

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-825]

**Sebacic Acid From the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Determination To Revoke Order in Part**

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

**ACTION:** Notice of final results of antidumping duty administrative review and determination to revoke order in part.

**SUMMARY:** On August 6, 2002, the Department of Commerce published the preliminary results of the 2000-2001 administrative review of the antidumping duty order on sebacic acid from the People's Republic of China. This review covers three manufacturers/exporters of the subject merchandise to the United States. The products covered by this order are all grades of sebacic acid which include but are not limited to CP Grade, Purified Grade, and Nylon Grade. The period of review is July 1, 2000, through June 30, 2001.

We are revoking the antidumping duty order with respect to one manufacturer/exporter because this company has met the requirements under 19 CFR 351.222.

Based on our analysis of the comments received, we have made changes in the margin calculations. Therefore, the final results differ from the preliminary results. The final weighted-average dumping margins are listed below in the section entitled "Final Results of Review."

**EFFECTIVE DATE:** November 19, 2002.

**FOR FURTHER INFORMATION CONTACT:** Michael Strollo or Patrick Connolly, AD/CVD Enforcement, Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0629 or (202) 482-1779, respectively.

**SUPPLEMENTARY INFORMATION:****The Applicable Statute**

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of

Commerce (the Department) regulations are to 19 CFR part 351 (2001).

**Background**

On August 6, 2002, the Department published in the *Federal Register* the preliminary results of administrative review of the antidumping duty order on sebacic acid from the People's Republic of China (PRC). See *Sebacic Acid From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent Not to Revoke*, 67 FR 50870 (Aug. 6, 2002) (*Preliminary Results*). The review covers two exporters and their respective manufacturers. The period of review (POR) is July 1, 2000, through June 30, 2001.

We invited interested parties to comment on the preliminary results of review. The Department has conducted this administrative review in accordance with section 751 of the Act.

**Scope of Review**

The products covered by this review are all grades of sebacic acid, a dicarboxylic acid with the formula  $(CH_2)_8(COOH)_2$ , which include but are not limited to CP Grade (500 ppm maximum ash, 25 maximum APHA color), Purified Grade (1000 ppm maximum ash, 50 maximum APHA color), and Nylon Grade (500 ppm maximum ash, 70 maximum ICV color). The principal difference between the grades is the quantity of ash and color. Sebacic acid contains a minimum of 85 percent dibasic acids of which the predominant species is the C10 dibasic acid. Sebacic acid is sold generally as a free-flowing powder/flake.

Sebacic acid has numerous industrial uses, including the production of nylon 6/10 (a polymer used for paintbrush and toothbrush bristles and paper machine felts), plasticizers, esters, automotive coolants, polyamides, polyester castings and films, inks and adhesives, lubricants, and polyurethane castings and coatings.

Sebacic acid is currently classifiable under subheading 2917.13.00.30 of the *Harmonized Tariff Schedule of the United States (HTSUS)*. Although the *HTSUS* subheading is provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

**Separate Rates**

Two of the three respondents in this case, Guangdong Chemicals Import and Export Corporation (Guangdong) and Tianjin Chemicals Import and Export Corporation (Tianjin), have requested separate, company-specific antidumping

duty rates. In the *Preliminary Results*, we found that Guangdong and Tianjin had met the criteria for the application of separate antidumping duty rates. See *Preliminary Results*, 67 FR 50871. We have not received any other information since the preliminary results which would warrant reconsideration of our separate rates determination with respect to these companies. We therefore determine that Guangdong and Tianjin should be assigned individual dumping margins in this administrative review.

With respect to the third respondent, Sinochem International Chemicals Corp. (Sinochem International), which did not respond to the Department's questionnaire, we determine that this company does not merit a separate rate. The Department assigns a single rate to companies in a non-market economy (NME), unless an exporter demonstrates an absence of government control. We determine that Sinochem International is subject to the country-wide rate for this review because it failed to demonstrate an absence of government control.

**Use of Facts Available**

As explained in the preliminary results, the use of facts available is warranted in this case because Sinochem International, which is part of the PRC entity (see the "Separate Rates" section above), has failed to respond to the original questionnaire and has refused to participate in this administrative review. Therefore, in accordance with sections 776(a)(2)(A) and (C) of the Act, we find that the use of facts available is appropriate for Sinochem International. Furthermore, in the preliminary results we determined that Sinochem International did not cooperate to the best of its ability with our request for necessary information. Therefore, in accordance with section 776(b) of the Act, we applied adverse inferences in selecting from among the facts available. As adverse facts available in this proceeding, in accordance with the Department's practice, we preliminarily assigned Sinochem International and all other exporters subject to the PRC-wide rate the petition rate of 243.40 percent, which is the PRC-wide rate established in the less than fair value (LTFV) investigation, and the highest dumping margin determined in any segment of this proceeding. See *Antidumping Duty Order: Sebacic Acid From the People's Republic of China (PRC)*, 59 FR 35909 (July 14, 1994). As explained in the preliminary results, we determined that this margin was corroborated in accordance with section 776(c) of the

Act in the LTFV investigation. See *Preliminary Results*, 67 FR 50871–72. There is no evidence on the record which warrants revisiting this issue in these final results, and no interested party submitted comments on our use of adverse facts available. Accordingly, we continue to use the petition rate from the LTFV investigation of 243.40 percent as adverse facts available.

**Determination To Revoke Order, in Part**

The Department may revoke, in whole or in part, an antidumping duty order upon completion of a review under section 751 of the Act. While Congress has not specified the procedures that the Department must follow in revoking an order, the Department has developed a procedure for revocation that is described in 19 CFR 351.222. This regulation requires, inter alia, that a company requesting revocation must submit the following: (1) a certification that the company has sold the subject merchandise at not less than normal value (NV) in the current review period and that the company will not sell subject merchandise at less than NV in the future; (2) a certification that the company sold commercial quantities of the subject merchandise to the United States in each of the three years forming the basis of the request; and (3) an agreement to immediate reinstatement of the order if the Department concludes that the company, subsequent to the revocation, sold subject merchandise at less than NV. See 19 CFR 351.222(e)(1). Upon receipt of such a request, the Department will consider: (1) Whether the company in question has sold subject merchandise at not less than NV for a period of at least three consecutive years; (2) whether the company has agreed in writing to its immediate reinstatement in the order, as long as any exporter or producer is subject to the order, if the Department concludes that the company, subsequent to the revocation, sold the subject merchandise at less than NV; and (3) whether the continued application of the antidumping duty order is otherwise necessary to offset dumping. See 19 CFR 351.222(b)(2)(i).

As noted in the *Preliminary Results*, Tianjin submitted the proper certifications pursuant to 19 CFR 351.222(e)(1), and requested revocation of the antidumping duty order, in part, based on an absence of dumping for at least three consecutive years. Because Tianjin was found to have made sales below NV in the preliminary results of this administrative review, we preliminarily determined that Tianjin did not qualify for revocation. As a

result of changes made since the preliminary results of this review, however, we now find that Tianjin meets the first criterion of 19 CFR 351.222(b)(2)(i).<sup>1</sup> Moreover, after consideration of Tianjin’s certifications and its comments submitted in response to the *Preliminary Results*, we determine that Tianjin is not likely to sell the subject merchandise in the United States below NV in the future. Furthermore, at verification, we examined the quantity and value of sales for all three years that form the basis for the request, and we confirmed that Tianjin’s aggregate sales to the United States have been made in commercial quantities during each of these years. See the July 10, 2002, memorandum to Louis Apple from Shawn Thompson and Patrick Connolly entitled “Verification of the Sales Responses of Tianjin Chemicals Import and Export Corporation in the Antidumping Duty Administrative Review on Sebacic Acid from the People’s Republic of China” at pages 7–8. See also the November 7, 2002, memorandum to the file from Patrick Connolly entitled “Analysis of Commercial Quantities for Tianjin Chemicals Import and Export Corporation’s Request for Revocation.” As stated above, Tianjin has agreed in writing to the immediate reinstatement in the order, as long as any exporter or producer is subject to the order, if the Department concludes that Tianjin, subsequent to the revocation, sold the subject merchandise at less than NV. Finally, based on our review of the record, there is no basis to find continued application of the antidumping order necessary to offset dumping. Therefore, we find that Tianjin and its supplier, Hengshui Dongfeng Chemical Co., Ltd. (Hengshui), qualify for revocation of the antidumping duty order on sebacic acid under 19 CFR 351.222(b)(2)(i) and (3).<sup>2</sup> Accordingly, we are revoking the order with respect to subject merchandise produced by Hengshui and exported by Tianjin.

**Effective Date of Revocation**

This revocation applies to all entries of subject merchandise that are produced by Hengshui and are exported

<sup>1</sup> We note that the Department did not conduct an administrative review of the antidumping duty order on sebacic acid for the 1999–2000 review period. However, pursuant to 19 CFR 351.222(d), we are not required to conduct a review of the intervening year so long as we conduct a review in the first and third years of the three year consecutive time period.

<sup>2</sup> On October 18, 2002, Tianjin certified that Hengshui was its only supplier during all three years that form the basis for the revocation request.

by Tianjin, and are entered, or withdrawn from warehouse, for consumption on or after July 1, 2001. The Department will order the suspension of liquidation ended for all such entries and will instruct the Customs Service to release any cash deposits or bonds. The Department will further instruct the Customs Service to refund with interest any cash deposits on entries made after July 1, 2001.

**Analysis of Comments Received**

All issues raised in the case brief by parties to this administrative review are addressed in the “Issues and Decision Memorandum” (Decision Memo) from Richard W. Moreland, Deputy Assistant Secretary, Import Administration, to Faryar Shirzad, Assistant Secretary for Import Administration, dated November 7, 2002, which is adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the Decision Memo, is attached to this notice as an appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B–099, of the main Commerce building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at <http://www.ia.ita.doc.gov/frn/summary/countrylist.htm> under the heading “China.” The paper copy and electronic version of the Decision Memo are identical in content.

**Changes Since the Preliminary Results**

Based on our analysis of comments received, we have made certain changes in the margin calculations. These changes are discussed in the relevant sections of the Decision Memo.

Moreover, for these final results, we have revalued labor for both Guangdong and Tianjin based on the regression-based wage rate for 2000 in accordance with 19 CFR 351.408(c)(3). For purposes of the preliminary results, we used the 1999 data because more recent data was not yet available.

**Final Results of Review**

We determine that the following percentage weighted-average margin percentages exist for the period July 1, 2000, through June 30, 2001:

Manufacturer/exporter	Margin (percent)
Guangdong Chemicals Import and Export Corporation .....	1.34
Tianjin Chemicals Import and Export Corporation .....	0.47

Manufacturer/exporter	Margin (percent)
PRC Country-Wide Rate .....	243.40

Because we have revoked the order with respect to Tianjin's exports of subject merchandise produced by Hengshui, we will order the Customs Service to terminate the suspension of liquidation for exports of such merchandise entered, or withdrawn from warehouse, for consumption on or after July 1, 2001, and to refund all cash deposits collected.

#### Assessment Rates

The Department will determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. For assessment purposes, we do not have the information to calculate an estimated entered value. Accordingly, we have calculated importer-specific duty assessment rates for the subject merchandise by aggregating the dumping margins calculated for all U.S. sales and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer-specific ad valorem ratios based on the export prices. We will direct the Customs Service to assess the resulting assessment rates uniformly on all entries of that particular importer made during the POR. Pursuant to 19 CFR 351.106(c)(2), we will instruct the Customs Service to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (i.e. less than 0.50 percent). The Department will issue appropriate assessment instructions directly to the Customs Service within 15 days of publication of these final results of review.

#### Cash Deposit Requirements

The following deposit requirements will be effective upon publication of this notice of final results of administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed companies will be the rates shown above except that, for firms whose weighted-average margins are less than 0.5 percent and, therefore, *de minimis*, the Department shall require no deposit of estimated antidumping duties; (2) for a company previously found to be entitled to a separate rate and for which no review

was requested, the cash deposit rate will be the rate established in the most recent review of that company; (3) the cash deposit rate for all other PRC exporters will be 243.40 percent, the PRC-wide rate established in the LTFV investigation; and (4) the cash deposit rate for a non-PRC exporter of subject merchandise from the PRC will be the rate applicable to the PRC supplier of that exporter.

These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) 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 doubled antidumping duties.

This notice also serves as the only reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305 or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

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

Dated: November 7, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

#### Appendix—Issues in Decision Memo

##### Comments

1. Universe of Sales.
2. Valuation of Activated Carbon.
3. Partial Revocation.

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## DEPARTMENT OF COMMERCE

### International Trade Administration

A-533-810

#### Stainless Steel Bar from India: Final Results of New Shipper Antidumping Duty Administrative Review

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

**ACTION:** Notice of Final Results of New Shipper Antidumping Duty Administrative Review.

**SUMMARY:** On August 19, 2002, the Department of Commerce published the preliminary results of the new shipper administrative review of the antidumping duty order on stainless steel bar from India. We gave interested parties an opportunity to comment on the preliminary results. Based on an examination of our calculations, we have made a change for the final results. We find that the reviewed company made sales of stainless steel bar from India in the United States below normal value during the period of review, February 1 through July 31, 2001.

**DATES:** *Effective Date:* November 19, 2002.

**FOR FURTHER INFORMATION CONTACT:** Cole Kyle, Office 1, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone (202) 482-1503.

#### SUPPLEMENTARY INFORMATION:

##### Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended effective January 1, 1995, ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce's ("the Department") regulations are to 19 CFR Part 351 (April 2001).

##### Background

The manufacturer/exporter that requested this new shipper antidumping duty administrative review is Uday Engineering Works ("Uday"). The period of review ("POR") is February 1 through July 31, 2001. Since the publication of the preliminary results of this review (*see Stainless Steel Bar from India: Preliminary Results of New Shipper Antidumping Duty Administrative Review*, 67 FR 53775 (August 19, 2002)), the following events have occurred: