

Initiation of Cost Investigations

Pursuant to section 773(b) of the Act, petitioners provided information demonstrating reasonable grounds to believe or suspect that sales in the home markets of France, Germany, Italy, Mexico, South Korea, Taiwan, and the United Kingdom were made at prices below the fully allocated COP and, accordingly, requested that the Department conduct a country-wide sales-below-COP investigation in connection with the requested antidumping investigations in each of these countries. The Statement of Administrative Action (SAA), submitted to the Congress in connection with the interpretation and application of the Uruguay Round Agreements, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316, 103d Cong., 2d Sess., at 833 (1994). The SAA, at 833, states that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation."

Further, the SAA provides that "new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' * * * exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices." *Id.* Based upon the comparison of the adjusted prices from the petition of the representative foreign like products in their respective home markets to their costs of production, we find the existence of "reasonable grounds to believe or suspect" that sales of these foreign like products in each of the listed countries were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations (see country-specific sections above).

Fair Value Comparisons

Based on the data provided by petitioners, there is reason to believe that imports of SSSS from France, Germany, Italy, Japan, Mexico, the Republic of Korea, Taiwan, and the United Kingdom are being, or are likely to be, sold at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petitions allege that the U.S. industry producing the domestic like product is being materially injured, and is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. Petitioners explained that the industry's injured condition is evident in the declining trends in net operating profits, net sales volumes, profit to sales ratios, and capacity utilization. The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, lost sales, and pricing information. The Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation (see Attachments to Initiation Checklist, Re: Material Injury, June 30, 1998).

Initiation of Antidumping Investigations

Based upon our examination of the petitions on SSSS, as well as our discussion with the authors of the foreign market research reports (See, memoranda to the file, dated June 30, 1998), we have found that the petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of SSSS from France, Germany, Italy, Japan, Mexico, the Republic of Korea, Taiwan, and the United Kingdom are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations by November 17, 1998.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of France, Germany, Italy, Japan, Mexico, the Republic of Korea, Taiwan, and the United Kingdom. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition (as appropriate).

International Trade Commission Notification

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

Preliminary Determinations by the ITC

The ITC will determine by July 27, 1998, whether there is a reasonable indication that imports of SSSS from

France, Germany, Italy, Japan, Mexico, the Republic of Korea, Taiwan, and the United Kingdom are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigations being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

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

Dated: June 30, 1998.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98-18602 Filed 7-10-98; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

[A-570-815]

Sulfanilic Acid From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on sulfanilic acid from the People's Republic of China. The review covers exports of this merchandise to the United States for the period August 1, 1996 through July 31, 1997, and thirteen firms: China National Chemical Import and Export Corporation, Hebei Branch (Sinochem Hebei); China National Chemical Construction Corporation, Beijing Branch; China National Chemical Construction Corporation, Qingdao Branch; Sinochem Qingdao; Sinochem Shandong; Baoding No. 3 Chemical Factory; Jinxing Chemical Factory; Zhenxing Chemical Factory; Mancheng Xinyu Chemical Factory, Shijiazhuang; Mancheng Zinyu Chemical Factory, Beijing; Hainan Garden Trading Company; Yude Chemical Company and Shunping Lile. The preliminary results of this review indicate that there were dumping margins for the two responding parties: Yude Chemical Company (Yude) and Zhenxing Chemical Factory (Zhenxing), and for the "PRC enterprise."

We invite interested parties to comment on these preliminary results.

Parties who submit arguments in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: July 13, 1998.

FOR FURTHER INFORMATION CONTACT:

Kristen Stevens, Nithya Nagarajan, or Doug Campau Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230; telephone: (202) 482-3793.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations, published in the **Federal Register** on May 19, 1997 (62 FR 27296).

Background

On August 4, 1997, the Department of Commerce (the Department) published in the **Federal Register** (62 FR 41925) a notice of "Opportunity to Request Administrative Review" for the August 1, 1996 through July 31, 1997, period of review (POR) of the antidumping duty order on Sulfanilic Acid from the People's Republic of China, 57 FR 37524 (1992). In accordance with 19 CFR 351.213, Zhenxing Chemical Industry Co. (Zhenxing), PHT International and the petitioners, Nation Ford Chemical Company, requested a review for the aforementioned period. On September 25, 1997, the Department published a notice of "Initiation of Antidumping Review." 62 FR 50292. The Department is now conducting a review pursuant to section 751(a) of the Act. On October 14, 1997, Yude Chemical Industry Company (Yude) reported that it had made no sales of subject merchandise to the United States during the POR.

Scope of Review

Imports covered by this review are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and sodium salt of sulfanilic acid.

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete

additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble materials present in the sulfanilic acid. All grades are available as dry, free flowing powders.

Technical sulfanilic acid, classifiable under the subheading 2921.42.24 of the Harmonized Tariff Schedule (HTS), contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline, and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid, also classifiable under the subheading 2921.42.24 of the HTS, contains 98 percent minimum sulfanilic acid, 0.5 percent maximum aniline and 0.25 percent maximum alkali insoluble materials.

Sodium salt (sodium sulfanilate), classifiable under the HTS subheading 2921.42.79, is a powder, granular or crystalline material which contains 75 percent minimum equivalent sulfanilic acid, 0.5 percent maximum aniline based on the equivalent sulfanilic acid content, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

This review covers thirteen producers-exporters of Chinese sulfanilic acid. The review period is August 1, 1996 through July 31, 1997.

Verification

As provided in section 782(i) of the Act, we verified information provided by the Respondent using standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results are outlined in verification reports in the official file for this case (public versions of these reports are on file in room B-099 of the Department's main building).

Separate Rates

To establish whether a company is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity in a nonmarket economy (NME) country under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*), as amplified 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*). Under this policy, exporters in NME countries are entitled to separate,

company-specific margins when they can demonstrate an absence of government control, both in the law (*de jure*) and in fact (*de facto*), with respect to exports of the subject merchandise. Evidence supporting, though not requiring, a finding of *de jure* absence of government control includes: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control with respect to exports is based on four criteria: (1) Whether the export prices are set by or subject to the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits and financing of losses; (3) whether each exporter has autonomy in making decisions regarding the selection of management; and (4) whether each exporter has the authority to sign contracts and other agreements.

Yude and Zhenxing were the only companies to respond to the Department's request for information. We have found that the evidence on the record demonstrates an absence of government control, both in law and in fact, with respect to their exports according to the criteria identified in *Sparklers* and *Silicon Carbide* for this period of review, and have assigned to these companies a single separate rate. (See "Collapsing" section, below). For further discussion of the Department's preliminary determination that these two companies are entitled to a separate rate, see Decision Memorandum to Joe Spetrini, Assistant Deputy Secretary, DAS III, dated July 6, 1998, and titled "Separate rates in the 1996/1997 administrative review of sulfanilic acid from the People's Republic of China." This memorandum is on file in the Central Record Unit (room B-099 of the Main Commerce Building).

Collapsing

We have determined, after examining the relevant criteria, that Yude and Zhenxing, are affiliated parties within the meaning of section 771(33)(F) of the Act. We have further determined that these affiliated producers should be treated as a single entity (*i.e.*, "collapsed") for purposes of assigning an antidumping margin in this review. Section 351.401(f) of the Department's antidumping regulations provides that the Department "will treat two or more affiliated producers as a single entity where those producers have production

facilities for similar or identical products that would not require substantial retooling of either facility in order to restructure manufacturing priorities and the Secretary concludes that there is a significant potential for the manipulation of price or production." 62 FR at 27410. In identifying the potential for manipulation of price or production, section 351.401(f)(2) provides that the Department may consider the following factors: level of common ownership; whether managerial employees or board members of one of the affiliated producers sit on the board of directors of the other affiliated person; and whether operations are intertwined, such as through the sharing of facilities or employees, or significant transactions between the affiliated parties. A full discussion of our conclusions, requiring reference to proprietary information, is contained in a Department memorandum in the official file for this case (a public version of this memorandum is on file in room B-099 of the Department's main building). Generally, however, we have found that: Yude and Zhenxing are "affiliated" parties, substantial retooling would not be necessary to restructure manufacturing priorities and there is potential for manipulating price and production between the two producers. As a result we are collapsing Yude and Zhenxing for purposes of conducting the 1996/1997 administrative review.

Use of Facts Otherwise Available

All firms that have not demonstrated that they qualify for a separate rate are deemed to be part of a single enterprise under the common control of the government (the "PRC enterprise"). Therefore, all such entities receive a single margin, the "PRC rate." We preliminarily determine, in accordance with section 776(a) of the Act that resort to the facts otherwise available is appropriate in arriving at the PRC rate because companies deemed to be part of the PRC enterprise for which a review was requested have not responded to the Department's antidumping questionnaire.

Where the Department must resort to the facts otherwise available because a respondent fails to cooperate by not acting to the best of its ability to comply with a request for information, section 776(b) of the Act authorizes the Department to use an inference adverse to the interests of that respondent in choosing from the facts available. Section 776(b) also authorizes the Department to use, as adverse facts available, information derived from the petition, the final determination, a

previous administrative review, or other information placed on the record. The Statement of Administrative Action (SAA) accompanying the URAA clarifies that information from the petition and prior segments of the proceeding is "secondary information." See H.Doc. 3216, 103rd Cong. 2d Sess. 870 (1996). If the Department relies on secondary information as facts available, section 776(c) provides that the Department shall, to the extent practicable, corroborate such information using independent sources reasonably at its disposal. The SAA further provides that "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. However, where corroboration is not practicable, the Department may use uncorroborated information.

In the present case the Department has based the margin on information in the petition. See *Notice of Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe from South Africa*, 61 FR 24272 (May 14, 1996). In accordance with section 776(c) of the Act, we corroborated the data contained in the petition, as adjusted for initiation purposes, to the extent possible. The petition data on major material inputs are consistent with Indian import statistics, and also with price quotations obtained by the U.S. Embassies in Pakistan and India. Both of these corroborating sources were placed on the record during the investigation and have been added to the record of this review. In addition, we note that the petition used World Bank wage rates which we have repeatedly found to be a probative source of data. Based on our ability to corroborate other elements of the petition calculation, we preliminarily find that the information contained in the petition has probative value. However, we will continue to evaluate this information on the basis of more current data.

Accordingly, we have relied upon the information contained in the petition. We have assigned to all exporters other than Yude and Zhenxing a margin of 85.20 percent, the margin in the petition, as adjusted by the Department for initiation purposes.

As a result of the home market verification of Zhenxing, we have relied on facts available in determining the quantities of the factor inputs for coal, electricity, and labor. The number of kilowatt hours of electricity recorded in company records did not reconcile to the actual factory electric bills. Therefore, as facts available, we have used the kilowatt hours reported on the

actual electric bills. Because the bill for August 1996 was missing, as facts available we have substituted the highest monthly amount recorded on the available electric bills. Because we were unable to reconcile the coal factor value to company usage and inventory records, as facts available, we have calculated the coal usage factor using the coal amounts in the raw materials usage ledger increased by the amount of purchased coal which could not be reconciled to the raw materials usage ledger or inventory records. Finally, the reported labor hours did not reconcile to the daily factory attendance sheets. Therefore, as facts available, we have used the number of labor hours reported on the daily attendance sheets.

At the U.S. sales verification, we found that two sales of Zhenxing's sodium sulfanilate, which falls within the scope of subject merchandise, were sold through a trading company. On May 1, 1998, the Department issued a supplemental questionnaire to the trading company involved and to P.H.T. and Zhenxing. The Department received a response from P.H.T. and Zhenxing on May 14, 1998. In this response, P.H.T. and Zhenxing stated that the subject merchandise was never sold to the trading company, and that the trading company acted only as a facilitator for the export of the goods. In addition, as a part of this response, P.H.T. and Zhenxing stated that they are not affiliated with this trading company. As a part of the May 14, 1998 submission, the trading company provided a letter describing the services performed by the trading company, on behalf of Zhenxing. In order to account for costs Zhenxing incurred in connection with these sales, we have deducted from Zhenxing's U.S. price, as facts available, an additional expense for brokerage and handling.

United States Price

For sales made by P.H.T. for Zhenxing, we calculated constructed export price based on FOB prices to unrelated purchasers in the United States. We made deductions for foreign inland freight, foreign brokerage and handling, ocean freight, marine insurance, U.S. customs duties, U.S. transportation, credit, warehousing, repacking in the United States, indirect selling expenses and constructed export price profit, as appropriate, in accordance with section 772(d)(3) of the Act.

Normal Value

For companies located in NME countries, section 773(c)(1) of the Act provides that the Department shall

determine NV using a factors of production methodology if (1) the merchandise is exported from an NME country, and (2) the 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.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i), and determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. None of the parties to the proceeding, has contested such treatment in this review. Accordingly, we treated the PRC as an NME country for purposes of this review and calculated NV by valuing the factors of production as set forth in section 773(c)(3) of the Act in a comparable market economy country which is a significant producer of comparable merchandise. Pursuant to section 773(c)(4) of the Act, we determine that India is comparable to the PRC in terms of per capita gross national product (GNP), the growth rate in per capita GNP, and the national distribution of labor, and that India is a significant producer of comparable merchandise. For further discussion of the Department's selection of India as the primary surrogate country, see Memorandum from Jeff May, Director, Office of Policy, to Steve Presing, dated April 22, 1998, "Sulfanilic Acid from the PRC: Nonmarket Economy Status and Surrogate Country Selection," and File Memorandum, dated May 8, 1998, "India as a significant producer of comparable merchandise in the 1996/1997 administrative review of sulfanilic acid from the People's Republic of China," which are on file in the Central Records Unit (room B-099 of the Main Commerce Building).

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

To value aniline used in the production of sulfanilic acid, we used the rupee per kilogram value of imports into India during April 1996–December 1996, obtained from the December 1996, *Monthly Statistics of the Foreign Trade of India*, Volume II-Imports (*Indian Import Statistics*.) Using the Indian rupee wholesale price indices (WPI) obtained from the International Financial Statistics, published by the International Monetary Fund (IMF), we adjusted this value to reflect inflation in India through the period of review. We made adjustments to include costs

incurred for freight between the Chinese aniline suppliers and Zhenxing's factory using the minimum of (1) the distance from the factory to the supplier or (2) the distance from the factory to the port. The surrogate freight rates were based on truck freight rates from *The Times of India* April 20, 1994, and rail freight rates from the December 22, 1989 embassy cable for the *Final Results of Antidumping Duty Administrative Review: Shop Towels of Cotton from the People's Republic of China* (56 FR 4040, February 1, 1991) and used in *Lock Washers*. These rates were inflated to be concurrent with the period of review and have been placed on the record of this review.

To value sulfuric acid used in the production of sulfanilic acid, we used the rupee per kilogram value for sales in India during the period of review as reported in *Chemical Weekly*. We have adjusted this value to exclude the Central Excise Tariff of India and the Bombay Sales Tax. We made additional adjustments to include costs incurred for freight between the Chinese sulfuric acid supplier and Zhenxing's factory in the PRC.

Consistent with our final determination in the 1995/96 administrative review, we have used the public price quotes, in this case those submitted by Zhenxing on December 17, 1997, which are specific to the type and grade of activated carbon reported in the Chinese sulfanilic acid producer's factors of production. We made adjustments to include cost incurred for inland freight between the Chinese activated carbon supplier and Zhenxing's factory in the PRC.

The Department's regulations (19 CFR 351.408(c)(3)) state that "[f]or labor, the Secretary will use regression-based wage rates reflective of the observed relationship between wages and national income in market economy countries. The Secretary will calculate the wage rate to be applied in nonmarket economy proceedings each year. The calculation will be based on current data, and will be made available to the public." To value the factor inputs for labor, we used the wage rates calculated for the PRC in the Department's "Expected Wages of Selected NME Countries" as revised on June 2, 1997.

For factory overhead, we used information reported in the April 1995 *Reserve Bank of India Bulletin*. From this information, we were able to determine factory overhead as a percentage of total cost of manufacture.

For selling, general and administrative (SG&A) expenses, we used information obtained from the

April 1995 Reserve Bank of India Bulletin. We calculated an SG&A rate by dividing SG&A expenses by the cost of manufacture.

To calculate a profit rate, we used information obtained from the April 1995 *Reserve Bank of India Bulletin*. We calculated a profit rate by dividing the before-tax profit by the sum of those components pertaining to the cost of manufacturing plus SG&A.

To value the inner and outer bags used as packing materials, we used import statistics for India obtained from *Indian Import Statistics*. Using the Indian rupee WPI data obtained from *International Financial Statistics*, we adjusted these values to reflect inflation through the period of review. We adjusted these values to include freight costs incurred between the Chinese plastic bag suppliers and Zhenxing's factory in the PRC.

To value coal, we used the price of steam coal of industry reported in *Energy, Prices, and Taxes, Second Quarter 1997* published by the International Energy Agency.

To value electricity, we used the price of electricity reported in *Energy, Prices, and Taxes, Second Quarter 1997* published by the International Energy Agency.

To value truck freight, we used the rate reported in *The Times of India*, April 20, 1994. We adjusted the truck freight rates to reflect inflation through the period of review using WPI data published by the IMF.

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

To value brokerage and handling, we used the brokerage and handling rate used in the *Determination of Sales at Less Than Fair Value: Stainless Steel Bar from India*, 59 FR 66915 (1994). See April 1997 Memorandum to All Reviewers from Richard W. Moreland, Acting Deputy Assistant Secretary "Index of Factor Values for Use in Antidumping Duty Investigations Involving Products from the People's Republic of China." We adjusted the value for brokerage and handling to reflect inflation through the POR using WPI data published by the IMF.

To value marine insurance, we used information from a publicly summarized version of a questionnaire

response in *Investigation of Sales at Less than Fair Value: Sulphur Vat Dyes from India* (62 FR 42758). See April 1997 Memorandum to All Reviewers from Richard W. Moreland, Acting Deputy Assistant Secretary "Index of Factor Values for Use in Antidumping Duty Investigations Involving Products from the People's Republic of China." We adjusted the value for marine insurance to reflect inflation through the POR using the Indian rupee WPI data published by the IMF.

To value ocean freight, we used a value for ocean freight provided by the Federal Maritime Commission used in the *Final Determination of the Antidumping Administrative Review of Sebacic Acid from the PRC*, 62 FR 65674 (1997). We adjusted the value for ocean freight to reflect inflation through the POR using WPI data published by the IMF.

Preliminary Results of the Review

We preliminarily determine the dumping margin for Yude and Zhenxing for the period August 1, 1996–July 31, 1997 to be 0.89 percent. The rate for all other firms which have not demonstrated that they are entitled to a separate rate is 85.20 percent. This rate will be applied to all firms other than Yude and Zhenxing, including all firms which did not respond to our questionnaire requests: China National Chemical Import and Export

Corporation, Hebei Branch (Sinochem Hebei); China National Chemical Construction Corporation, Beijing Branch; China National Chemical Construction Corporation, Qingdao Branch; Sinochem Qingdao; Sinochem Shandong; Baoding No. 3 Chemical Factory; Jinxing Chemical Factory; Mancheng Zinyu Chemical Factory, Shijiazhuang; Mancheng Xinyu Chemical Factory, Beijing; Hainan Garden Trading Company; and Shunping Life.

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. Parties who submit argument are requested to submit with the argument (1) a statement of the issues and (2) a brief summary of the arguments. The Department will publish a notice of final results of this administrative review, including its analysis of issues raised in any written comments or at a hearing, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between the United States prices and NV may vary from the percentage stated above. Upon completion of this review, the Department will issue appraisal instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective with respect to all shipments of sulfanilic acid from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rate for reviewed companies listed below will be the rates for those firms established in the final results of this review; (2) for companies 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) for all other PRC exporters of subject merchandise, the cash deposit rate will be the China-wide rate of 85.20 percent; and (4) the cash deposit rate for non-PRC exporters of subject merchandise from the PRC will be the rate 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.

Manufacturer/producer/exporter	Margin percentage
Yude Chemical Industry, Co./Zhenxing Chemical Industry, Co.	0.89
PRC Rate	85.20

Notification of Interested Parties

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

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1674(a)(1)) and section 351.213 of the Department's regulations.

Dated: July 6, 1998.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98-18597 Filed 7-10-98; 8:45 am]

BILLING CODE 3510-DS-M

DEPARTMENT OF COMMERCE

International Trade Administration

[C-351-406]

Certain Agricultural Tillage Tools From Brazil; Preliminary Results of Countervailing Duty Administrative Review

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

ACTION: Notice of preliminary results of Countervailing Duty administrative review.

SUMMARY: The Department of Commerce ("the Department") is conducting an administrative review of the countervailing duty order on certain agricultural tillage tools from Brazil for the period January 1, 1996 through December 31, 1996. For information on the net subsidy for Marchesan Implementos Agrícolas, S.A. ("Marchesan"), the reviewed company, as well as for all non-reviewed companies, please see the *Preliminary Results of Review* section of this notice. If the final results remain the same as these preliminary results of administrative review, we will instruct the U.S. Customs Service ("Customs") to liquidate, without regard to countervailing duties, all shipments of the subject merchandise from