with section 351.204(b)(1) of the Department's regulations.

Scope of Investigation

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.

Facts Available (FA)

Section 776(a) of the Act provides that ''if any interested party or any other person—(A) withholds information that has been requested by the administering authority, (B) fails to provide such information by the deadlines for the submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782, (C) significantly impedes a proceeding under this title, or (D) provides such information but the information cannot be verified as provided in section 782(i), the administering authority and the Commission shall, subject to section 782(d), use the facts otherwise available in reaching the applicable determination under this title.'' The statute also requires that certain conditions be met before the Department may resort to the facts otherwise available. Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits, the Department may, subject to section 782(e) of the Act, disregard all or part of the original and subsequent responses, as appropriate. Briefly, section 782(e) of the Act provides that the Department ''shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all the applicable requirements established by the administering authority'' if the information is timely, can be verified, is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, and the Department can use the information without undue difficulties, the statute requires it to do so.

ConAgra

As noted in the ''Case History'' section above, the Department issued its antidumping questionnaire to ConAgra on December 19, 2000. On January 9, 2001, ConAgra informed the Department that it would not be submitting responses to Sections A, B, or C of the Department's questionnaire. ConAgra stated that, after reviewing the questionnaire in detail, it determined that it did not have sufficient available resources in Argentina to complete the questionnaire, as requested by the Department. ConAgra indicated that its books and records in Argentina are not in a format easily translatable to the computer data set required by the Department, and that the personnel necessary to convert its books and records into the Department's format is not available.

Because ConAgra failed to respond to the Department's December 19, 2000, request for information, sections 782(d) and (e) of the Act are not applicable, and the Department must resort to the use of facts available for this respondent, in accordance with section 776(a) of the Act. Moreover, we have determined that ConAgra's failure to respond to any portions of the Department's December 19, 2000, questionnaire demonstrates that the company has not cooperated to the best of its ability. Therefore, pursuant to section 776(b) of the Act, we used an adverse inference in selecting a margin from among facts otherwise available. See Memorandum from Donna Kinsella to Richard O. Weible, Honey from Argentina: Preliminary Determination of Sales at Less Than Fair Value—The Use of Facts Available for ConAgra Argentina, S.A., and the Corroboration of Secondary Information, dated May 4, 2001 (ConAgra Facts Available Memorandum).

Radix

As also noted in the ''Case History'' section above, on May 1, 2001, the Department received a letter from Radix stating that it would not continue to participate in the Department's investigation. Radix explained that it was unable to file any usable cost information from the Argentine beekeepers despite the extensions granted to it by the Department. Therefore, Radix decided that it would not be beneficial to it to continue participating in the investigation, and it requested that all business proprietary data be removed from the record and returned to Radix. Accordingly, for purposes of our preliminary calculations, we will not be relying on Radix's proprietary information.[1]

Because Radix withdrew from the investigation and requested that its submitted responses be removed from the record, sections 782(d) and (e) of the Act are not applicable, and the Department must resort to the use of facts available for this respondent, in accordance with section 776(a) of the Act. Moreover, we have determined that Radix's withdrawal from the investigation demonstrates that the company has not cooperated to the best of its ability. Therefore, pursuant to section 776(b) of the Act, we used an adverse inference in selecting a margin from among facts otherwise available. See Memorandum from Donna Kinsella to Richard O. Weible, Honey from Argentina: Preliminary Determination of Sales at Less Than Fair Value—The Use of Facts Available for Radix, S.R.L., and the Corroboration of Secondary Information, dated May 4, 2001 (Radix Facts Available Memorandum).

As adverse facts available for ConAgra and Radix, the Department has applied a margin rate of 60.67 percent, the highest alleged margin for Argentina in the petition. This rate is the higher of the highest margin in the petition or the highest rate calculated for a respondent in the proceeding. See Final Determination of Sales at Less Than Fair Value; Stainless Steel Sheet and Strip in Coils from Germany; 64 FR 30710, 30714 (June 8, 1999).

Section 776(c) of the Act provides that where the Department selects from among the facts otherwise available and relies on ''secondary information,'' such as the petition, the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. The Statement of Administrative Action accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Sess. (1994) (SAA) states that ''corroborate'' means to determine that the information used has probative value. See SAA at 870. In this proceeding, we considered information contained in the petition as the most appropriate record information to use to

[1] In a letter of May 3, 2001, petitioners objected to the removal of Radix's information from the record. We will be addressing this issue at a later date.

establish the dumping margins for these uncooperative respondents because, in the absence of verifiable data provided by ConAgra and Radix, the petition information is the best approximation, using an adverse inference, available to the Department of ConAgra's and Radix's pricing and selling behavior in the U.S. market. In accordance with section 776(c) of the Act, we sought to corroborate the data contained in the petition. We reviewed the adequacy and accuracy of the information in the petition during our pre-initiation analysis of the petition, to the extent appropriate information was available for this purpose (*e.g.*, import statistics and foreign market research reports). See Initiation Notice. For purposes of this preliminary determination, we attempted to corroborate the information in the petition with information gathered since the initiation. We compared the export price (EP) and constructed value (CV) data, which formed the basis for the highest margin in the petition, to the price and cost/expense data provided by the honey producers and export trading companies during the investigation and, to the extent practicable, found that it had probative value. (For a detailed analysis see ConAgra's and Radix's Facts Available Memoranda.)

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by ACA, covered by the description in the ''Scope of Investigation'' above, and sold in the comparison market during the POI, to be foreign like products for purposes of determining appropriate comparisons to U.S. sales.

Fair Value Comparisons

To determine whether sales of honey from Argentina to the United States were made at LTFV, we compared the EP to the constructed value (CV), as described in the ''Export Price'' and ''Constructed Value'' sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs for comparison to CV.

Export Price

We calculated EP in accordance with section 772(a) of the Act because ACA sold the merchandise directly to the first unaffiliated purchaser in the United States prior to the date of importation, and because constructed export price (CEP) methodology was not otherwise appropriate. We based EP for ACA on the C&F price to unaffiliated purchasers in the United States. We made deductions for billing adjustments and ''reembolso'' reimbursements, where appropriate. We also made adjustments for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included, where appropriate, foreign brokerage and handling, international freight, and additional shipping costs.

Normal Value

Section 773(a)(1) of the Act directs that NV be based on the price at which the foreign like product is sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the EP. The statute contemplates that quantities (or value) will normally be considered insufficient if they are less than five percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States.

Based on information submitted by the Argentine exporting trading company, we found that for the exporter the aggregate volume of home market sales of the foreign like product was less than five percent of their aggregate volume of U.S. sales of the subject merchandise during the POI. (See the December 8, 2000, Section A, Question 1, questionnaire responses from the export trading company.) Consequently, we determined that the Argentine home market was not viable.

Where the home market is determined not to be viable, section 773(a)(1)(B)(ii) of the Act directs the Department to employ the price of sales to a third country as the basis for NV if (1) such price is representative, (2) the aggregate quantity (or value) of sales to that country is at least 5 percent of the quantity (or value) of total sales to the United States, and (3) the Department does not determine that the particular market situation in that country prevents proper comparison with the EP or CEP price. In this case, we found the price of sales to Germany to be representative. Also, the volume and value of ACA's sales to Germany were found to exceed 5 percent of the volume and value of their sales to the United States. (See the December 8, 2000, February 9, 2001, and March 26, 2001, submissions of ACA). Furthermore, based on our examination of the record information, we found no reason to determine that the market situation in Germany would somehow prevent proper comparison between NV and EP price. We therefore found Germany to be the appropriate comparison market pursuant to section 773(a)(1)(B)(ii) of the Act. In deriving NV, we made certain adjustments described in the ''Price to CV'' section below.

ACA originally reported invoice date as the date of sale for both the U.S. and third country markets. In its questionnaire responses, ACA indicated that invoices are generated after date of shipment from the warehouse for sales in both markets. Consequently, for ACA, we have used date of shipment as the date of sale in the U.S. and third country markets.

ACA reported expenses attributable to sales to the third country market (Germany) incurred for sampling and/or testing honey in order to meet the standards of German customers. According to ACA, German customers require their purchases of honey to be free of antibiotic residuals and phenol. In its submission, these expenses were reported as direct selling expenses. For the reasons described below, we have determined to treat these expenses as indirect selling expenses for purposes of our preliminary determination.

Direct expenses are typically expenses that are incurred as a direct and unavoidable consequence of the sale (*i.e.*, in the absence of the sale these expenses would not be incurred). In other words, while indirect expenses generally consist of fixed expenses that are incurred whether or not a sale is made, direct selling expenses result from, and bear a direct relationship to, the particular sale in question. See 19 CFR 351.410(c); Oil Country Tubular Goods From Mexico; Final Results of Antidumping Duty Administrative Review, 66 FR 15832 (March 21, 2001); and Canned Pineapple Fruit From Thailand: Final Results of Antidumping Duty Administrative Review, 65 FR 77851 (December 13, 2000).

In this case, we found that the information provided by ACA with respect to sampling and/or testing honey, particularly at what point in time and on which merchandise they are conducted, is either contradictory or non-conclusive. (See the January 10, 2001,February 9, 2001, and March 26, 2001, submissions from ACA.) In fact, the evidence on the record indicates that these expenses are more properly classified as indirect selling expenses, given that they appear to be incurred whether or not a sale is made. For example, in its Section B–C questionnaire response, ACA states that the tests in question were conducted on all shipments to German customers that require particular testing results. However, in a later submission, on March 26, 2001, ACA reports that since October 1999 it has performed testing according to German standards on all

lots of honey darker than a certain color (*i.e.*, 34 mm on the pfund scale). It is also unclear from the record evidence whether honey, which is tested but which does not meet German standards, is shipped to other markets and how the testing expenses associated with such sales have been accounted for in ACA's testing expense calculations.

As a result of contradictory and ambiguous statements made by ACA in its submissions to date, we found that the evidence of expenses in connection with sampling and/or testing honey for German customers does not unequivocally demonstrate that these expenses result from and bear a direct relationship to the sales in question within the meaning of 19 CFR 351.410(c) and the Department's practice. Rather, the evidence indicates that these expenses appear to have the characteristics of indirect selling expenses. Accordingly, for purposes of our preliminary determination, we have determined to re-classify ACA's sampling and/or testing expenses as indirect selling expenses. However, we intend to fully examine this issue at verification, and will incorporate our findings, as appropriate, in our analysis for the final determination.

ACA reported warranty expenses for certain third country and U.S. sales on a customer-specific basis. To calculate these expenses, ACA allocated the total warranty costs reimbursed to a particular customer by the total tons of honey sold to that customer during the POI. Notwithstanding ACA's ability to report warranty expenses on a customer-specific basis, we have long recognized that the nature of warranty expenses (*i.e.*, that claims made for specific sales are often made after the close of a given period of investigation or review) necessitates the use of an appropriate allocation methodology. (See, *e.g.*, Final Determination of Sales at Less Than Fair Value: Stainless Steel Sheet and Strip in Coils from Germany, 64 FR 30710, 30736–30738 (June 8, 1999); Notice of Final Determination of Sales at Less Than Fair Value: Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Germany, 61 FR 38166 (July 23, 1996); and *Koenig & Bauer-Albert, et al.* v. *United States*, 15 Fed. Supp.2d 834, 854 (CIT 1998).) We do not believe that ACA's customer-specific allocation methodology takes into account an important additional characteristic of these expenses, namely, that they are not predictable at the time of the sale. Because warranty expenses are normally incurred after the sale is made, and are not incurred until a warranty claim has been received from a customer, we believe that in cases where warranty services are provided by the producer/exporter, all sales are subject to warranty expenses. Therefore, for purposes of the preliminary determination in this case, in order to derive a per-unit warranty expense for all sales, we have recalculated ACA's warranty expenses by allocating the total reported expenses for warranty claims in each market over the total quantity of sales made by ACA in each market.

Cost of Production Analysis

Based on our analysis of the cost allegation submitted by petitioners on September 29, 2000, the Department found reasonable grounds to believe or suspect that sales of honey produced in Argentina were made at prices below the cost of production (COP), in accordance with section 773(b)(2)(A)(i) of the Act. As a result, the Department attempted to conduct an investigation to determine whether respondents made third country sales during the POI below the honey producers' COP, within the meaning of section 773(b) of the Act.

A. Calculation of COP

Because the respondent participating in this investigation is not a producer of the merchandise under investigation, we selected 12 honey producers to serve as cost respondents in the sales-below-cost investigation. As stated in the ''Case History'' section of this notice, the honey producers failed to respond to the Department's request for cost of production information. Because the selected honey producers did not provide necessary information regarding the cost of production of honey, we calculated COP based on the only cost data available on the record; *i.e.* cost data obtained from Argentine honey producer bi-monthly trade journal articles submitted in the petition. The Department used the average of the cost studies for March, May, July, September, November 1999, as provided in the petition, to derive an average country-wide honey producers' COP to use as the COP for the respondent.

B. Test of Third Country Market Prices

We compared the COP for ACA, as calculated above, to the company's third country market sales of the foreign like product, less any applicable movement charges, billing adjustments, and selling expenses as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. In determining whether to disregard third country market sales below the COP, we examined whether such sales were made (1) within an extended period of time in substantial quantities, and (2) at prices which permitted the recovery of all costs within a reasonable period of time, in accordance with sections 773(b)(1)(A) and (B) of the Act.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of ACA's sales were at prices less than the COP, we did not disregard any below-cost sales because we determined that the below-cost sales were not made in substantial quantities. Where 20 percent or more of ACA's sales during the POI were less than the COP, we determined such sales to have been made in substantial quantities within an extended period of time, in accordance with section 773(b)(2)(B) of the Act. Because we compared prices to average costs, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, we disregarded those below-cost sales. Because all sales were disregarded, we calculated NV based on CV.

D. Constructed Value

In accordance with section 773(e)(1) of the Act, we calculated CV based on the COP as calculated above plus the exporter's SG&A expenses and an amount for profit. In accordance with section 773(e)(2)(B)(iii) of the Act, and as facts available, we based profit on the September 1999 trade journal article.

Price to CV Comparisons

In accordance with section 773(a)(4) of the Act, we based NV on CV pursuant to the criteria described in the ''Cost of Production'' section above. Where appropriate, we made adjustments to CV in accordance with section 773(a)(8) of the Act. For comparisons to EP, we made COS adjustments by deducting third country direct selling expenses and adding U.S. direct selling expenses.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP transaction. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from the exporter to the importer.

To determine whether NV sales are at a different LOT than EP, we examine stages in the marketing process and selling functions along the chain of distribution between the exporter and the unaffiliated customer. If the comparison-market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment pursuant to section 773(a)(7)(A) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

In implementing these principles in this investigation, we examined information from ACA regarding their reported third country market and EP sales, including a description of the selling activities performed by ACA for each channel of distribution. In identifying LOT for EP and third country market sales, we considered the selling functions reflected in the starting price before any adjustments.

ACA claimed one level of trade in each market: One LOT representing sales to unaffiliated packers in the third country market; and one LOT representing sales in the U.S. market to unaffiliated importers, who resell to packers. According to ACA, because all customers in the third-country market are packers and all customers in the U.S. market are importers, the impact on ACA's pricing cannot be seen by comparing its prices at different LOTs in a single market. Instead, the difference in the LOT can be measured by the mark-up of ACA's U.S. export prices by its U.S. customers when the importers resell ACA's honey to their packer customers. ACA claimed a LOT adjustment equivalent to the estimated price differential between sales to importers and sales to packers.

In determining whether separate LOTs existed in the third country and U.S. market, we examined ACA's selling functions along the chain of distribution between ACA and its unaffiliated customers. In reviewing the chains of distribution and customer categories, we found that ACA made sales directly to unaffiliated customers in both the third country market and the U.S. market.

As indicated previously, ACA reported different categories of customers in the third country and U.S. markets, packers and importers who resell to packers, respectively. We note that while the Department considers the type of customer an important indicator in identifying differences in the LOT, the existence of different classes of customers is not sufficient to establish a difference in the LOTs. Whereas certain titles used to describe classes of customers (e.g., original equipment manufacturer, distributor, wholesaler, retailer) may actually describe LOTs, the fact that two sales were made by entities with titles suggesting different stages of the marketing process is not sufficient to establish that the two sales were made at different LOTs. (*See Antidumping Duties: Countervailing Duties,* Preamble to 19 CFR, 351, FR 27296, 27371 (May 19, 1997).)

In further analyzing ACA's LOT claims, we reviewed information available on the record regarding ACA's selling functions, in accordance with our practice. In its Section A questionnaire response, ACA stated that it performs no selling activities and offers no services in the U.S. or third-country markets. In its February 16, 2001, Section A supplemental questionnaire response, ACA stated that in addition to arranging international freight and delivery, the only selling activities it performs on third country or U.S. market sales is the provision of warranty services. ACA indicated that it performs activities relating to the arrangement of international freight and delivery for the third country and U.S. markets to a medium degree. It indicated that it performs activities relating to warranty services to a medium degree in the third country market and to a low degree in the U.S. market.

Based on the information provided by ACA, we find that the selling functions ACA provided to its reported channels of distribution in the third country and U.S. markets are the same, varying only by the degree to which warranty services were provided. We do not find the varying degree to which warranty services are provided sufficient to determine the existence of different marketing stages. Therefore, based upon this information, we have preliminarily determined that the LOT for all EP sales is the same as that for third country sales. Accordingly, because we find U.S. sales and third country sales to be at the same LOT, no LOT adjustment under section 773(a)(7)(A) of the Act is warranted.

Currency Conversions

We made currency conversions into U.S. dollars in accordance with section 773 of the Act based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank.

Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars unless the daily rate involves a fluctuation. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by 2.25 percent. The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice. Further, section 773A(b) of the Act directs the Department to allow a 60-day adjustment period when a currency has undergone a sustained movement. A sustained movement has occurred when the weekly average of actual daily rates exceeds the weekly average of benchmark rates by more than five percent for eight consecutive weeks. (For an explanation of this method, see Policy Bulletin 96–1: Currency Conversions (61 FR 9434, March 8, 1996).)

Verification

In accordance with section 782(i) of the Act, we intend to verify all information relied upon in making our final determinations.

Suspension of Liquidation

In accordance with section 733(e)(2) of the Act, the Department will direct the Customs Service to suspend liquidation of all entries of subject merchandise from Argentina that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The Customs Service shall require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated in the chart below. This suspension-of-liquidation will remain in effect until further notice.

The margins in the preliminary determination are as follows:

HONEY FROM ARGENTINA

Producer/manufacturer/exporter	Weighted-average margin (percent)
ACA	49.93
Radix	60.67
ConAgra	60.67
All Others	49.93

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final antidumping determinations are affirmative, the ITC will determine before the latter of 120

days after the date of this preliminary determination or 45 days after our final determinations, whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five days after the deadline for submission of case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette.

Section 774 of the Act provides that the Department will hold a hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. In the event that the Department receives requests for hearings from parties to several honey cases, the Department may schedule a single hearing to encompass all those cases. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time. Interested parties who wish to request a hearing, or participate if one is requested, must submit a written request within 30 days of the publication of this notice. Oral presentations will be limited to issues raised in the briefs. We intend to make our final determination no later than 75 days after the date of this preliminary determination.

This determination is published pursuant to sections 733(d) and 777(i)(1) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the Assistant Secretary for Import Administration.

Dated: May 4, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, Import Administration.

[FR Doc. 01–11941 Filed 5–10–01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–427–820, A–428–830, A–475–829, A–580–847, A–583–836, A–412–822]

Notice of Postponement of Preliminary Determinations of Sales at Less Than Fair Value: Stainless Steel Bar From France, Germany, Italy, Korea, Taiwan, and the United Kingdom

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

EFFECTIVE DATE: May 11, 2001.

FOR FURTHER INFORMATION CONTACT: Brian Smith (France) at (202) 482–1766; Barbara Wojcik-Betancourt (Korea) at (202) 482–0629; Brian Ledgerwood (the United Kingdom) at (202) 482–3836; Craig Matney (Germany) at (202) 482–1778; Jarrod Goldfeder (Italy) at (202) 482–0189; Blanche Ziv (Taiwan) at (202) 482–4207; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

APPLICABLE STATUTE AND REGULATIONS: Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR part 351 (April 2000).

POSTPONEMENT OF PRELIMINARY DETERMINATIONS: On January 24, 2001, the Department published the initiation of the antidumping duty investigations of imports of stainless steel bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom. The notice of initiation stated that we would make our preliminary determinations for these antidumping duty investigations no later than 140 days after the date of issuance of the initiation (*i.e.,* June 6, 2001). *See Notice of Initiation of Antidumping Duty Investigations: Stainless Steel Bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom,* 66 FR 7620, 7626 (January 24, 2001); and *Corrections, Notice of Initiation of Antidumping Duty Investigations: Stainless Steel Bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom,* 66 FR 14986 (March 14, 2001).

On April 27, 2001, the petitioners [1] made a timely request pursuant to 19 CFR 351.205(e) for a 50-day postponement of the preliminary determinations, or until July 26, 2001. The petitioners requested a postponement of the preliminary determinations because of the need for additional time to submit comments regarding the respondents' questionnaire responses and for the Department to analyze the respondents' data and seek additional data, if necessary, prior to the issuance of the preliminary determinations.

For the reasons identified by the petitioners, and because there are no compelling reasons to deny the request, we are postponing the preliminary determinations under section 733(c)(1) of the Act. We will make our preliminary determinations no later than July 26, 2001.

This notice is published pursuant to sections 733(f) and 777(i) of the Act.

Dated: May 7, 2001.

Richard W. Moreland,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 01–11937 Filed 5–10–01; 8:45 am]

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[1] The petitioners are Carpenter Technology Corp., Crucible Specialty Metals, Electralloy Corp., Empire Specialty Steel Inc., Slater Steels Corp., and the United Steelworkers of America, AFL–CIO/CLC.

DEPARTMENT OF COMMERCE

International Trade Administration

[C–533–063]

Certain Iron-metal Castings From India: Amended Final Results of Countervailing Duty Administrative Review in Accordance With Decision Upon Remand

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

ACTION: Notice of amendment to final results of countervailing duty administrative review.

SUMMARY: Pursuant to remand instructions by the Court of International Trade (CIT), the Department has recalculated the countervailing duty rates for the 1990 administrative review of the countervailing duty order on certain iron-metal castings from India. The final countervailing duty rates for this administrative review period are listed below in the Final Results of Review section of this notice.

EFFECTIVE DATE: May 11, 2001.

FOR FURTHER INFORMATION CONTACT: Robert Copyak, AD/CVD Enforcement Office VI, Group II, Import