

issues raised in any such written comments or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between the USP and the FMV may vary from the percentages stated above.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative reviews, as provided by section 751(a)(1) of the Tariff Act. A cash deposit of estimated antidumping duties shall be required on shipments of corrosion-resistant steel and cut-to-length plate from Canada as follows: (1) The cash deposit rates for the reviewed companies shall be those rates established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in these reviews or the original LTFV investigations, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in these reviews, the cash deposit rate will be the "all others" rate from the LTFV investigations. *See Final Determination of Sales at Less Than Fair Value: Certain Corrosion-Resistant Carbon Steel Flat Products, and Certain Cut-to-Length Carbon Steel Plate from Canada*, 58 FR 37099, 37121 (July 9, 1993).

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

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

Dated: August 8, 1995.

Susan G. Esserman,
Assistant Secretary for Import Administration.

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[A-570-803]

Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China; Preliminary Results and Termination in Part of Antidumping Duty Administrative Reviews

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

ACTION: Notice of preliminary results and termination in part of antidumping duty administrative reviews.

SUMMARY: In response to requests by two resellers of the subject merchandise, the Department of Commerce (the Department) is conducting administrative reviews of the antidumping duty orders on heavy forged hand tools, finished or unfinished, with or without handles, (HFHTs) from the People's Republic of China (PRC). The reviews cover two exporters of subject merchandise to the United States and the period February 1, 1993, through January 31, 1994. The reviews indicate the existence of dumping margins during the period of review.

We have preliminarily determined that sales have been made below the foreign market value (FMV). If these preliminary results are adopted in our final results of administrative reviews, we will instruct U.S. Customs to assess antidumping duties equal to the difference between United States price (U.S. price) and FMV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 16, 1995.

FOR FURTHER INFORMATION CONTACT: Karin Price or Maureen Flannery, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:

Background

On February 19, 1991, the Department published in the **Federal Register** (56 FR 6622) the antidumping duty orders on HFHTs from the PRC. On February 4, 1994, the Department published in the **Federal Register** (59 FR 5390) a notice of opportunity to request administrative reviews of these antidumping duty orders. On February 28, 1994, in accordance with 19 CFR 353.22(a), two resellers of the subject merchandise to the United States, Fujian Machinery & Equipment Import & Export Corporation (FMEC) and

Shandong Machinery Import & Export Corporation (SMC), requested that we conduct administrative reviews of their exports of subject merchandise to the United States. We published the notice of initiation of these antidumping duty administrative reviews on March 14, 1994 (59 FR 11768). The notice of initiation was amended on June 15, 1994 (59 FR 30770) and July 15, 1994 (59 FR 36160). The Department is conducting these administrative reviews in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Termination of Review in Part

On June 10, 1994, FMEC withdrew its request for a review of the order on picks and mattocks (picks/mattocks), and SMC withdrew its request for a review of the order on axes, adzes and other similar hewing tools (axes/adzes). Given the early stage of review at the time of FMEC's and SMC's withdrawal requests, we informed FMEC that it did not need to respond to the questionnaire with respect to picks/mattocks, and we informed SMC that it did not need to respond to the questionnaire with regard to axes/adzes. *See File Memorandum from Karin Price*, dated July 5, 1994, "Telephone conversation regarding the withdrawal requests of respondents in the third administrative reviews of heavy forged hand tools, finished or unfinished, with or without handles, from the People's Republic of China," which is on file in the Central Records Unit (room B-099 of the Main Commerce Building). We hereby are terminating the review of the order on picks/mattocks with respect to FMEC and the review of the order on axes/adzes with respect to SMC, in accordance with 19 CFR 353.22(a)(5).

Scope of These Reviews

Imports covered by these reviews are shipments of HFHTs from the PRC comprising the following classes or kinds of merchandise: (1) hammers and sledges with heads over 1.5 kg. (3.33 pounds) (hammers/sledges); (2) bars over 18 inches in length, track tools and wedges (bars and wedges); (3) picks/mattocks; and (4) axes/adzes.

HFHTs include heads for drilling, hammers, sledges, axes, mauls, picks, and mattocks, which may or may not be painted, which may or may not be finished, or which may or may not be imported with handles; assorted bar products and track tools including wrecking bars, digging bars and tampers; and steel woodsplitting wedges. HFHTs are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature and

formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot blasting, grinding, polishing and painting, and the insertion of handles for handled products. HFHTs are currently provided for under the following Harmonized Tariff System (HTS) subheadings: 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60. Specifically excluded are hammers and sledges with heads 1.5 kg. (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under.

These reviews cover two exporters of HFHTs from the PRC, FMEC and SMC. The review period is February 1, 1993, through January 31, 1994.

Separate Rates

The business licenses of both FMEC and SMC indicate that they are owned by "all the people." As stated in the *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China* (59 FR 22585, May 2, 1994) (*Silicon Carbide*), "ownership by 'all of the people' does not require the application of a single rate." Accordingly, FMEC and SMC are eligible for consideration for separate rates.

To establish whether a company is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China* (56 FR 20588, May 6, 1991) (*Sparklers*), as amplified in *Silicon Carbide*. Under this policy, exporters in non-market-economy (NME) countries are entitled to separate, company-specific margins when they can demonstrate an absence of government control, both in law and in fact, with respect to exports. Evidence supporting, though not requiring, a finding of *de jure* absence of government control includes: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control with respect to exports is based on four criteria: (1) whether the export prices are set by or subject to the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits and financing of losses; (3)

whether each exporter has autonomy in making decisions regarding the selection of management; and (4) whether each exporter has the authority to negotiate and sign contracts.

We have found that the evidence on the record demonstrates an absence of government control, both in law and in fact, with respect to FMEC's and SMC's exports according to the criteria identified in *Sparklers* and *Silicon Carbide* for this period of review. For further discussion of the Department's preliminary determination that FMEC and SMC are entitled to separate rates, see *Decision Memorandum to Holly A. Kuga, Director, Office of Antidumping Compliance*, dated July 21, 1995, "Separate rates for Fujian Machinery & Equipment Import & Export Corporation and Shandong Machinery Import & Export Corporation in the third administrative reviews of heavy forged hand tools, finished or unfinished, with or without handles, from the People's Republic of China," which is on file in the Central Records Unit (room B-099 of the Main Commerce Building).

United States Price

The Department used purchase price and exporter's sales price (ESP), in accordance with sections 772 (b) and (c) of the Act, in calculating U.S. price. We made deductions from purchase price and ESP sales, where appropriate, for brokerage and handling, foreign inland freight, ocean freight, and marine insurance. Ocean freight services were provided by both PRC-owned and non-PRC-owned companies. Where we knew that the company providing the ocean freight services was not a PRC-owned company, we used the actual rates charged; for ocean freight services provided by PRC-owned companies, we applied a weighted-average ocean freight rate derived from those sales for which we used actual ocean freight rates. Since marine insurance services were provided by PRC-owned companies, we based the deduction for marine insurance on surrogate values. We also used surrogate data to value foreign inland freight and brokerage and handling. We selected India as the surrogate country for reasons explained in the "Foreign Market Value" section of this notice.

Complete sales data for SMC's ESP sales have not been provided to the Department, despite the Department's requests for such data. In its original questionnaire response, SMC did not report its ESP sales, stating that SMC did not sell the subject merchandise to its U.S. subsidiary, CMC Pacific Tools, Inc. (Pacific Tools) during the period of review, despite the request in the

questionnaire that ESP sales, *i.e.*, sales made to unrelated purchasers in the United States after the date the merchandise was imported into the United States by or for the account of the exporter, be reported. In our supplemental questionnaire, we asked SMC to report any ESP sales of subject merchandise made by Pacific Tools to unrelated customers in the United States during the period of review and to answer all questions in the original questionnaire regarding these sales. When it reported these ESP sales in its supplemental questionnaire response, SMC did not report any movement expenses for these sales, stating that these expenses had been reported in a questionnaire response submitted for the previous administrative reviews of this case. Since movement expenses were not reported for the record of these reviews, as best information available (BIA), we applied a weighted-average ocean freight rate derived from those PP sales for which we used actual ocean freight rates to adjust for ocean freight, and we used surrogate values to make deductions for all other applicable movement expenses. We also made a deduction for U.S. duties.

Foreign Market Value

For companies located in NME countries, section 773(c)(1) of the Act provides that the Department shall determine FMV using a factors of production methodology if (1) the merchandise is exported from a NME country, and (2) the information does not permit the calculation of FMV using home market prices, third country prices, or constructed value (CV) under section 773(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. None of the parties to these proceedings has contested such treatment in these reviews. Accordingly, we calculated FMV in accordance with section 773(c) of the Act and section 353.52 of the Department's regulations. We determined that India is comparable to the PRC in terms of per capita gross national product (GNP), the growth rate in per capita GNP, and the national distribution of labor, and is a significant producer of comparable merchandise. For further discussion of the Department's selection of India as the primary surrogate country, see *File Memorandum from Karin Price*, dated June 13, 1994, "Telephone conversations regarding the surrogate country selection in the third administrative reviews of heavy forged hand tools, finished or unfinished, with or without handles, from the People's

Republic of China," which is on file in the Central Records Unit (room B-099 of the Main Commerce Building), with attached Memorandum to Laurie Lucksinger, dated March 18, 1993, "AD Order on Heavy Forged Hand Tools from the People's Republic of China (case #A-570-803): Nonmarket-Economy Status and Surrogate Country Determinations."

For purposes of calculating FMV, we valued PRC factors of production in the year in which production occurred as follows, in accordance with section 773(c)(1) of the Act:

- To value all direct materials used in the production of HFHTs, including steel, resin glue, paint, varnish, wood for handles, iron wedges, anti-rust oil, scrap steel, and dilution, we used the rupee per metric ton, per kilogram, or per cubic meter value of imports into India during April-December 1992, for production in 1992, and during April 1993-January 1994, for production in 1993, obtained from the *Monthly Statistics of the Foreign Trade of India, Volume II—Imports*, December 1992, and the *Monthly Statistics of the Foreign Trade of India, Volume II—Imports*, March 1994, respectively (*Indian Import Statistics*). Some of the factories in the PRC used imported steel for producing HFHTS, and, in these instances, we used the import price of the steel to value the relevant portion of steel which was imported. We made adjustments to include freight costs incurred between the suppliers and the HFHT factories. We also made an adjustment to the steel input factor for scrap and waste steel which was sold.

- For direct labor, we used the labor rates reported in the Business International Corporation reports *IL&T India*, released November 1992 and November 1993. This source breaks out labor rates between skilled, unskilled, semi-skilled, and foreman labor for 1993 and provides information on the number of labor hours worked per week.

- For factory overhead, we used information reported in the December 1992 and September 1994 *Reserve Bank of India Bulletin*. From this information, we were able to determine factory overhead as a percentage of total cost of manufacture. We included steel pellets

used to remove oxidization from the tool heads and detergent used to clean the tool heads in factory overhead as these materials are not physically incorporated into the subject merchandise.

- For selling, general and administrative (SG&A) expenses, we used information obtained from the December 1992 and September 1994 *Reserve Bank of India Bulletin*. We calculated an SG&A rate by dividing SG&A expenses by the cost of manufacture. Since the calculated SG&A expense rate is less than 10 percent, we used the statutory minimum of 10 percent to calculate SG&A expenses.

- To calculate a profit rate, we used information obtained from the December 1992 and September 1994 *Reserve Bank of India Bulletin*. We calculated a profit rate by dividing the before-tax profit by the sum of those components pertaining to the cost of manufacturing plus SG&A. Since the calculated profit rate is less than 8 percent, we used the statutory minimum of 8 percent to calculate profit.

- To value the packing materials, including cartons (except for imported cartons used at some of the factories), pallets, anti-rust paper, anti-damp paper, plastic and iron straps, plastic bags, iron buttons and knots, synthetic fiber, and iron wire, we used import statistics for India obtained from the *Indian Import Statistics*. We adjusted these values to include freight costs incurred between the suppliers and the HFHT factories. Some of the factories used imported cartons for packing, and, in these instances, we used the import price of the cartons to value the relevant percentage of cartons which was imported.

- To value coal, we used the price of steam coal reported for 1990 in the International Energy Agency publication *Energy Prices and Taxes*, 2nd Quarter 1994. We adjusted the value of coal to reflect inflation through 1992 and 1993 using wholesale price indices of India (WPI) as published in the *International Financial Statistics* by the International Monetary Fund (IMF).

- To value electricity, we used the price of electricity for 1990 reported in the Asian Development Bank

publication *Energy Indicators of Developing Member Countries of Asian Development Bank*, July 1992. We adjusted the value of electricity to reflect inflation through 1992 and 1993 using WPI published by the IMF.

- To value truck freight, we used the rates reported in a June 1992 cable from the U.S. Embassy in India submitted for the *Final Determination of Sales at Less Than Fair Value: Sulfanilic Acid from the People's Republic of China* (57 FR 29705, July 6, 1992) and an August 1993 cable from the U.S. Embassy in India submitted for the *Final Determination of Sales at Less Than Fair Value: Certain Helical Spring Lock Washers from the People's Republic of China* (58 FR 48833, September 20, 1993).

- To value rail freight, we used the price reported in a December 1989 cable from the U.S. Embassy in India submitted for the *Final Results of Antidumping Duty Administrative Review: Shop Towels of Cotton from the People's Republic of China* (56 FR 4040, February 1, 1991). We adjusted the rail freight rates to reflect inflation through 1992 and 1993 using WPI published by the IMF.

Currency Conversion

We made currency conversions in accordance with 19 CFR 353.60(a). Currency conversions were made at the rates certified by the Federal Reserve Bank.

Best Information Available

SMC did not provide factors-of-production data for one model, sales of which were first reported to the Department in SMC's supplemental questionnaire response. Since U.S. sales data for this model were submitted without the data necessary for the calculation of FMV, we must rely upon BIA, in accordance with section 776(1) of the Act, for these sales. As BIA, we are assigning a rate of 31.76 percent, which is the rate from the LTFV investigation for this class or kind of merchandise.

Preliminary Results of the Reviews

As a result of our reviews, we preliminarily determine that the following margins exist:

| Manufacturer/exporter | Time period | Margin (percent) |
|---|----------------|------------------|
| Fujian Machinery & Equipment Import & Export Corporation: | | |
| Axes/Adzes | 2/1/93-1/31/94 | 11.72 |
| Bars/Wedges | 2/1/93-1/31/94 | 30.40 |
| Hammers/Sledges | 2/1/93-1/31/94 | 12.17 |
| Shandong Machinery Import & Export Corporation: | | |
| Bars/Wedges | 2/1/93-1/31/94 | 28.54 |

| Manufacturer/exporter | Time period | Margin (percent) |
|-----------------------|----------------|------------------|
| Hammers/Sledges | 2/1/93-1/31/94 | 7.26 |
| Picks/Mattocks | 2/1/93-1/31/94 | 36.92 |

Parties to the proceedings may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. See section 353.38(d) of the Department's regulations. The Department will publish a notice of final results of these administrative reviews, which will include the results of its analysis of issues raised in any such comments.

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

Furthermore, the following deposit requirements will be effective upon publication of the final results of these administrative reviews for all shipments of HFHTs from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) The cash deposit rates for the reviewed companies named above which have separate rates will be the rates for those firms established in the final results of these administrative reviews; (2) for all other PRC exporters, the cash deposit rates will be the rates established in the LTFV investigations, the all-China rates; and (3) the cash deposit rates for non-PRC exporters of subject merchandise from the PRC will be the rates applicable to the PRC supplier of that exporter. The rates established in the LTFV investigations are 45.42 percent for hammers/sledges, 31.76 percent for bars/wedges, 50.81 percent for picks/mattocks, and 15.02 percent for axes/adzes. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative reviews.

Notification of Interested Parties

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

These administrative reviews and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and section 353.22 of the Department's regulations.

Dated: August 8, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95-20207 Filed 8-15-95; 8:45 am]

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A-570-822

Certain Helical Spring Lock Washers From the People's Republic of China; Preliminary Results of Antidumping Administrative Review

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

ACTION: Notice of preliminary results of the antidumping duty administrative review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain helical spring lock washers (HSLWs) from the People's Republic of China (PRC) in response to a request by the respondent, Zhejiang Wanxin Group Co., Ltd. (ZWG). This review covers shipments of this merchandise to the United States during the period October 15, 1993, through September 30, 1994.

We have preliminarily determined that sales have been made below foreign market value (FMV). If these preliminary results are adopted in our final results, we will instruct U.S. Customs to assess antidumping duties equal to the difference between United States price (USP) and FMV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 16, 1995.

FOR FURTHER INFORMATION CONTACT: Donald Little or Maureen Flannery, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington D.C. 20230; telephone (202) 482-4733.

Background

The Department published in the **Federal Register** the antidumping duty order on HSLWs from the PRC on October 19, 1993 (58 FR 53914). On October 7, 1994, the Department published in the **Federal Register** (59 FR 51166) a notice of opportunity to request administrative review of the antidumping duty order on HSLWs from the PRC covering the period October 15, 1993, through September 30, 1994.

In accordance with 19 CFR 353.22(a)(1994), the respondent, ZWG, requested that we conduct an administrative review. We published a notice of initiation of this antidumping duty administrative review on November 14, 1994 (59 FR 56459). The Department is conducting this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Scope of Review

The products covered by this review are HSLWs of carbon steel, of carbon alloy steel, or of stainless steel, heat-treated or non heat-treated, plated or non-plated, with ends that are off-line. HSLWs are designed to: (1) function as a spring to compensate for developed looseness between the component parts of a fastened assembly; (2) distribute the load over a larger area for screws or bolts; and (3) provide a hardened bearing surface. The scope does not include internal or external tooth washers, nor does it include spring lock washers made of other metals, such as copper.

HSLWs subject to this review are currently classifiable under subheading