

128.94 percent margin assigned to Chinese exporters in the 1989 administrative review again permitted dramatic increases in Chinese imports of the subject merchandise and the virtual recapture of the Chinese percentage of the U.S. potassium permanganate market.

Therefore, Carus argues, the margin determined in the original investigation does not reflect current Chinese pricing behavior or present levels of globally-traded input prices. In addition, Carus argues the changes in the methodology used by the Department in the calculation of margins renders the margin from the original investigation suspect.

The Department agrees with Carus' argument concerning the choice of the margin rate to report to the Commission. An examination of the margin history of the order as well as an examination of import statistics of the subject merchandise, as provided in U.S. Census Bureau IM146 reports, confirms the scenario outlined by Carus. From 1984, the date the first margins were established for this proceeding (49 FR 3897, January 31, 1984), to 1990, import volumes of the subject merchandise swelled, increasing by almost 600 percent. During this period, a cash deposit rate of 39.64 percent was in effect. In 1991, in an administrative review requested by Carus, the Department established a new deposit rate of 128.94 percent for producers of the subject merchandise from the PRC and for certain named third country resellers (56 FR 19640, April 29, 1991). Import volumes fell substantially in 1991, by almost 70 percent, but then rebounded by 1993, the year immediately preceding the final results of the 1990 administrative review (59 FR 26625, May 23, 1994). In May of 1994, in the Final Results of the 1990 administrative review, the Department established a rate of 128.94 percent for all potassium permanganate of Chinese origin, whether shipped directly from the PRC or transshipped through a third country reseller. Following the establishment of this more inclusive margin rate, shipments of potassium permanganate fell dramatically, and have not exceeded 50,000 lbs. in any year since 1996.

The Department believes that the increase in import volumes and market share between the imposition of the order and the Final Results in the 1989 administrative review (56 FR 19640, April 29, 1991) reflect the willingness and ability of Chinese producers/exporters to dump this product despite the margin rate established by the Department in the original investigation.

Furthermore, the continuation of dumping and the virtual recapture of market share between the final results in the 1989 review and those in the 1990 review reflects attempts by Chinese producers/exporters to circumvent the order by transshipping the subject merchandise through third country resellers with lower deposit rates. This is evidenced by the dramatic reduction in import volumes following the 1990 administrative review (59 FR 26625, May 23, 1994) in which a single rate was established for all potassium permanganate of Chinese origin, regardless of the interim shipping location, absent a showing that either the Chinese exporter was entitled to a separate rate or the third country reseller was not merely engaged in transshipment. This more inclusive margin determination has apparently reduced the ability of Chinese producers/exporters to circumvent the order.

According to the *Sunset Policy Bulletin*, "a company may choose to increase dumping in order to maintain or increase market share. As a result, increasing margins may be more representative of a company's behavior in the absence of an order." Therefore, the Department finds that this most recent rate is the most probative of the behavior of Chinese producers/exporters of potassium permanganate if the order were revoked. As a result, the Department is not addressing current Chinese pricing behavior or changes in methodologies used by the Department in its margin calculations. The Department will report to the Commission the country-wide rate from the administrative review for the period January 1, 1990 through December 31, 1990 (59 FR 26625, May 23, 1994) as contained in the Final Results of Review section of this notice.

Final Results of Review

As a result of this review, the Department finds that revocation of the antidumping order would likely lead to continuation or recurrence of dumping at the margins listed below:

| Manufacturer/exporter | Margin (percent) |
|--|------------------|
| Country-wide rate for the People's Republic of China | 128.94 |

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the

Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: April 1, 1999.

Robert S. LaRussa

Assistant Secretary for Import Administration.

[FR Doc. 99-8624 Filed 4-6-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-825]

Final Results of Expedited Sunset Review: Sebacic Acid from the People's Republic of China

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

ACTION: Notice of Final Results of Expedited Sunset Review: Sebacic Acid from the People's Republic of China.

SUMMARY: On December 2, 1998, the Department of Commerce ("the Department") initiated a sunset review of the antidumping order on sebacic acid from the People's Republic of China (63 FR 66527) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate and substantive comments filed on behalf of the domestic industry and inadequate response (in this case, no response) from respondent interested parties, the Department determined to conduct an expedited review. As a result of this review, the Department finds that revocation of the antidumping order would be likely to lead to continuation or recurrence of dumping at the levels indicated in the Final Results of Review section of this notice.

FOR FURTHER INFORMATION CONTACT: Scott E. Smith or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-6397 or (202) 482-1560, respectively.

EFFECTIVE DATE: April 7, 1999.

Statute and Regulations

This review was conducted pursuant to sections 751(c) and 752 of the Act.

The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("*Sunset Regulations*"). Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98-3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin*, 63 FR 18871 (April 16, 1998) ("*Sunset Policy Bulletin*").

Scope

The merchandise subject to this antidumping order is sebacic acid (all grades), a dicarboxylic acid with the formula $(CH_2)_8(COOH)_2$, which include but are not limited to CP Grade (500ppm maximum ash, 25 maximum APHA color), Purified Grade (1000ppm maximum ash, 50 maximum APHA color), and Nylon Grade (500ppm 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 C_{10} 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). The HTSUS item number is provided for convenience and U.S. Customs purposes. The written product description of the scope of this order remains dispositive.

This review covers imports from all manufacturers and exporters of Chinese sebacic acid.

Background

On December 2, 1998, the Department initiated a sunset review of the antidumping order on sebacic acid from the People's Republic of China (63 FR 66527), pursuant to section 751(c) of the Act. The Department received a Notice of Intent to Participate on behalf of Union Camp Corporation ("Union Camp") on December 8, 1998, within the deadline specified in section

351.218(d)(1)(i) of the *Sunset Regulations*. Union Camp claimed interested party status under 19 U.S.C. 1677(9)(C) as a domestic producer of sebacic acid. In addition, Union Camp indicated that it is the sole domestic producer of sebacic acid and was the original petitioner in the underlying investigation. We received a complete substantive response from Union Camp on January 4, 1999, within the 30-day deadline specified in the *Sunset Regulations* under section 351.218(d)(3)(i). We did not receive a substantive response from any respondent interested party to this proceeding. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C), the Department determined to conduct an expedited, 120-day, review of this order.

Determination

In accordance with section 751(c)(1) of the Act, the Department conducted this review to determine whether revocation of the antidumping order would be likely to lead to continuation or recurrence of dumping. Section 752(c) of the Act provides that, in making this determination, the Department shall consider the weighted-average dumping margins determined in the investigation and subsequent reviews and the volume of imports of the subject merchandise for the period before and the period after the issuance of the antidumping order, and shall provide to the International Trade Commission ("the Commission") the magnitude of the margin of dumping likely to prevail if the order is revoked.

The Department's determinations concerning continuation or recurrence of dumping and the magnitude of the margin are discussed below. In addition, parties' comments with respect to continuation or recurrence of dumping and the magnitude of the margin are addressed within the respective sections below.

Continuation or Recurrence of Dumping

Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act ("URAA"), specifically the Statement of Administrative Action ("the SAA"), H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H.R. Rep. No. 103-826, pt.1 (1994), and the Senate Report, S. Rep. No. 103-412 (1994), the Department issued its *Sunset Policy Bulletin* providing guidance on methodological and analytical issues, including the bases for likelihood determinations. In its *Sunset Policy Bulletin*, the Department indicated that determinations of likelihood will be

made on an order-wide basis (see section II.A.3). In addition, the Department indicated that normally it will determine that revocation of an antidumping order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly (see section II.A.3).

In addition to guidance on likelihood provided in the *Sunset Policy Bulletin* and legislative history, section 751(c)(4)(B) of the Act provides that the Department shall determine that revocation of an order is likely to lead to continuation or recurrence of dumping where a respondent interested party waives its participation in the sunset review. In the instant review, the Department did not receive a response from any respondent interested party. Pursuant to section 351.218(d)(2)(iii) of the *Sunset Regulations*, this constitutes a waiver of participation.

The antidumping duty order on sebacic acid from the People's Republic of China was published in the **Federal Register** on July 14, 1994 (59 FR 35909). Since this time, the Department has conducted three administrative reviews.¹ The order remains in effect for all manufacturers and exporters of the subject merchandise.

In its substantive response, Union Camp argues that revocation of the order will likely lead to increased imports of sebacic acid from the PRC at dumped prices (see January 4, 1999 Substantive Response of Union Camp at 3). With respect to whether dumping continued at any level above *de minimis* after the issuance of the order, Union Camp states that for each of the participating companies, dumping has continued after the issuance of the order (see January 4, 1999 Substantive Response of Union Camp at 4). Union Camp notes that during the first and second administrative reviews, Tianjin Chemicals Import & Export Corp.'s dumping margin was zero and, during the third administrative review, SINOCHEN International Chemical Co.'s dumping margin was *de minimis*.

¹ See *Sebacic Acid from The People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 10530 (March 7, 1997); *Sebacic Acid from The People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 65674 (December 15, 1997); and *Sebacic Acid from The People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 63 FR 43373 (August 13, 1998).

Union Camp argues, however, as stated in the *Sunset Policy Bulletin*, that a zero or *de minimis* margin, in itself, will not require the Department to determine that continuation or recurrence is not likely.

In addition, Union Camp asserts that Chinese sebacic acid is being dumped in the European market. By comparing Union Camp's current selling price in the European Union to the Chinese selling price (based on information received from Union Camp's European customers and publicly quoted unit prices), Union Camp believes that sebacic acid of Chinese origin is being dumped in Europe. Furthermore, Union Camp asserts that this fact suggests that if the U.S. dumping order on Chinese sebacic acid were revoked, Chinese exporters of sebacic acid would likely reduce their sales prices and increase their dumping in the U.S.

With respect to whether imports of the subject merchandise ceased after the issuance of the order, Union Camp, citing Commerce IM145 reports, argues that imports of Chinese sebacic acid dropped significantly with the imposition of dumping duties under the order in 1994 and continued to decline in 1995. Union Camp notes that, during 1996 and 1997, imports of the subject merchandise increased slightly, however, it asserts this increase can most likely be attributed to an increase in the domestic consumption of sebacic acid beginning in 1995.

In conclusion, Union Camp argued that the Department should determine that there is a likelihood that dumping would continue were the order revoked because (1) dumping margins have existed for most known exporters of the subject merchandise during the entire life of the order, (2) it believes that Chinese sebacic acid is being dumped in Europe and (3) shipments of subject merchandise have also continued throughout the life of the order and this suggests that, if the U.S. order were revoked, dumping of subject merchandise would increase in the U.S.

As discussed in Section II.A.3 of the *Sunset Policy Bulletin*, the SAA at 890, and the House Report at 63-64, if companies continue dumping with the discipline of an order in place, the Department may reasonably infer that dumping would continue if the discipline were removed. Although two of the four known Chinese producers have, at various times over the life of the order, received zero or *de minimis* margins, none has consistently eliminated dumping while increasing or maintaining market share. Dumping margins above *de minimis* levels continue to exist for shipments of the

subject merchandise from three of the four known Chinese producers.²

Consistent with section 752(c) of the Act, the Department also considered the volume of imports before and after issuance of the order. The import statistics provided by Union Camp, and confirmed by the Department, on imports of the subject merchandise between 1992 and 1997, demonstrate that, while imports of the subject merchandise fell sharply after the imposition of the order, they continue.

Based on this analysis, the Department finds that the existence of dumping margins after the issuance of the order is highly probative of the likelihood of continuation or recurrence of dumping. Deposit rates above a *de minimis* level continue in effect for exports of the subject merchandise by three of the four known Chinese manufacturers/exporters. Therefore, given that dumping has continued over the life of the order, respondent interested parties have waived their right to participate in this review before the Department and, absent argument and evidence to the contrary, the Department determines that dumping is likely to continue if the order were revoked.

Because the Department based this determination on the continued existence of margins above *de minimis*, the continuation of dumped imports and respondent interested parties' waiver of participation, it is not necessary to address Union Camp's arguments concerning possible dumping of Chinese sebacic acid in Europe.

Magnitude of the Margin

In the *Sunset Policy Bulletin*, the Department stated that it will normally provide to the Commission the margin that was determined in the final determination in the original investigation. Further, for companies not specifically investigated or for companies that did not begin shipping until after the order was issued, the Department normally will provide a margin based on the "all others" rate from the investigation. (See section II.B.1 of the *Sunset Policy Bulletin*.) Exceptions to this policy include the use of a more recently calculated margin, where appropriate, and consideration of duty absorption determinations. (See sections II.B.2 and 3 of the *Sunset Policy Bulletin*.)

The Department, in its final determination of sales at less than fair

value, published weighted-average dumping margins for four Chinese producers/exporters of the subject merchandise ranging from 82.66 percent to 243.40 percent (59 FR 28053, May 31, 1994).³ The Department also published an "all others" rate in this final determination.⁴ We note that, to date, the Department has not issued any duty absorption findings in this case.

In its substantive response, citing the *Sunset Policy Bulletin*, Union Camp states that the Department normally will provide the Commission with the dumping margins "from the investigation, because that is the only calculated rate that reflects the behavior of exporters . . . without the discipline of the order . . . in place." Union Camp argues that the Department, consistent with the *Sunset Policy Bulletin*, should provide the Commission with the final margins from the original investigation as the magnitude of dumping margin likely to prevail if the order were revoked (see January 4, 1999 Substantive Response of Union Camp at 7).

The Department agrees with Union Camp's argument concerning the choice of the margin rate to report to the Commission. An examination of the margin history of the order as well as an examination of import statistics of the subject merchandise, as provided in U.S. Department of Commerce Trade Statistics data, confirms that imports of the subject merchandise continue to exist.

Our review of the margin history over the life of the order demonstrates that there have been fluctuations in the margins for some producers/exporters of the subject merchandise. The Department, however, does not view these fluctuations as demonstrating a consistent pattern of behavior. Therefore, in accordance with the *Sunset Policy Bulletin* and absent an argument that a more recently

³ Pursuant to court remand, several of the company-specific margins were changed (see *Final Results of Redetermination Pursuant to Court Remand, Union Camp Corporation v. United States*, Consol. Court No. 94-08-00480, Slip Op. 96-123 (August 5, 1996)).

⁴ The Department actually published a "PRC country-wide rate" and defined this as the rate that applies to all PRC companies not specifically listed in the **Federal Register** notice (see *Notice of Final Determination of Sales at Less Than Fair Value: Sebacic Acid from The People's Republic of The People's Republic of China*, 59 FR 28053 (May 31, 1994)). This definition indicates that the "PRC country-wide rate", in this case, is the same as the "all others" rate normally identified by the Department. In addition, pursuant to court remand, this "all others" rate was changed (see *Final Results of Redetermination Pursuant to Court Remand, Union Camp Corporation v. United States*, Consol. Court No. 94-08-00480, Slip Op. 96-123 (August 5, 1996)).

² See *Sebacic Acid from The People's Republic of China; Final Results of Antidumping Duty Administrative Review*, August 13, 1998 (63 FR 43373).

calculated margin is more indicative of the margin likely to prevail if the order were revoked, we determine that the original margins calculated in the Department's original investigation are probative of the behavior of Chinese producers and exporters of sebacic acid if the order were revoked. We will report to the Commission the company-specific and all others rates contained in the Final Results of Review section of this notice.

Final Results of Review

As a result of this review, the Department finds that revocation of the antidumping order would likely lead to continuation or recurrence of dumping at the margins listed below:⁵

| Manufacturer/exporter | Margin (percent) |
|---|------------------|
| SINOCHEN Jiangsu Import & Export Corp | 141.97 |
| Tianjin Chemical Import & Export Corp | 118.00 |
| SINOCHEN International Chemical Co | 82.66 |
| Guangdong Chemical Import & Export Corp | 102.99 |
| All Others | 243.40 |

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: April 1, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99-8622 Filed 4-6-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

University of Michigan; Notice of Decision on Application for Duty-Free Entry of Scientific Instrument

This is a decision pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 99-001. **Applicant:** The Regents of the University of Michigan, Ann Arbor, MI 48109-0602. **Instrument:** Electron Microscope, Model H-7500. **Manufacturer:** Hitachi Scientific Instruments, Japan. **Intended Use:** See notice at 64 FR 9981, March 1, 1999. Order Date: April 23, 1998.

Comments: None received. **Decision:** Approved. No instrument of equivalent scientific value to the foreign instrument, for such purposes as the instrument is intended to be used, was being manufactured in the United States at the time the instrument was ordered. **Reasons:** The foreign instrument is a conventional transmission electron microscope (CTEM) and is intended for research or scientific educational uses requiring a CTEM. We know of no CTEM, or any other instrument suited to these purposes, which was being manufactured in the United States at the time of order of the instrument.

Frank W. Creel,

Director, Statutory Import Programs Staff.

[FR Doc. 99-8619 Filed 4-6-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Application for Duty-Free Entry of Scientific Instrument

Pursuant to Section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897; 15 CFR part 301), we invite comments on the question of whether an instrument of equivalent scientific value, for the purposes for which the instrument shown below is intended to be used, is being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a)(3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington,

D.C. 20230. Application may be examined between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 99-003. **Applicant:** Louisiana State University, Mechanical Engineering Department, Nicholson Ext., Baton Rouge, LA 70803. **Instrument:** Electron Microscope, Model JEM-2010. **Manufacturer:** JEOL Ltd., Japan. **Intended Use:** The instrument will be used extensively in the study of microstructures, surfaces, and the structural and compositional characteristics of materials. The research areas of interest include but are not limited to the following: (1) fundamental issues of stress corrosion cracking phenomena and specifically directed toward understanding the nature of the embrittlement mechanism, (2) surface modification processes and more specifically with the processing-microstructure-property relationship of modified surfaces and thin films, (3) exploring the possibility to grow thick amorphous alloy layers by solid-state interdiffusion reactions in diffusion couples assisted by bombardment of energetic particles (plasma or ion beam), (4) understanding how and why solid-state alloying and amorphization can be achieved in some binary systems with relatively large positive heat of mixing (i.e., systems immiscible in equilibrium) and (5) studying the consolidation and properties of nanocrystalline metals, oxides and noncomposites. Application accepted by Commissioner of Customs: March 19, 1999.

Frank W. Creel,

Director, Statutory Import Programs Staff.

[FR Doc. 99-8620 Filed 4-6-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Request for Comments on the Asian Pacific Economic Cooperation (APEC) Electronic Commerce Steering Group Work Plan

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of request for public comment.

SUMMARY: The Department of Commerce/International Trade Administration (DOC/ITA) seeks comment on the APEC Electronic Commerce Steering Group work program.

DATES: Comments are due no later than April 21, 1999.

⁵The margins in this section of the notice reflect the changes to the original margins pursuant to court remand (see *Final Results of Redetermination Pursuant to Court Remand, Union Camp Corporation v. United States, Consol. Court No. 94-08-00480, Slip Op. 96-123 (August 5, 1996)*).