

Harmonized Tariff Schedule of the United States (HTSUS).<sup>1</sup> The HTSUS subheadings are provided for convenience and customs purposes. The written description remains dispositive.

### Background

On January 28, 1994, the Department published *Antidumping Duty Order: Certain Stainless Steel Wire Rods from Brazil*, 59 FR 4021 and the *Amended Final Determination and Antidumping Duty Order: Certain Stainless Steel Wire Rods from France*, 59 FR 4022. On August 2, 2000, the Department published the *Continuation of Antidumping Duty Orders: Stainless Steel Wire Rod from Brazil, France, and India*, 65 FR 47403.

On July 1, 2005, the Department initiated, and the ITC instituted, sunset reviews of the AD orders on stainless steel wire rods from Brazil and France. See *Initiation of Five-Year (Sunset) Reviews*, 70 FR 38101 (July 1, 2005).

As a result of its sunset reviews of these orders, the Department found that revocation of these orders would be likely to lead to continuation or recurrence of dumping. See *Stainless Steel Wire Rods from Brazil, France, and India; Notice of Final Results of Five-year (Sunset) Reviews of the Antidumping Duty Orders*, 70 FR 67447 (November 7, 2005). The Department notified the ITC of the magnitude of the margins likely to prevail were the AD orders to be revoked.

On June 29, 2006, the ITC determined, pursuant to section 751(c) of the Act, that revocation of these orders would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. See *Stainless Steel Wire Rod from Brazil, France and India*, Investigations Nos. 731-TA-636, 731-TA-637, and 731-TA-638 (Second Review), 70 FR 38207 (July 1, 2005).

### Determination

As a result of the determination by the ITC that revocation of these orders is not likely to lead to the continuation or recurrence of material injury to an industry in the United States, the Department, pursuant to section 751(d) of the Act is revoking the AD orders on SSWR from Brazil and France. Pursuant to section 751(d)(2) of the Act and 19

<sup>1</sup> The merchandise subject to the scope of these orders was originally classifiable under all of the following HTS subheadings: 7221.00.0005, 7221.00.0015, 7221.00.0020, 7221.00.0030, 7221.00.0040, 7221.00.0045, 7221.00.0060, 7221.00.0075, and 7221.00.0080. HTSUS subheadings 7221.00.0020, 7221.00.0040, 7221.00.0060, 7221.00.0080 are no longer contained in the HTSUS.

CFR 351.222(i)(2)(i), the effective date of the revocation is August 2, 2005 (*i.e.*, the fifth anniversary of the date of publication in the **Federal Register** of the notices of continuation of these AD orders.) The Department will notify U.S. Customs and Border protection to discontinue suspension of liquidation and collection of cash deposits on entries of subject merchandise entered or withdrawn from warehouse on or after August 2, 2005, the effective date of revocation of these orders. The Department will complete any administrative reviews of these orders and will conduct administrative reviews of subject merchandise entered prior to the effective date of revocation in response to appropriately filed requests for review.

These five-year (sunset) reviews and this notice are in accordance with section 751(d)(2) and published pursuant to section 777(i)(1) of the Act.

Dated: August 1, 2006.

**David M. Spooner,**

*Assistant Secretary, for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration (A-449-804)

#### Notice of Preliminary Results of Antidumping Duty Administrative Review: Steel Concrete Reinforcing Bars from Latvia

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

**FOR FURTHER INFORMATION CONTACT:** Shane Subler or Constance Handley at (202) 482-0189 or (202) 482-0631, respectively; AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14<sup>th</sup> Street & Constitution Avenue, NW, Washington, DC 20230.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on steel concrete reinforcing bars (rebar) from Latvia. We preliminarily determine that sales of subject merchandise by Joint Stock Company Liepajas Metalurgs (LM) have been made below normal value (NV). If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on appropriate entries based on

the difference between the export price (EP) and the NV. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** August 8, 2006.

### SUPPLEMENTARY INFORMATION:

#### Background

On September 7, 2001, the Department issued an antidumping duty order on rebar from Latvia. See *Antidumping Duty Order: Steel Concrete Reinforcing Bars From Belarus, Indonesia, Latvia, Moldova, People's Republic of China, Poland, Republic of Korea and Ukraine*, 66 FR 46777 (September 7, 2001). On September 1, 2005, the Department issued a notice of opportunity to request the fourth administrative review of this order. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 52072 (September 1, 2005). On September 27, 2005, in accordance with 19 CFR 351.213(b), LM requested an administrative review. On September 30, 2005, also in accordance with 19 CFR 351.213(b), the Rebar Trade Action Coalition (RTAC),<sup>1</sup> the petitioner in this proceeding, requested an administrative review of LM. On October 25, 2005, the Department published the notice of initiation of this antidumping duty administrative review, covering the period September 1, 2004, through August 31, 2005 (the period of review, or POR). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 70 FR 61601 (October 25, 2005).

On November 22, 2005, the Department issued its antidumping questionnaire to LM, specifying that the responses to Section A and Sections B-D would be due on December 13, 2005, and, December 29, 2005, respectively.<sup>2</sup> The Department received timely responses to Sections A-D of the initial antidumping questionnaire and associated supplemental questionnaires.

<sup>1</sup> RTAC comprises Nucor Corporation, Gerdau Ameristeel Corporation, and Commercial Metals Company.

<sup>2</sup> Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under review that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales, or, if the home market is not viable, of sales in the most appropriate third-country market (this section is not applicable to respondents in non-market economy cases). Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production of the foreign like product and the constructed value of the merchandise under review. Section E requests information on further manufacturing.

On May 4, 2006, the Department published a notice of a sixty-day extension of the time limit for the preliminary results of this administrative review. *See Steel Concrete Reinforcing Bars from Latvia: Extension of the Time Limit for the Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 26335 (May 4, 2006). This notice extended the deadline for the preliminary results to August 1, 2006.

#### Scope of the Order

The product covered by this order is all steel concrete reinforcing bars sold in straight lengths, currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7214.20.00, 7228.30.8050, 7222.11.0050, 7222.30.0000, 7228.60.6000, 7228.20.1000, or any other tariff item number. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the order is dispositive.

#### Fair Value Comparisons

We compared the EP to the NV, as described in the *Export Price* and *Normal Value* sections of this notice. We first attempted to compare contemporaneous sales of products sold in the United States and comparison market that are identical with respect to the matching characteristics. Pursuant to section 771(16) of the Tariff Act of 1930, as amended (the Act), all products produced by the respondent that fit the definition of the scope of the order and were sold in the comparison market during the POR fall within the definition of the foreign like product. We have relied on three criteria to match U.S. sales of subject merchandise to comparison market sales of the foreign like product: type of steel, yield strength, and size. Where there were no sales of identical merchandise in the comparison market, we compared U.S. sales to sales of the next most similar foreign like product on the basis of the characteristics listed above.

#### U.S. Market Date of Sale

LM reported the commercial invoice date as the date of sale in the U.S. market. In order to determine whether the invoice date is the appropriate date of sale, we requested that LM submit complete sales documentation (*i.e.*, purchase contracts, contract addenda, pro-forma invoices, appendices to the purchase contracts, amendments to the

contract addenda, commercial invoices, and mate's receipts) for all U.S. sales during the POR. LM provided this information in its April 17, 2006, supplemental questionnaire response.

We have preliminarily used the date of the final purchase contract amendment that modified the material terms of sale (*i.e.*, price, quantity within a specified tolerance, and actual products sold) as the U.S. market date of sale because these amendments best reflect the firm establishment of the material terms of sale. The facts of the current segment of the proceeding are consistent with the facts of the third administrative review, in which we also found the date of final amendment to each individual purchase contract to be the date of sale.<sup>3</sup> Because information in LM's sales documentation is business proprietary, we have explained the date of sale methodology in detail in the calculation analysis memorandum. *See Memorandum from Shane Subler, International Trade Compliance Analyst, to Constance Handley, Program Manager, Re: Analysis Memorandum for Joint Stock Company Liepajas Metalurgs*, dated August 1, 2006 (*Analysis Memorandum*), for further explanation of the selected U.S. market date of sale. For all home market sales, we have preliminarily used the invoice date as the date of sale based on information on the record.

#### Sales Transshipped to Third Countries Through the United States

Upon reviewing Exhibit 11 of LM's April 17, 2006, supplemental response, we found documentation of mate's receipts indicating that certain rebar reported in LM's U.S. sales database was transshipped through the United States to the British Virgin Islands and the French West Indies. We confirmed that a portion of the rebar covered by these mate's receipts did not enter U.S. customs territory. Therefore, for sales observations that included the transshipped rebar, we removed the quantity of transshipped rebar from the total quantity in the sales observation. *See the Analysis Memorandum* for additional details.

#### Export Price

We calculated an EP for all of LM's U.S. sales because the merchandise was sold directly by LM to the first

unaffiliated purchaser for delivery to the United States, and because constructed export price (CEP) was not otherwise warranted based on the facts of record. We made deductions from the starting price for movement expenses in accordance with section 772(c)(2)(A) of the Act. Movement expenses included inland freight, domestic brokerage and handling expenses, and dunnage expenses.

#### Normal Value

##### A. Selection of Comparison Market

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

We found that LM had a viable home market for rebar. As such, LM submitted home market sales data for purposes of the calculation of NV.

In deriving NV, we made adjustments as detailed in the *Calculation of Normal Value Based on Comparison Market Prices* section below.

##### B. Cost of Production Analysis

Because we disregarded below-cost sales in the final results of the third administrative review, we had reasonable grounds to believe or suspect that home market sales of the foreign like product by LM have been made at prices below the cost of production (COP) during the fourth POR. As a result, the Department initiated a COP inquiry for LM for the fourth POR.

##### 1. Calculation of Cost of Production

In accordance with section 773(b)(3) of the Act, we calculated the weighted-average COP, by model, based on the sum of materials, fabrication, and general and administrative (G&A) expenses. We relied on LM's submitted average COP calculations for the POR except that we have preliminarily excluded the value of LM's reported income offset to G&A expenses. We preliminarily find that the record does not include sufficient information on the nature of these offsets or their corresponding costs to warrant including them in the G&A calculation. *See the Analysis Memorandum.*

<sup>3</sup> We note that the terminology used for LM's sales documentation varies by customer. As shown in Exhibit 11 of LM's April 17, 2006, supplemental response, a purchase contract is equivalent to a contract addendum, and an appendix is equivalent to an amendment to the addendum. *See the Analysis Memorandum* for a discussion on how the material terms of sale are established by each of these documents.

## 2. Test of Comparison Market Sales Prices

We compared the weighted-average COPs for LM to its home-market sales prices of the foreign like product, as required under section 773(b) of the Act, to determine whether these sales had been made at prices below the COP within an extended period of time (*i.e.*, a period of one year) in substantial quantities and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time.

On a model-specific basis, we compared the COP to the home market prices, less any applicable movement charges and direct and indirect selling expenses.

### 3. Results of the COP Test

We disregarded below-cost sales where (1) 20 percent or more of LM's sales of a given product during the POR were made at prices below the COP, because such sales were made within an extended period of time in substantial quantities in accordance with sections 773(b)(2)(B) and (C) of the Act; and (2) based on comparisons of price to weighted-average COPs for the POR, we determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable time period, in accordance with section 773(b)(2)(D) of the Act. We found that LM made sales below cost, and we disregarded such sales where appropriate.

### C. Calculation of Normal Value Based on Comparison Market Prices

We determined NV for LM as follows. We made adjustments for any differences in packing and deducted home market movement expenses pursuant to sections 773(a)(6)(A) and 773(a)(6)(B)(ii) of the Act. In addition, we made adjustments for differences in circumstances of sale (COS) pursuant to section 773(a)(6)(C)(iii) of the Act. We made COS adjustments for LM's EP transactions by deducting direct selling expenses incurred for home market sales (credit expenses) and adding U.S. imputed credit expenses. In LM's case, the calculation of imputed credit expenses results in a negative number because LM's U.S. sales are prepaid. Therefore, the adjustment for U.S. imputed credit reduces NV.

### D. Level of Trade Adjustment

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade as the EP transaction. The NV level of trade is that of the starting-price sales in the comparison market. For EP sales, the

U.S. level of trade is also the level of the starting-price sale, which is usually from exporter to importer.

To determine whether NV sales are at a different level of trade than EP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different level of trade and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act.

In conducting our level-of-trade analysis, we examine the types of customers, the channels of distribution, and the selling practices of the respondent. Generally, if the reported levels of trade are the same, the functions and activities of the seller should be similar. Conversely, if a party reports levels of trade that are different for different categories of sales, the functions and activities should be dissimilar. We found the following.

For both the home market and U.S. market, LM reported one channel of distribution: direct sales. The company reported three customer categories in the home market: (1) Traders; (2) end users; and (3) service centers. For all three customer categories, LM performed the following selling activities: negotiations with customers, order processing, packing, and delivery services. Accordingly, we preliminarily determine that LM's home market sales to these three customer categories constitute a single LOT.

LM reported one customer category in the U.S. market - traders. In comparing the company's U.S. sales to its home market sales, we found that the selling functions performed by LM were very similar in the U.S. and Latvian markets. For U.S. sales, LM conducts negotiations with the traders, processes orders, packs the merchandise, and arranges delivery to the port. Therefore, we preliminarily determine that U.S. sales and home market sales were made at the same level of trade.

### Currency Conversion

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

## Preliminary Results of Review

As a result of this review, we preliminarily determine that the following weighted-average margin exists for the period September 1, 2004, through August 31, 2005:

Producer	Weighted-Average Margin (Percentage)
Joint Stock Company Liepajas Metalurgs ..	6.03

The Department will disclose calculations performed in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Any hearing, if requested, will be held 44 days after the date of publication, or the first working day thereafter. Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 37 days after the date of publication. 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 parties submitting written comments should provide the Department with an additional copy of the public version of any such comments on diskette.

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results.

### Assessment

Upon completion of this administrative review, pursuant to 19 CFR 351.212(b), the Department will calculate an assessment rate on all appropriate entries. We will calculate importer-specific duty assessment rates on the basis of the ratio of the total amount of antidumping duties calculated for the examined sales to the total quantity of the sales for that importer. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer.

The Department clarified its "automatic assessment" regulation on May 6, 2003 (68 FR 23954). This clarification will apply to entries of subject merchandise during the POR produced by companies included in these preliminary results of review for which the reviewed companies did not

know their merchandise was destined for the United States. In such instances, the Department will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

#### Cash Deposit Requirements

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of rebar from Latvia 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 listed above for LM will be the rate established in the final results of this review, except if a rate is less than 0.5 percent, and therefore *de minimis*, the cash deposit will be zero; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 17.21 percent, the "All Others" rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary 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 entities 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.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 1, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E6-12865 Filed 8-7-06; 8:45 am]

**BILLING CODE 3510-DS-S**

## DEPARTMENT OF COMMERCE

### International Trade Administration

(C-533-844)

#### Notice of Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination: Certain Lined Paper Products from India

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

**SUMMARY:** We determine that countervailable subsidies are being provided to producers and exporters of certain lined paper products from India. For information on the estimated subsidy rates, see the "Suspension of Liquidation" section of this notice. Moreover, we determine that critical circumstances do not exist with regard to exports of CLPP from India. See the "Critical Circumstances" section below.

**EFFECTIVE DATE:** August 8, 2006.

#### FOR FURTHER INFORMATION CONTACT:

Robert Copyak, AC/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, Room 4012, 14<sup>th</sup> Street and Constitution Avenue, N.W., Washington, D.C. 20230; Telephone: 202-482-2209.

#### SUPPLEMENTARY INFORMATION:

##### Background

This investigation covers 12 programs and the following manufacturer/exporters: Aero Exports (Aero), Kejriwal Exports, a division of Kejriwal Paper Limited (Kejriwal), and Navneet Publications India Ltd. (Navneet).

On February 15, 2006, the Department of Commerce (the Department) published in the **Federal Register** its preliminary affirmative determination in the countervailing duty investigation of certain lined paper products from India. See *Notice of Preliminary Affirmative Countervailing Duty Determination and Preliminary Negative Critical Circumstances Determination: Certain Lined Paper Products from India*, 71 FR 7196 (February 15, 2006) (*Preliminary Determination*).

We invited interested parties to comment on the *Preliminary Determination*. On June 14, 2006, we received comments from petitioners and

respondents.<sup>1</sup> On June 19, 2006, we received rebuttal comments from petitioners and respondents.

#### Period of Investigation

The period of investigation (POI) is April 1, 2004, through March 31, 2005.

#### Critical Circumstances

As explained in the *Preliminary Determination*, petitioners requested that, pursuant to 19 CFR 351.206, the Department make an expedited finding that critical circumstances exist with respect to imports of lined paper products from India. In the *Preliminary Determination*, we determined that critical circumstances did not exist. See *Preliminary Determination*, 71 FR at 7917. For purposes of this final determination, we continue to find that critical circumstances do not exist as petitioners' allegation does not provide a sufficient factual basis for making an affirmative finding. See Memorandum to Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, from: Melissa G. Skinner, Director, Operations, Office 3: Final Negative Critical Circumstances Determination, (July 31, 2006) (publicly on file in the Central Records Unit (CRU), Room B-099 of the main building of the Commerce Department).

#### Scope of the Investigation

For scope information, see Appendix I.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the "Issues and Decision Memorandum" (Decision Memorandum) dated July 31, 2006, which is hereby adopted by this notice. A list of issues that parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as Appendix II. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the CRU. In addition, a complete version of the Decision Memorandum can be accessed directly on the World Wide Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Decision Memorandum are identical in content.

#### Suspension of Liquidation

In accordance with section 705(c)(1)(B)(i)(I) of the Tariff Act of 1930

<sup>1</sup> Petitioners are the Association of American School Paper Suppliers.