

The petitions were submitted pursuant to Section 251 of the Trade Act of 1974 (19 U.S.C. 2341). Consequently, the United States Department of Commerce has initiated separate investigations to determine whether increased imports into the United States of articles like or directly competitive with those produced by each firm contributed importantly to total or partial separation of the firm's workers, or threat thereof, and to a decrease in sales or production of each petitioning firm.

Any party having a substantial interest in the proceedings may request a public hearing on the matter. A request for a hearing must be received by Trade Adjustment Assistance, Room 7315, Economic Development Administration, U.S. Department of Commerce, Washington, DC 20230, no later than the close of business of the tenth calendar day following the publication of this notice.

The Catalog of Federal Domestic Assistance official program number and title of the program under which these petitions are submitted is 11.313, Trade Adjustment Assistance.

Dated: January 2, 2003.

Anthony J. Meyer,

Coordinator, Trade Adjustment and Technical Assistance.

[FR Doc. 03-569 Filed 1-10-03; 8:45 am]

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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 1-2003]

Foreign-Trade Zone 57—Asheville, North Carolina, Expansion of Manufacturing Authority—Subzone 57B Volvo Construction Equipment North America, Inc. (Construction Equipment)

An application has been submitted to the Foreign-Trade Zones Board (the Board) by Volvo Construction Equipment North America, Inc. (Volvo CENA), to expand the scope of manufacturing authority under zone procedures within Subzone 57B, at the Volvo CENA plant located at sites in the Asheville, North Carolina area. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on January 7, 2003.

Subzone 57B was approved by the Board in 2000 at sites located at 2169 Hendersonville Rd. (U.S. Rt. 25), in

Skyland, North Carolina and at 1856 Hendersonville Rd., in Asheville. Authority was granted for the manufacture of articulated haulers and wheel loaders (Board Order 1164, 66 FR 28890, 5/25/2001).

Volvo CENA is now proposing to expand the scope of manufacturing activity conducted under zone procedures at Subzone 57B to include additional finished products (skid-steer loaders and compaction rollers). These finished products fall into categories which enter the United States duty-free. Volvo CENA's application indicates that foreign-sourced materials under the proposed expanded scope fall into categories which are already included in the scope of authority granted pursuant to the company's original subzone application (65 FR 47377, 8/2/2000).

Expanded subzone authority would exempt Volvo CENA from Customs duty payments on foreign components when used in export production of the new products. On its domestic sales, Volvo CENA would be able to choose the lower duty rate that applies to the new finished products for foreign components, when applicable.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at one of the following addresses:

1. Submissions via Express/Package Delivery Services: Foreign-Trade Zones Board, U.S. Department of Commerce, Franklin Court Building—Suite 4100W, 1099 14th St., NW., Washington, DC 20005; or

2. Submissions via the U.S. Postal Service: Foreign-Trade Zones Board, U.S. Department of Commerce, FCB—Suite 4100W, 1401 Constitution Ave., NW., Washington, DC 20230.

The closing period for their receipt is February 12, 2003. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to February 27, 2003.

A copy of the application and accompanying exhibits will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at address Number 1 listed above, and at the U.S. Department of Commerce Export Assistance Center, 521 East Morehead St., Suite 435, Charlotte, NC 28202.

Dated: January 7, 2003.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 03-633 Filed 1-10-03; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-827]

Certain Cased Pencils from the People's Republic of China; Preliminary Results and Rescission in Part of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results and Rescission in Part of the Antidumping Duty Administrative Review of Certain Cased Pencils from the People's Republic of China.

SUMMARY: The Department of Commerce (the Department) has preliminarily determined that sales by the respondents in this review, covering the period December 1, 2000, through November 30, 2001, have been made below normal value (NV). In addition, pursuant to their requests, we are rescinding this review with respect to Orient International Holding Shanghai Foreign Trade Co., Ltd. (SFTC) and China First Pencil Co., Ltd. (CFP). Furthermore, we are preliminarily rescinding this review with respect to Kaiyuan Group Corporation (Kaiyuan) and Laizhou City Guangming Pencil-Making Co., Ltd. (Laizhou), because these companies reported that they made no shipments of subject merchandise to the United States during the period of review (POR). If these preliminary results are adopted in the final results of this review, we will instruct the U.S. Customs Service (Customs) to assess antidumping duties on all appropriate entries. The Department invites interested parties to comment on these preliminary results.

EFFECTIVE DATE: January 13, 2003.

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Crystal Crittenden, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-4474 and (202) 482-0989, respectively.

SUPPLEMENTARY INFORMATION:

Period of Review

The POR is December 1, 2000 through November 30, 2001.

Background

On December 3, 2001, the Department published in the **Federal Register** a notice of "Opportunity to Request an Administrative Review" of the antidumping duty order on certain cased pencils from the People's Republic of China (PRC), covering the period December 1, 2000 through November 30, 2001. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 66 FR 60183-84 (December 3, 2001).

On December 26, 2001, in accordance with 19 CFR 351.213(b), a U.S. importer, Simmons Rennolds Associates, LLC, a PRC exporter, Kaiyuan/Shandong Rongxin Import and Export Co., Ltd., and a PRC producer of pencils, Laizhou, requested an administrative review of the order on certain cased pencils from the PRC. On December 31, 2001, CFP and SFTC requested an administrative review of their exports of subject merchandise to the United States. In addition, on December 31, 2001, Tianjin Custom Wood Processing Co., Ltd. (TCW) requested a review of its exports of subject merchandise to the United States.¹

The Department published a notice of initiation of an antidumping duty administrative review covering CFP's, SFTC's and CalCedar-Tianjin's exports on January 29, 2002. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 67 FR 4236-37 (January 29, 2002). In that notice, the Department inadvertently omitted Kaiyuan Group Corporation /Shandong Rongxin Import and Export Co., Ltd. and Laizhou from the list of companies to be reviewed. The Department published a notice of initiation of an antidumping duty administrative review covering Kaiyuan Group Corporation (Kaiyuan) and Laizhou on February 26, 2002. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 67 FR 8780-81 (February 26, 2002). We initiated the review on Kaiyuan believing that the names Kaiyuan and Shandong Rongxin Import and Export Co., Ltd. (Shandong), refer to the same company. Subsequent to our initiation of the review, we learned that

Kaiyuan and Shandong are different companies which should have been listed separately in the initiation notice. Shandong, which is owned in part by Kaiyuan, was the exporter of subject merchandise during the POR while Kaiyuan had no business operations during the POR. Thus, as noted below, we are preliminarily rescinding this review with respect to Kaiyuan. Therefore, we are conducting a review of Shandong's exports of subject merchandise and will preliminarily assign the appropriate dumping margin to Shandong, if it qualifies for a separate rate. However, we will continue to examine the relationship between Kaiyuan and Shandong in assigning dumping margins for the final results of review.

On January 11, 2002, we issued antidumping duty questionnaires to CFP, SFTC, and CalCedar-Tianjin. On February 20, 2002, we issued an antidumping duty questionnaire to Shandong and Laizhou. In its March 26, 2002 response to the Department's questionnaire, Laizhou stated that it did not export subject merchandise to the United States during the POR. On April 24, 2002, within 90 days of publication of the initiation notice for this review, SFTC withdrew its request for an administrative review. On July 31, 2002, CFP withdrew its request for an administrative review. Pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), the Department may extend the deadline for completion of the preliminary results of an administrative review if it determines that it is not practicable to complete the preliminary results of a review within the statutory time limit of 245 days. On August 16, 2002, in accordance with the Act, the Department extended the time limit for the preliminary results of this review until December 31, 2002 (see *Certain Cased Pencils from the People's Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review*, 67 FR 55197 (August 28, 2002)).

The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

Imports covered by this order are shipments of certain cased pencils of any shape or dimension which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (e.g., with erasers, etc.) in any fashion, and either sharpened or unsharpened.

The pencils subject to the order are classified under subheading 9609.10.00 of the Harmonized Tariff Schedules of the United States (HTSUS). Specifically excluded from the scope of the order are mechanical pencils, cosmetic pencils, pens, non-cased crayons (wax), pastels, charcoals, and chalks.

Although the HTSUS subheading is provided for convenience and customs purposes our written description of the scope of the order is dispositive.

Preliminary Partial Rescission of Review

We are preliminarily rescinding this review with respect to Kaiyuan and Laizhou because they reported that they made no shipments of subject merchandise to the United States during the POR. The Department reviewed Customs data which supports the claims that these companies did not export subject merchandise to the United States during the POR.

Final Partial Rescission of Review

In addition, we are rescinding this review with respect to CFP and SFTC because these companies withdrew their requests for review and no other interested party requested a review of either company. Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of the notice of initiation of the requested review. SFTC withdrew its request for review within the 90 day time limit. Accordingly, we are rescinding the administrative review of SFTC's exports of subject merchandise for the period December 1, 2000 through November 30, 2001, and will issue appropriate assessment instructions to Customs. On July 31, 2002, CFP withdrew its request for review. Although this withdrawal came after the 90-day period for withdrawing a review request, there were no other requests to review CFP and it is otherwise reasonable to rescind the review. See 19 CFR 351.213 which provides the Secretary the authority to extend the deadline for companies to withdraw requests for review. Further, this action is consistent with the Department's practice. See e.g., *Frozen Concentrated Orange Juice From Brazil; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 40913 (June 14, 2002) where, pursuant to a request filed after the 90 day deadline, the Department rescinded the review with respect to one respondent. Therefore, the Department has decided

¹ TCW is wholly-owned by California Cedar Products Company (CalCedar). CalCedar is a privately held U.S. company incorporated in the State of California. Hereinafter we have referred to the entity CalCedar, including its subsidiary TCW, as CalCedar-Tianjin.

that it is reasonable to accept CFP's withdrawal of its request for review.

Separate Rates Determination

In proceedings involving nonmarket economy (NME) countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to investigation in a NME country this single rate, unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Shandong and CalCedar-Tianjin provided the separate rates information requested by the Department and reported that their export activities are not subject to government control.

We examined the separate rates information provided by Shandong and CalCedar-Tianjin in order to determine whether the companies are eligible for a separate rate. The Department's separate rates test, which is used to determine whether an exporter is independent from government control, does not consider, in general, macroeconomic/border-type controls, e.g., export licenses, quotas, and minimum export prices, particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level. See *Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less Than Fair Value*, 62 FR 61754, 61757 (November 19, 1997); *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

To establish whether a firm is sufficiently independent from government control of its export activities so as to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise under a test arising out of 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 by the *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*). In accordance with the separate rates criteria, the Department assigns separate rates in NME cases only if the respondents can demonstrate the

absence of both de jure and de facto governmental control over export activities.

1. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (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. See *Sparklers*, 56 FR at 20508 (May 6, 1991).

Shandong and CalCedar-Tianjin reported that the merchandise under review was not subject to restrictive stipulations associated with their export licenses (e.g., pencils were not on any government list of products subject to export restrictions or subject to special export licensing requirements). Shandong and CalCedar-Tianjin submitted copies of their business licenses in their questionnaire responses. We found no inconsistencies with their statements regarding the absence of restrictive stipulations associated with their business licenses. Furthermore, Shandong and CalCedar-Tianjin submitted copies of PRC legislation demonstrating the statutory authority for establishing the *de jure* absence of government control over the companies. Thus, we believe that the evidence on the record supports a preliminary finding of absence of *de jure* governmental control based on: (1) an absence of restrictive stipulations associated with the business licenses of CalCedar-Tianjin and Shandong; and (2) the applicable legislative enactments decentralizing control of PRC companies.

2. Absence of De Facto Control

The Department typically considers four factors in evaluating whether a respondent is subject to *de facto* governmental control of its export functions: (1) whether the export prices are set by, or are subject to, the approval of a governmental agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding the disposition of profits or financing of losses. See *Silicon Carbide*, 59 FR at 22586-87 (May 2, 1994); see also *Notice of Final Determination of Sales at Less*

Than Fair Value: Furfuryl Alcohol From the People's Republic of China, 60 FR 22544, 22545 (May 8, 1995).

As stated in previous cases, there is some evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. See *Silicon Carbide*, 56 FR at 22587 (May 2, 1994). Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates.

Shandong and CalCedar-Tianjin reported that they determine prices for sales of the subject merchandise based on market principles, the cost of the merchandise, and profit. Moreover, Shandong and CalCedar-Tianjin stated that they negotiated the price directly with their customers. Also, Shandong and CalCedar-Tianjin claimed that their prices are not subject to review or guidance from any governmental organization. In addition, the record indicates that Shandong and CalCedar-Tianjin have the authority to negotiate and sign contracts and other agreements. Further, Shandong and CalCedar-Tianjin claimed that their negotiations are not subject to review or guidance from any governmental organization. Finally, there is no evidence on the record to suggest that there is any governmental involvement in the negotiation of their contracts.

Furthermore, Shandong and CalCedar-Tianjin reported that they have autonomy in making decisions regarding the selection of management. Shandong and CalCedar-Tianjin indicated that their selection of management is not subject to review or guidance from any governmental organization and there is no evidence on the record to suggest that there is any governmental involvement in the selection of the management of Shandong and CalCedar-Tianjin.

Finally, Shandong reported that it retains the proceeds of its export sales, and its management determines how to use profits. CalCedar-Tianjin stated that it operates in accordance with market principles and calculates profits and losses in a normal commercial manner. There is no evidence on the record with respect to Shandong or CalCedar-Tianjin to suggest that there is any governmental involvement in decisions regarding disposition of profits or financing of losses.

Therefore, we find that the evidence on the record supports a preliminary finding of absence of *de facto*

governmental control based on record statements and supporting documentation showing that: (1) Shandong and CalCedar-Tianjin set their own export prices independent of the government and without the approval of a government authority; (2) Shandong and CalCedar-Tianjin have the authority to negotiate and sign contracts and other agreements; (3) Shandong and CalCedar-Tianjin have adequate autonomy from the government regarding the selection of management; and (4) Shandong and CalCedar-Tianjin retain the proceeds from their sales and make independent decisions regarding the disposition of profits or financing of losses.

The evidence placed on the record of this review by Shandong and CalCedar-Tianjin demonstrates an absence of government control, both in law and in fact, with respect to their exports of the merchandise under review, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Therefore, for the purposes of these preliminary results, we are granting a separate rate to both Shandong and CalCedar-Tianjin.

Fair Value Comparisons

To determine whether the respondents' sales of subject merchandise were made at less than NV, for Shandong, we compared the export price (EP) to NV, as described in the *Export Price* and *Normal Value* sections of this notice, below. For CalCedar-Tianjin, we compared the constructed export price (CEP) to NV, as described in the *Constructed Export Price* and *Normal Value* sections of this notice, below.

Export Price

In accordance with section 772(a) of the Act, the Department calculated an EP for sales by Shandong to the United States because the subject merchandise was sold directly to an unaffiliated customer in the United States prior to importation and CEP methodology was not otherwise indicated. We made deductions from the sales price for foreign inland freight, foreign brokerage and handling, and domestic inland insurance. Each of these services was provided by a NME vendor, and thus, we based the deductions for these movement charges on surrogate values.

We valued foreign brokerage and handling using Indian values that were reported in the public version of the questionnaire response placed on the record in *Certain Stainless Steel Wire Rod from India; Preliminary Results of Antidumping Duty Administrative and New Shipper Review*, 63 FR 48184

(September 9, 1998) (*India Wire Rod*). We valued domestic inland insurance using the Department's recently revised *Index of Factor Values for Use in Antidumping Duty Investigations Involving Products from the PRC* (available on the Department's website at <http://ia.ita.doc.gov/factorv/prc/>). We identify the source used to value foreign inland freight in the *Normal Value* section of this notice, below. We adjusted these values, as appropriate, to account for inflation or deflation between the effective period and the POR. We calculated the inflation or deflation adjustments for all factor values, except labor, using the wholesale price indices (WPI) for India as published in the International Monetary Fund's (IMF's) publication, *International Financial Statistics*.

Constructed Export Price

In accordance with section 772(b) of the Act, the Department calculated a CEP for sales by CalCedar-Tianjin to the United States because the first sale to unaffiliated purchasers occurred after importation of the merchandise into the United States. CalCedar-Tianjin sold the subject merchandise to unaffiliated U.S. customers through its U.S. operations. We calculated CEP based on FOB and delivered prices from the respondent's U.S. parent company to unaffiliated customers. In accordance with section 772(c) of the Act, we deducted from the starting price movement charges including foreign inland freight, international freight, marine insurance, U.S. inland freight, U.S. customs duties, and U.S. warehousing expenses. In accordance with section 772(d)(1) of the Act, as applicable, we made deductions for the following selling expenses that related to economic activity occurring in the United States: indirect selling expenses, inventory carrying costs, and direct selling expenses (imputed credit expenses). In accordance with section 772(d)(3) of the Act, we deducted from the starting price an amount for profit.

Because all of the subject merchandise exported by CalCedar-Tianjin during the POR was shipped to the United States using a market-economy shipper and the shipper was paid using a market-economy currency, we used the reported cost of international freight to calculate CEP rather than a surrogate value. Additionally, all shipments of CalCedar-Tianjin's subject merchandise were insured through a market-economy marine insurance provider and the provider was paid using a market-economy currency. Therefore we used the actual price paid for marine insurance for all of CalCedar-Tianjin's

sales. See *Non-Frozen Apple Juice Concentrate from the People's Republic of China; Preliminary Results of 1999-2001 Administrative Review and Partial Rescission of Review*, 67 FR 45451, 45466 (July 9, 2002), where the Department noted that when some or all of a specific company's ocean freight or marine insurance was provided directly by market economy companies and paid for in a market economy currency, it is appropriate to use the reported market economy ocean freight or marine insurance cost for all U.S. sales made by that company. Also, see 19 CFR 351.408(c)(1).

As noted in the EP section above, we valued foreign brokerage and handling using an Indian value for brokerage and handling identified in *India Wire Rod*. Because this value was in effect during a period that is not contemporaneous with the POR, we inflated the value using the Indian WPI. We identify the source used to value foreign inland freight in the *Normal Value* section of this notice, below.

Normal Value

For exports from NME countries, section 773(c)(1) of the Act provides that the Department shall determine NV using a factors of production (FOP) methodology if: (1) the subject merchandise is exported from a NME country, and (2) available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. Section 351.408 of the Department's regulations sets forth the methodology used by the Department to calculate the NV of merchandise exported from NME countries. In every case conducted by the Department involving the PRC, the PRC has been treated as a NME. Since none of the parties to this proceeding contested such treatment, we calculated NV in accordance with section 773(c)(3) and (4) of the Act and section 351.408(c) of the Department's regulations.

In accordance with section 773(c)(3) of the Act, the FOPs utilized in producing pencils include, but are not limited to: (1) hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs, including depreciation. In accordance with section 773(c)(4) of the Act, the Department valued the FOPs, to the extent possible, using the costs of the FOP in a market economy that is (1) at a level of economic development comparable to the PRC, and (2) a significant producer of comparable merchandise. We determined that India is comparable to

the PRC in terms of per capita gross national product and the national distribution of labor. Furthermore, India is a significant producer of comparable merchandise. In instances where Indian surrogate value information was not available, we relied on Indonesian, Philippine, and U.S. values as noted below. Indonesia and the Philippines are also comparable to the PRC in terms of per capita gross national product and the national distribution of labor, and are significant producers of comparable merchandise. See *Memorandum From Jeffrey May, Director, Office of Policy, to Holly Kuga, Senior Office Director, AD/CVD Enforcement*, dated July 31, 2002, and *Memorandum from Paul Stolz to File*, dated December 16, 2002, which are on file in the Central Records Unit (CRU), room B-099 of the main Commerce building. We valued Chinese Lindenwood, the wood product used to produce pencils in the PRC, using publicly available, published U.S. prices for American Basswood because price information for Chinese Lindenwood and American Basswood is not available elsewhere.²

In accordance with section 773(c)(1) of the Act, for purposes of calculating NV, we attempted to value the FOPs using surrogate values that were in effect during the POR. However, when we were unable to obtain the surrogate values in effect during the POR, we adjusted the values, as appropriate, to account for inflation or deflation between the effective period and the POR. We calculated the inflation or deflation adjustments for all factor values, except labor, using the WPI for India as published in *International Financial Statistics*. We valued the FOP as follows:

1) We calculated a surrogate value for Chinese Lindenwood Pencil Slats using publicly available U.S. lumber prices for Basswood published in the *2002 Hardwood Market Report* for the period December 2000 to November 2001.
2) We valued the following material inputs using Indian import data from the Monthly Statistics of the Foreign Trade of India (MSFTI) for December 2000 November 2001: erasers, ferrules, wax, glue, foil, color leads/cores and scrap wood.

² Chinese Lindenwood and American Basswood are virtually the same type of wood. U.S. prices for American Basswood were used to value Chinese Lindenwood in the less than fair value investigation. See *Notice of Final Determination of Sales at Less Than Fair Value; Certain Cased Pencils from the People's Republic of China*, 59 FR 55625, 55632 (1994). This methodology was upheld by the Court of International Trade. See *Writing Instrument Manufacturers Association, Pencil Section, et al. v. United States*, Slip Op. 97-151 (Ct. Int'l. Trade, Nov. 13, 1997) at 16.

3) We valued black cores/leads using Indian import data from the Eximkey.com database, operated by the Asis Group, Asis Infotech Pvt. Ltd.
4) In accordance with section 351.408(c)(1) of the Department's regulations, for CalCedar-Tianjin, we valued cedar pencil stock and stain at their actual acquisition cost because these inputs were purchased from a market economy supplier in a market economy currency. Specifically, CalCedar-Tianjin, purchased these inputs using U.S. dollars. Furthermore, we valued cedar pencil stock that was produced by CalCedar-Tianjin, in the United States and used in the PRC to produce subject merchandise using CalCedar-Tianjin's cost of production in the United States.
5) We valued the following packing materials using Indian import data from the MSFTI for December 2000 November 2001: plastic straps, plastic bags, cartons, packing boxes, packing tape, labels, corrugated cardboard, and pallets.
6) We valued energy inputs as follows: we valued natural gas using the Indonesian value reported in the publication *Energy Prices and Taxes, Quarterly Statistics (Third Quarter 2001)*, published by the International Energy Agency. We valued electricity using the 2002 industry/commercial category-wise average tariff for electricity (U.S. dollars/kWh) used by Indian industrial enterprises from the publicly available *Key World Energy Statistics (2002) (Energy Statistics)*, published by the International Energy Agency. We also valued diesel fuel using the Indian value reported in the publication *Energy Statistics*.
7) We valued water using the Indian value reported in the publication *Second Water Utilities Data Book (1997)*, published by the Asian Development Bank.
8) In accordance with 19 CFR 351.408(c)(3), we valued labor using a regression-based wage rate for the PRC listed in the Import Administration web site under "Expected Wages of Selected NME Countries." See <http://ia.ita.doc.gov/wages>.
9) We derived ratios for factory overhead, selling, general and administrative (SG&A) expenses, and profit using the financial statements of Asia Wood International Corporation, a Philippine wood products producer. From this information, we were able to calculate factory overhead as a percentage of direct materials, labor, and energy expenses; SG&A expenses as a percentage of the total cost of manufacturing; and profit as a percentage of the sum of the total cost of manufacturing and SG&A expenses.

10) We used the following sources to value truck and rail freight services incurred to transport the finished product to the port and direct materials, packing materials, and coal from the suppliers of the inputs to the producers. We valued truck freight services using the 1999 rate quotes reported by Indian freight companies and used in the less than fair value investigation of bulk aspirin from the PRC. See *Notice of Final Determination of Sales at Less Than Fair Value: Bulk Aspirin From the People's Republic of China*, 65 FR 33805 (May 25, 2000). We valued rail freight services using the April 1995 rates published by the Indian Railway Conference Association. We adjusted these values, as appropriate, to account for inflation or deflation between the effective period and the POR.

For further discussion of the surrogate values used in this review, see the *Memorandum From The Team Regarding Selection of Surrogate Values for Factors of Production for the Preliminary Results of the Administrative Review of Certain Cased Pencils from the People's Republic of China*, (December 31, 2002), which is on file in the CRU-Public File.

Use of Partial Facts Available

Section 776(a)(1) of the Act provides for the use of facts available if information needed by the Department to make a determination is not on the record. In this review, one of the pencil producers that supplied Shandong with pencils refused to report any information regarding its FOP. Because the necessary information regarding this producer's FOP is not on the record, the Department has resorted to the use of facts available in order to calculate the margin on Shandong's sales of the uncooperative producer's pencils.

Pursuant to section 776(b) of the Act, when the Department uses facts available in reaching its determination, it may apply adverse inferences, if an interested party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Section 771(9) of the Act defines an interested party as "a foreign manufacturer, producer, or exporter ... of subject merchandise" Because the producer in question is an interested party within the meaning of section 776(b) of the Act, and it is the party who failed to supply the requested information, we believe it is appropriate to consider the producer's actions in this matter when determining whether it is appropriate to apply an adverse inference with respect to the use of partial facts available.

The record in this review indicates that the interested party at issue here, the uncooperative producer, failed to act to the best of its ability to comply with a request for information. The record contains correspondence between Shandong and the uncooperative producer in which the producer conveyed its intention not to participate in the review. The uncooperative producer stated that it would not supply the requested information because the quantity of pencils it supplied to Shandong was "very small." This interested party producer never offered to supply even a limited amount of the requested information nor did it suggest any alternatives which might satisfy the Department's requirements. Therefore, we find that the use of an adverse inference in selecting from among the facts otherwise available is warranted. This position is consistent with that taken by the Department in *Ferrovandium and Nitrided Vanadium From the Russian Federation: Notice of Final Results of Antidumping Duty Administrative Review*, 62 FR 65656, 65658 (December 15, 1997) wherein the Department stated that "by failing to respond Chusovoy {the producer} is an interested party which has not cooperated to the best of its ability under section 776 (b) of the Act. Therefore, we have continued to use an adverse inference in selecting from the facts available to determine the margins for Galt's sales of Chusovoy-produced merchandise ...".

In making an adverse inference, section 776(b) of the Act states that the Department may rely upon information derived from (1) the petition, (2) the final determination in the investigation under this title, (3) any previous review under section 751 or determination under section 753, or (4) any other information placed on the record. As partial adverse facts available, we have assigned the highest margin calculated for any of Shandong's sales, to its sales of subject merchandise manufactured by the uncooperative producer. We believe that this margin will create the proper deterrent to non-cooperation with the Department in future reviews. In addition, it serves as a reasonable estimate of Shandong's dumping margin on these sales because it is based on Shandong's own reported information.

Preliminary Results of Review

As a result of our review, we preliminarily determine that the following margins exist for the period December 1, 2000 through November 30, 2001:

Manufacturer/exporter	Margin (percent)
Shandong Rongxin Import and Export Co., Ltd.	27.22
California Cedar Products Company/. Tianjin Custom Wood Processing Co., Ltd. ...	2.02

The Department will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within ten days of the date of announcement of the preliminary results. An interested party may request a hearing within 30 days of publication of the preliminary results. See 19 CFR 351.310(c). Interested parties may submit written comments (case briefs) in accordance with 19 CFR 351.309(c)(1)(ii) and rebuttal comments (rebuttal briefs), which must be limited to issues raised in the case briefs in accordance with 19 CFR 351.309(d). Parties who submit arguments are requested to submit with the argument (1) a statement of the issue, (2) a brief summary of the argument and (3) a table of authorities. Further, the Department requests that parties submitting written comments provide the Department with a diskette containing the public version of those comments. We will issue a memorandum identifying the date of a hearing, if one is requested, and deadlines for the submission of case briefs and rebuttal briefs. The Department will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days of publication of the preliminary results.

The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review and for future deposits of estimated duties.

Assessment Rates

Upon completion of this administrative review, the Department will determine, and Customs shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), for CalCedar-Tianjin we have calculated importer-specific assessment rates for merchandise subject to this review. We divided the total dumping margin (calculated as the difference between NV and CEP) for the importer by the entered value of the reviewed sale. Where the importer-specific assessment rate is above *de minimis*, we will direct Customs to assess the resulting ad valorem rate against the entered value of the entry of the subject merchandise by

that importer during the POR. For Shandong, we have calculated exporter-specific duty assessment rates for subject merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales during the POR to the total quantity of sales examined during the POR. We calculated exporter-specific assessment rates for Shandong because there was no information on the record which identified the importers of record. The Department will issue appropriate assessment instructions directly to the Customs within 15 days of publication of the final results of review. If these preliminary results are adopted in the final results of review, we will direct Customs to assess the resulting assessment rates, calculated as described above, on each of the importer's entries during the review period.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of pencils from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) the cash deposit rates for the reviewed companies named above will be the rates for those firms established in the final results of this administrative review; (2) for any previously reviewed PRC or non-PRC exporter with a separate rate not covered in this review, the cash deposit rate will be the company-specific rates established for the most recent period; (3) for all other PRC exporters, the cash deposit rates will be the PRC-wide rates established in the final results of this review; and (4) 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. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Interested Parties

This notice serves as a preliminary reminder to importers of their responsibility under section 351.402(f)(2) 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.

We are issuing and publishing this determination in accordance with sections section 751(a)(1) and 777(i)(1) of the Act.

Dated: December 31, 2002.

Susan H. Kuhbach,

Acting Assistant Secretary for Import Administration.

[FR Doc. 03-631 Filed 1-10-03; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-851]

Dynamic Random Access Memory Semiconductors from the Republic of Korea: Extension of Time Limit for Preliminary Determination of Countervailing Duty Investigation

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

ACTION: Notice of extension of time limit for preliminary determination of countervailing duty investigation.

SUMMARY: The Department of Commerce is extending the time limit for the preliminary determination in the countervailing duty investigation of dynamic random access memory semiconductors from the Republic of Korea from January 27, 2003 until no later than March 31, 2003. This extension is made pursuant to section 703(c)(1)(B) of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act.

EFFECTIVE DATE: January 13, 2003.

FOR FURTHER INFORMATION CONTACT: Suresh Maniam or Ryan Langan at (202) 482-0176 or (202) 482-2613, respectively; Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION:

Extension of Due Date for Preliminary Determinations

On November 27, 2002, the Department of Commerce ("the Department") initiated the countervailing duty investigation of dynamic random access memory semiconductors from the Republic of Korea. *See Notice of Initiation of Countervailing Duty Investigation: Dynamic Random Access Memory Semiconductors from the Republic of Korea*, 67 FR 70927 (November 27, 2002). Currently, the preliminary

determination is due no later than January 27, 2003. However, pursuant to section 703(c)(1)(B) of the Act, we have determined that this investigation is "extraordinarily complicated" and are, therefore, extending the due date for the preliminary determination to no later than March 31, 2003.

Under section 703(c)(1)(B), the Department can extend the period for reaching a preliminary determination until not later than the 130th day after the date on which the administering authority initiates an investigation if: (B) the administering authority concludes that the parties concerned are cooperating and determines that

(i) the case is extraordinarily complicated by reason of

(I) the number and complexity of the alleged countervailable subsidy practices;

(II) the novelty of the issues presented;

(III) the need to determine the extent to which particular countervailable subsidies are used by individual manufacturers, producers, and exporters; or

(IV) the number of firms whose activities must be investigated; and

(ii) additional time is necessary to make the preliminary determination.

In this investigation, we find that all concerned parties are cooperating. We also find that this investigation is extraordinarily complicated due to the number and complexity of the alleged countervailable subsidy practices. We note that it is the Department's position that the appropriate criterion for analysis is not the number of programs in question, but rather the specific transactions (e.g., equity infusions, debt-to-equity conversions, etc.) applied under those programs, which are numerous and appropriately categorized as "practices." In this investigation, the Department will examine 35 programs, many of which have never before been investigated. These allegations present novel issues, including equity infusions, debt forgiveness, bailouts involving new loans and multiple loan refinancings of existing loans. Moreover, the investigation presents the significant general issue of Korean directed credit and, more specifically, whether this directed credit is specific to the semiconductor industry. These issues will require a significant amount of information and complex analysis. The Department must also determine the extent to which the particular countervailable subsidies are used by the individual respondent producers/exporters.

Accordingly, we deem this investigation to be extraordinarily

complicated and determine that additional time is necessary to make the preliminary determination. Therefore, pursuant to section 703(c)(1)(B) of the Act, we are postponing the preliminary determination in this investigation until no later than March 31, 2003.

This notice is published pursuant to section 703(c)(2) of the Act.

Dated: January 6, 2003.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 03-632 Filed 1-10-03; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 010803A]

Proposed Information Collection; Comment Request; National Marine Sanctuaries - Socioeconomic Impacts of Marine Reserves

AGENCY: National Oceanic and Atmospheric Administration (NOAA).

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before March 14, 2003.

ADDRESSES: Direct all written comments to Diana Hynek, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6625, 14th and Constitution Avenue, NW, Washington, DC 20230 (or via the Internet at dHynek@doc.gov).

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Dr. Vernon R. Leeworthy at Bob.Leeworthy@noaa.gov or call 301-713-3000.

SUPPLEMENTARY INFORMATION:

I. Abstract

The purpose of this information collection is to give users of National Marine Sanctuaries fair representation in monitoring the socioeconomic impacts of a network of marine reserves (no take areas) in the Channel Islands