

Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, telephone: (202) 482-0405 or (202) 482-0196, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 1993, the Department published in the **Federal Register** (58 FR 37199) the final affirmative antidumping duty determination on Certain Cold-Rolled Carbon Steel Flat Products from the Netherlands, for which we published an antidumping duty order on August 19, 1993 (58 FR 44172). On August 3, 1994, the Department published the notice of "Opportunity to Request an Administrative Review" of this order for the period August 18, 1993 through July 31, 1994 (59 FR 39543). One respondent, Hoogovens Groep BV (Hoogovens), requested an administrative review (59 FR 39543). We initiated the administrative review for the period August 18, 1993 through July 31, 1994, on September 8, 1994 (59 FR 46391). The Department is now conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1994.

Scope of the Review

The products covered by this review include cold-rolled (cold-reduced) carbon steel flat-rolled products, of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished or coated with plastics or other nonmetallic substances, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7209.11.0000, 7209.12.0030, 7209.12.0090, 7209.13.0030, 7209.13.0090, 7209.14.0030, 7209.14.0090, 7209.21.0000, 7209.22.0000, 7209.23.0000, 7209.24.1000, 7209.24.5000, 7209.31.0000,

7209.32.0000, 7209.33.0000, 7209.34.0000, 7209.41.0000, 7209.42.0000, 7209.43.0000, 7209.44.0000, 7209.90.0000, 7210.70.3000, 7210.90.9000, 7211.30.1030, 7211.30.1090, 7211.30.3000, 7211.30.5000, 7211.41.1000, 7211.41.3030, 7211.41.3090, 7211.41.5000, 7211.41.7030, 7211.41.7060, 7211.41.7090, 7211.49.1030, 7211.49.1090, 7211.49.3000, 7211.49.5030, 7211.49.5060, 7211.49.5090, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7217.11.1000, 7217.11.2000, 7217.11.3000, 7217.19.1000, 7217.19.5000, 7217.21.1000, 7217.29.1000, 7217.29.5000, 7217.31.1000, 7217.39.1000, and 7217.39.5000.

Included in this review are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been bevelled or rounded at the edges. Excluded from this review is certain shadow mask steel, *i.e.*, aluminum-killed, cold-rolled steel coil that is open-coil annealed, has a carbon content of less than 0.002 percent, is of 0.003 to 0.012 inch in thickness, 15 to 30 inches in width, and has an ultra flat, isotropic surface. These HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

The POR is August 18, 1993, through July 31, 1994. This review covers sales of cold-rolled carbon steel by Hoogovens.

United States Price

The Department used exporter's sales price (ESP) and purchase price, as defined in section 772 of the Tariff Act. ESP was based on the packed, delivered price to unrelated purchasers in the United States after further manufacturing. We made adjustments, where applicable, for foreign inland freight, ocean freight, marine insurance, brokerage and handling, U.S. inland freight, U.S. duty, commissions to unrelated parties, U.S. credit, discounts, billing adjustments, warranties and technical service expenses and packing expenses incurred in the United States, and indirect selling expenses (which include inventory carrying costs, other U.S.-incurred selling expenses, and export selling expenses). We also adjusted ESP for value added in further manufacturing, including an allocation of profit earned on U.S. sales. On April 28, 1995, Hoogovens submitted, at the Department's request, minor corrections

to the ESP sales listing and further manufacturing cost data. However, this submission also included the breakout of two new model numbers. Further manufacturing costs were not provided for these two new models. To calculate further manufacturing costs for these models, we are using for purposes of the preliminary determination, as the best information available ("BIA") (pursuant to section 776(c) of the Act) the maximum further manufacturing costs provided by Hoogovens for secondary merchandise. See *Analysis Memorandum to the File, May 26, 1995*.

The purchase price sales were based on the sales price to the first unrelated purchaser in the United States. We made adjustments to purchase price, where appropriate, for foreign post-sale inland freight, foreign inland freight, ocean freight, marine insurance, brokerage and handling, U.S. duty, U.S. inland freight, discounts and billing adjustments.

We also adjusted USP (purchase price and ESP) for value-added taxes (VAT) in accordance with our practice as outlined in *Silicomanganese from Venezuela, Final Determination of Sales at Less Than Fair Value*, 59 FR 55439, November 7, 1994.

No other adjustments were claimed or allowed.

Foreign Market Value

Based on a comparison of the volume of home market and third country sales, we determined that the home market was viable. Therefore, in accordance with section 773(a)(1)(A) of the Tariff Act, we based FMV on the packed, delivered price to unrelated purchasers and related purchasers (where an arm's-length relationship was demonstrated) in the home market.

Based on a review of Hoogoven's submissions, the Department determined that Hoogovens need not report its home market sales made by related parties to the first unrelated party (downstream sales), because Hoogovens' downstream sales were only a small portion of the company's reported home market sales.

Hoogovens sold a small quantity of secondary subject merchandise in both the United States and home markets. In this review, the Department compared prime merchandise sold in the United States to prime merchandise sold in the home market, and secondary merchandise to secondary merchandise. In cases where a contemporaneous match for U.S. sales of secondary merchandise could not be found in the home market, the Department used the constructed value for prime merchandise to calculate FMV.