

collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Cheryl Thompson, Regulations and Paperwork Management Branch, Support Services Division, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Ave. SW., Washington, DC 20250. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: December 14, 2001.

**John Rosso,**

*Acting Administrator, Rural Business-Cooperative Service.*

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BILLING CODE 3410-XY-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-873 and A-791-815]

#### Notice of Initiation of Antidumping Duty Investigations: Ferrovandium From the People's Republic of China and the Republic of South Africa

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

**ACTION:** Initiation of Antidumping Duty Investigations.

**EFFECTIVE DATE:** December 26, 2001.

**FOR FURTHER INFORMATION CONTACT:** Mark Manning or Chris Brady at (202) 482-5253 and (202) 482-4406, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

#### Initiation of Investigations

##### *The Applicable Statute and Regulations*

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

#### *The Petition*

On November 26, 2001, the Department received a petition filed in proper form by the Ferrovandium Association Vanadium Committee and its members: Bear Metallurgical Company, Shieldalloy Metallurgical Corporation, Gulf Chemical & Metallurgical Corporation, U.S. Vanadium Corporation, and CS Metals of Louisiana LLC (collectively, the petitioners). The Department received information supplementing the petition on December 7, 2001.

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

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

#### *Scope of Investigations*

The scope of these investigations covers all ferrovandium produced in the PRC and South Africa, regardless of grade, chemistry, form, shape or size. Ferrovandium is an alloy of iron and vanadium that is used chiefly as an additive in the manufacture of steel. The merchandise is commercially and scientifically identified as ferrovandium. The scope of this investigation specifically excludes vanadium additives other than ferrovandium, such as nitrated vanadium, vanadium-aluminum master alloys, vanadium chemicals, vanadium oxides, vanadium waste and scrap, and vanadium-bearing raw materials such as slag, boiler residues and fly ash. Merchandise under the following Harmonized Tariff Schedule of the United States (HTSUS) headings are specifically excluded:

- 2850.00.2000 Hydrides, nitrides, azides, silicides and borides, whether or not chemically defined, other than compounds which are also carbides of heading 2849: \* \* \* Of vanadium.
- 8112.40.3000 Beryllium, \* \* \* vanadium \* \* \*, and articles of these

metals, including waste and scrap:

- \* \* \* Vanadium: Waste and scrap
- 8112.40.6000 Beryllium, \* \* \* vanadium \* \* \*, and articles of these metals, including waste and scrap:
- \* \* \* Vanadium: Other

Ferrovandium is classified under HTSUS heading 7202.92.00. Although the HTSUS subheading is provided for convenience and Customs purposes, the Department's written description of the scope of this investigation remains dispositive.

During our review of the petitions, we discussed the scope with the petitioners to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (62 FR 27323), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments by January 7, 2002. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

#### **Determination of Industry Support for the Petition**

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The United States 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 domestic like product (*see* section 771(10) of the Act), they do so for different purposes and pursuant to their 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.<sup>1</sup>

<sup>1</sup> *See Algoma Steel Corp. Ltd., v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High*

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

In this petition, petitioners do not offer a definition of domestic like product distinct from the scope of these investigations. Thus, based on our analysis of the information presented to the Department by petitioners, and the information obtained and received independently by the Department, we have determined that there is a single domestic like product, which is defined in the *Scope of Investigations* section above, and have analyzed industry support in terms of this domestic like product.

Section 732(b)(1) of the Act requires that a petition be filed on behalf of 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. Information contained in the petition demonstrates that the domestic producers or workers who support the petition account for over 50 percent of total production of the domestic like product. Therefore, the domestic producers or workers who support the petitions account for at least 25 percent of the total production of the domestic like product, and the requirements of section 732(c)(4)(A)(i) are met. *See the Import Administration AD Investigation Checklist*, dated December 17, 2001 (*Initiation Checklist*) (public version on file in the Central Records Unit of the Department of Commerce, Room B-099). Furthermore, because the Department received no opposition to the petitions, the domestic producers or workers who support the petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petitions. *See Initiation Checklist*.

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

Thus, the requirements of section 732(c)(4)(A)(i)(ii) are met.

Accordingly, the Department determines that the petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. *See Initiation Checklist*.

#### *Export Price and Normal Value*

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

The anticipated period of investigation (POI) for the PRC, a non-market economy (NME) country is April 1, 2001 through September 30, 2001, while the anticipated POI for South Africa, a market economy country, is October 1, 2000 through September 30, 2001. The petitioners requested that the Department, pursuant to section 351.204(b)(1) of the Department's regulations, extend the POI for South Africa to include October 2001, thus creating a thirteen-month POI. According to the petitioners, the Department should grant this extension because of "particularly aggressive pricing" by South African producers during October 2001.

We have denied the petitioners request for a thirteen-month POI. Although the petitioners are correct that section 351.204(b)(1) does provide the Department the authority to examine any period it considers appropriate, in practice we have departed from the normal POI in relatively few instances either before or after the passage of the URAA.<sup>2</sup> The Department's regulations

<sup>2</sup> In *EMD from Ireland*, the Department explained the circumstances in which it would alter the normal POI. Specifically, the Department explained that expansion of the POI may be warranted in cases where the normal POI does not reflect the sales practices of the firms subject to investigation, including the following situations: (1) Where sales were made pursuant to long-term contracts; (2) where distortions would have occurred as a result of "seasonally-affected sales;" (3) where there are special order or customized sales; and (4) where sales activity was unusually depressed resulting in too few sales for an adequate investigation. *See Electrolytic Manganese Dioxide From Ireland: Final Determination of No Sales at Less Than Fair Value*, 54 FR 8776 (Mar. 2, 1989). Additionally, in *Pure Magnesium from the Russian Federation*, certain respondents requested that the Department extend the POI to cover shipments of pure magnesium made pursuant to long-term contracts signed prior to the POI. However, based on the arguments and evidence presented on this issue, the Department believed it was not appropriate to extend the POI in this investigation and continued to use the six-month period defined by 19 CFR 351.204(b)(1) for proceedings involving non-market economies. *See*

provide for a twelve-month POI in market economy cases, and without sufficient demonstration that the Department's analysis would be improved by expanding the POI, we analyze sales made during this period. For purposes of this initiation, we find that the petitioners have not sufficiently demonstrated that use of the extended POI would improve the Department's analysis. Indeed, upon examination of the three U.S. price quotes from October 2001, we note that one of the quotes is actually higher than the price quote from within the POI. Furthermore, although the other two prices are below the price quote from within the POI, we do not find this level of pricing by South African producers to be significantly more aggressive than the level of pricing experienced during the POI. Because there is no evidence in the petition to demonstrate that expanding the POI would otherwise improve our analysis, thereby warranting an extension of the POI, we will utilize the normal POI of October 1, 2000, through September 30, 2001, for this investigation.

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

#### **People's Republic of China**

##### *Export Price*

The petitioners identified the following three companies as producers and/or exporters of ferrovandium from the PRC: Chengde Xinghua Vanadium Chemical Company Ltd., Jinzhou Ferroalloy (Group) Company Ltd., and Panzhuhua Iron & Steel Group. To calculate export price (EP), petitioners provided (1) Price quotes from U.S. importers and/or distributors to unaffiliated U.S. customers for sales of Chinese ferrovandium, and (2) the average unit value (AUV) calculated from import statistics released by the

*Notice of Preliminary Determination of Sales at Not Less Than Fair Value: Pure Magnesium From the Russian Federation*, 66 FR 21319, 21321 (Apr. 30, 2001), followed in *Notice of Final Determination of Sales at Not Less Than Fair Value: Pure Magnesium From the Russian Federation*, 66 FR 49347, 49348 (Sept. 27, 2001).

Census Bureau. Petitioners calculated the AUV using the quantity and value of imports during the POI of ferrovanadium from the PRC, entered under HTSUS 7202.92.00.

The price quotes provided by the petitioners are from a time period prior to the POI for the PRC. Because it is the Department's preference to use U.S. price data originating during the POI, we did not consider these price quotes as a basis for EP.

Based on information contained in the petition, the Department believes that HTSUS 7202.92.00 is the category under which all imports of ferrovanadium likely enter and the possibility of a misclassification by the U.S. Customs Service is minimal because non-subject merchandise is entered the United States under different HTSUS subheadings. See supplement to the petition (supplemental petition), dated December 7, 2001, at 3-6. Moreover, the Department believes that the AUV provides a better basis for initiation because the AUV is an average price covering the entire POI, while the reported price quotes are from a period of time before the POI for the PRC. As a result, we relied on the AUV to calculate EP. The petitioners used the "customs value" of the merchandise and the contained weight of vanadium in its AUV calculation. According to the definition provided by the ITC's Trade Data Web, the "customs value" does not include international freight or marine insurance.

The petitioners calculated a net U.S. price by deducting from the AUV foreign inland freight and foreign brokerage and handling. See *Initiation Checklist*.

#### Normal Value

The petitioners assert that the PRC is an NME country and no determination to the contrary has yet been made by the Department. In previous investigations, the Department has determined that the PRC is an NME. See *Steel Concrete Reinforcing Bars from the People's Republic of China; Notice of Final Determination of Sales at Less Than Fair Value (Re-Bars from China)*, 66 FR 33522 (June 22, 2001), and *Notice of Final Determination of Sales at Less Than Fair Value: Foundry Coke Products from the People's Republic of China (Foundry Coke from China)*, 66 FR 39487 (July 31, 2001). In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of

this investigation. Pursuant to section 771(18)(C)(i) of the Act, because the PRC's status as an NME remains in effect, the petitioners determined the dumping margin using an FOP analysis.

For normal value (NV), the petitioners based the FOP, as defined by section 773(c)(3) of the Act, on the consumption rates of one U.S. ferrovanadium producer, adjusted for known differences in production efficiencies on the basis of available information. The petitioners assert that information regarding the Chinese producers' consumption rates is not available, and have therefore assumed, for purposes of the petition, that producers in the PRC use the same inputs in the same quantities as the petitioners use, except where a variance from the petitioners' cost model can be justified on the basis of available information. Based on the information provided by the petitioners, we believe that the petitioners' FOP methodology represents information reasonably available to the petitioners and is appropriate for purposes of initiating this investigation.

Pursuant to section 773(c) of the Act, the petitioners assert that South Africa is the most appropriate surrogate country for the PRC, claiming that South Africa is: (1) A market economy; (2) a significant producer of comparable merchandise; and (3) at a level of economic development comparable to the PRC in terms of per capita gross national product (GNP). The Department's regulations state that it will place primary emphasis on per capita GNP in determining whether a given market economy is at a level of economic development comparable to the NME country. In recent antidumping cases involving the PRC, the Department identified a group of countries at a level of economic development comparable to the PRC based primarily on per capita GNP. This group includes India, Pakistan, Indonesia, Sri Lanka, the Philippines, and Egypt. None of these countries are significant producers of ferrovanadium. The petitioners assert that there is no other product that can be considered "comparable" with ferrovanadium. See supplemental petition, at 6-10. Based on information reasonably available to the Department, we have accepted this claim for purposes of initiation. Since the recent surrogate countries for the PRC do not produce ferrovanadium or products comparable to ferrovanadium, another surrogate country must be chosen.

Where the countries normally considered at a level of economic development similar to that of the country in question do not produce

comparable merchandise, the Department's practice is to find the most comparable surrogate country that is a significant producer of comparable merchandise. The petitioners submit that South Africa is the most appropriate surrogate market economy for purposes of this investigation because it is a significant producer of ferrovanadium and, among the countries that produce ferrovanadium, it is at a level of economic development closest to the PRC.

Based on the information provided by the petitioners, we believe that the petitioners' use of South Africa as a surrogate country is appropriate for purposes of initiating this investigation.

In accordance with section 773(c)(4) of the Act, petitioners valued FOP, where possible, on reasonably available, public surrogate data from South Africa. Materials were valued based on South African import values, as published by *World Trade Atlas*. With respect to vanadium pentoxide, however, the petitioners asserted that South African import data are problematic because these data are dominated by imports into South Africa from Australia. The petitioners provided evidence indicating that one of the South African producers, Xstrata, imports large quantities of vanadium pentoxide from a related party in Australia. The petitioners argue that the per-unit price derived from South African import data is unreliable because these data include transfer prices between Xstrata and its affiliate. To support this claim, the petitioners calculated the per-unit price for vanadium pentoxide based upon South African import data and Australian export data, and found that the unit price from South African import data is approximately 40 percent lower than the unit price from Australian export data.

Although this price difference could result from several factors, such as differences in the value basis of the data reported by the governments of South Africa and Australia or the time lag between export from Australia and entry into South Africa, we find that, for purposes of initiation, the existence of transfer prices accounting for a large portion of the data from which the per-unit price is calculated is a valid reason to exclude Australian imports from the surrogate value.

To avoid this possible distortion, the petitioners recommend that the Department exclude imports of vanadium pentoxide from Australia when calculating the surrogate value for this input. We agree with this recommendation. However, because only a very small quantity of vanadium

pentoxide entered from non-Australian countries during the months of the anticipated POI of the PRC case, the unit value resulting from these data, for this time period, is aberrational. In contrast, during the longer POI for the South Africa case, there are enough imports from countries other than Australia to calculate a non-aberrational per-unit value. Therefore, we used the per-unit price derived from South African import statistics, excluding imports from Australia and covering the period October 2000 through September 2001, as the surrogate value to be used for this input.

Labor was valued using the Department's regression-based wage rate for the PRC, in accordance with 19 CFR 351.408(c)(3). Electricity was valued using South African electricity prices for industrial consumers published by the U.S. Department of Energy. For overhead, selling, general and administrative (SG&A) expenses and profit, the petitioners applied rates derived from the public fiscal year 2000 financial statements of a South African ferrovanadium producer that petitioners believe to be representative of ferrovanadium producers in South Africa. All surrogate values which fell outside the POI were adjusted for inflation through the use of an inflation adjustment factor that was calculated using South African price data, as published by the International Monetary Fund's *International Financial Statistics*. Based on the information provided by the petitioners, we believe that the surrogate values represent information reasonably available to the petitioners and are acceptable for purposes of initiating this investigation.

Based upon the comparison of EP to NV, the petitioners calculated an estimated dumping margin of 91.64 percent.

### South Africa

#### Export Price

The petitioners identified the following three companies as producers and/or exporters of ferrovanadium from South Africa: Highveld Steel & Vanadium Corporation Ltd., Vametco Minerals Corporation, and Xstrata SA (Pty) Ltd. To calculate EP, the petitioners provided (1) four price quotes from U.S. importers and/or distributors to unaffiliated U.S. customers for sales of South African ferrovanadium, and (2) the AUV calculated from import statistics released by the Census Bureau. Petitioners calculated the AUV using the quantity and value of imports during the POI of ferrovanadium from the

South Africa, entered under HTSUS 7202.92.00.

In the petitioners' discussion concerning the AUV it calculated for imports of South African ferrovanadium, the petitioners noted that a large portion of imports from South Africa are shipments made by Xstrata to its related U.S. importer. Consequently, the petitioners state that the prices serving as the foundation of the AUV do not accurately reflect arm's length prices to unaffiliated purchasers. The petitioners supported this assertion by calculating the AUV of imports into the United States from South Africa and comparing the result to the AUV calculated from South African export data for exports of subject merchandise to the United States. The petitioners found that the AUV calculated from U.S. import data is approximately one-third higher than the AUV calculated from South African export data. According to the petitioners, this large price differential indicates the existence of transfer price manipulation by Xstrata and its related U.S. importer.

Although this price differential could result from several factors, such as differences in the value basis of the data reported by the Census Bureau and the South African government or the time lag between export from South Africa and entry into the United States, we find that the existence of transfer prices accounting for a large portion of the data from which the AUV is calculated is a valid reason to reject the AUV as the basis of EP.

The petitioners also provided four price quotes for sales of South African ferrovanadium from U.S. importers and/or distributors to unaffiliated customers in the United States. We note that one of the price quotes is from within the POI, while the three other price quotes are from after the POI for South Africa. Because it is the Department's preference to use U.S. price data originating during the POI, we did not consider the price quotes from outside the POI. For purposes of initiation, we relied upon the price quote from within the POI. This price quote was for a sale of South African ferrovanadium, from a U.S. distributor to an unaffiliated U.S. customer, on a packed and delivered basis.

The petitioners calculated a net U.S. price by deducting from the starting price foreign inland freight, foreign brokerage and handling, ocean freight, U.S. customs duty and fees, unloading and handling fees, repackaging costs, U.S. inland freight, and a U.S. distributor mark-up. See *Initiation Checklist*.

#### Normal Value

The petitioners were unable to obtain specific sales or offers for sale of ferrovanadium in South Africa. However, the petitioners provided an affidavit from a source familiar with the ferrovanadium market in South Africa that states that South African producers typically set their home market sales prices no higher than the published London Metal Bulletin (LMB) low price for ferrovanadium. Because the home market price charged by these companies is no higher than this benchmark, the petitioners claim that the LMB low price is a conservative number as a reasonable approximation of home market prices.

Although the petitioners provided information that the LMB prices are a reasonable approximation of home market prices, they also provided information demonstrating reasonable grounds to believe or suspect that sales of ferrovanadium in the home market were made at prices below the fully absorbed cost of production (COP), within the meaning of 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 manufacture (COM), SG&A expenses, and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce ferrovanadium in the United States and South Africa using publicly available data. To determine depreciation and SG&A expenses, the petitioners used the public unconsolidated fiscal year 2000 financial statements of a South African ferrovanadium producer that the petitioners believe to be representative of ferrovanadium producers in South Africa. To determine interest expenses, the petitioners relied upon amounts reported in the public consolidated fiscal year 2000 financial statements of the same South African ferrovanadium producer. Based upon the comparison of the published LMB low prices to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made at prices 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. See *Initiation of Cost Investigation* section below. See *Initiation Checklist*.

Based on the cost data discussed above, petitioners found that the published LMB low prices were below

COP. Therefore, pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners based NV for sales in South Africa on constructed value (CV). The petitioners calculated CV using the same COM, SG&A, interest, and packing expenses used to compute South African home market COP. Consistent with section 773(e)(2) of the Act, the petitioners included in CV an amount for profit. The petitioners relied upon amounts reported in the same South African ferrovanadium producer's public unconsolidated fiscal year 2000 financial statements to determine the amount for profit.

Based upon the comparison of EP to CV, the petitioners calculated an estimated dumping margin of 116 percent.

#### *Initiation of Cost Investigation*

As noted above, pursuant to section 773(b) of the Act, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales in the home market of South Africa were made at prices below the fully absorbed COP and, accordingly, requested that the Department conduct a country-wide sales-below-COP investigation in connection with the requested antidumping investigations for this country. 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. Doc. 103-316, Vol. 1, 103d Cong., 2d Session, at 833(1994). The SAA, at 833, states 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."

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 LMB low prices for ferrovanadium to the COP for South African producers, we find the existence of "reasonable grounds to believe or suspect" that sales of foreign like product in South Africa were made at

prices 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 investigation.

#### *Fair Value Comparisons*

Based on the data provided by the petitioners, there is reason to believe that imports of ferrovanadium from the PRC and South Africa are being, or are likely to be, sold at less than fair value.

#### *Allegations and Evidence of Material Injury and Causation*

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. Individually, the volume of imports from the PRC and South Africa, using the latest available data, exceeded the statutory threshold of seven percent for a negligibility exclusion. Therefore, when cumulated, the volumes for these two countries also exceed the threshold. See section 771(24)(A)(ii) of the Act. Petitioners contend that the industry's injured condition is evidenced in the declining trends in operating profits, decreased U.S. market share, and price suppression and depression. The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, domestic consumption, and pricing information. We have assessed the allegations and supporting evidence regarding material injury and causation, and have determined that these allegations are properly supported by accurate and adequate evidence and meet the statutory requirements for initiation. See Initiation Checklist.

#### *Initiation of Antidumping Investigations*

Based on our examination of the petition on ferrovanadium, and the petitioners' response to our supplemental questionnaire clarifying the petition, we find that the petition meets the requirements of section 732 of the Act. See Initiation Checklist. Therefore, we are initiating antidumping duty investigations to determine whether imports of ferrovanadium from the PRC and South Africa are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of this initiation.

#### *Distribution of Copies of the Petitions*

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the petition has been provided to the representatives of the governments of the PRC and South Africa. We will attempt to provide a copy of the public version of the petition to each exporter named in the petition, as appropriate.

#### *International Trade Commission Notification*

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

#### *Preliminary Determinations by the ITC*

The ITC will determine, no later than January 10, 2002 whether there is a reasonable indication that imports of ferrovanadium from the PRC and South Africa are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

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

Dated: December 17, 2001.

**Bernard T. Carreau,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 01-31643 Filed 12-21-01; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-825]

#### **Notice of Extension of Time Limit for Final Results of Administrative Antidumping Review: Oil Country Tubular Goods, Other Than Drill Pipe, From Korea**

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

**EFFECTIVE DATE:** December 26, 2001.

**FOR FURTHER INFORMATION CONTACT:** Scott Lindsay or Thomas Gilgunn, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0780 and (202) 482-4236, respectively.

**SUPPLEMENTARY INFORMATION:**