

available ("BIA") for non-cooperative respondents and in the weighted-average calculations of the "all others" rate, involved calculation errors that were ministerial in nature. However, the Department determined that these errors did not warrant correction since such correction did not result in a combined change of at least 5 absolute percentage points in, and no less than 25 percent of, any of the original preliminary dumping margins—the threshold for amending our preliminary determination.

On January 4, 1995, the petitioners contested the Department's finding, stating that the ministerial errors did, in fact, result in a combined change of at least 5 absolute percentage points in, and no less than 25 percent of, any of the original preliminary dumping margins and, therefore, require correction in amended preliminary determinations. The petitioners are correct.

Amendment of Preliminary Determinations

The Department is amending its preliminary determinations. Set forth below is the basis for the amended preliminary determinations concerning the recalculation of the initiation margin as it relates to both the BIA rate for non-cooperative respondents and the "all others" rate.

It is not our normal practice to amend preliminary determinations since these determinations only establish estimated margins, which are subject to verification and which may change in the final determination. However, the Department has stated that it will amend a preliminary determination to correct for significant ministerial errors. (*See Amendment to Preliminary Determination of Sales at Less Than Fair Value: Certain Welded Stainless Steel Pipes from Taiwan*, 57 FR 33492 (July 29, 1992)).

Russia

In the preliminary determinations for both pure and alloy magnesium from Russia, the highest margins for each class or kind (i.e., pure or alloy) of subject merchandise in the petition, as recalculated by the Department at initiation to account for errors in arithmetic and/or methodology, were assigned as BIA for non-cooperative respondents. In turn, the company-specific BIA margins were among the margins used in calculating the "all others" rate. Certain factor values, based on prices in the United States, were not included in the recalculation of the petition margin at initiation because (1) petitioners failed to follow the

Department's established hierarchy with respect to factor valuation, and (2) petitioners provided no basis for determining that the United States values were representative of the appropriate surrogate country values. Specifically, no value for factory overhead was included in the constructed value calculation on which the initiation margins for pure and alloy magnesium from Russia are based. In addition, values for four inputs, fluorspar, magnesium chloride, sodium chloride, and barium chloride, as well as a value for packing, were not included in the initiation margin calculations. Therefore, the petitioners argued that the Department's recalculations result in the understatement of the margin assigned as BIA to non-cooperative respondents and in the understatement of the margin used in calculating the "all others" rate as well.

The Department considers the omission of certain factor values in the recalculated margins from the petition to be ministerial errors. Because correction of this error would result in a change of at least 5 absolute percentage points in, but not less than 25 percent of, the BIA margins in the preliminary determinations for pure and alloy magnesium from Russia, this error constitutes a significant ministerial error.

The omission of factory overhead has been corrected by applying the Brazilian surrogate percentage value for factory overhead to the petition's total cost of manufacture and the resulting figure was included in the petition's margin calculation. Selling, general and administrative (SG&A) expenses and profit in the petition's margin calculations for pure and alloy magnesium from Russia were also recalculated accordingly to account for factory overhead. In addition, the Brazilian surrogate value for fluorspar as a flux additive was also included in the revised margin assigned as BIA for non-cooperative respondents and used in the calculation of the "all others" rate. The petitioners requested that the missing factor values be based on U.S. experience reported in the petition. However, the factor values in the petition were already determined by the Department to be inappropriate. Accordingly, the Department is applying the surrogate values, which more reasonably reflect the value of these factors in the production process.

No values were included for magnesium chloride, barium chloride, or sodium chloride since those factors were never considered in the petition's margin calculations. In addition,

packing could not be valued since the petition provided no specific quantity data on the factor for determining an appropriate unit value.

Ukraine

In the preliminary determination for pure magnesium from Ukraine, the highest margin in the petition, as recalculated by the Department at initiation to account for errors in arithmetic and/or methodology, was assigned as BIA for non-cooperative respondents. In turn, the company-specific BIA margins were among the margins used in calculating the "all others" rate.

Furthermore, in calculating Gerald Metals' margin for pure magnesium from Ukraine, the BIA margin, based on this recalculated initiation margin, was applied to certain U.S. sales transactions of subject merchandise produced by an uncooperative respondent, Zaporozhye.

Certain factor values, based on prices in the United States, were not included in the recalculation of the petition margin at initiation because (1) petitioners failed to follow the Department's established hierarchy with respect to factor valuation, and (2) petitioners provided no basis for determining that the United States values were representative of the appropriate surrogate country values. Specifically, no values for factory overhead and two material inputs used in the production of the subject merchandise were included in the constructed value calculation on which the petition margin for pure magnesium was based. Therefore, petitioners argued, the Department's recalculation of the petition margin resulted in the understatement of the margin assigned as BIA to non-cooperative respondents, in the understatement of the "all others" rate, and in the understatement of Gerald Metals' calculated margin.

The Department considers the omission of certain factor values in the recalculated petition margin to be a ministerial error. Because correction of this error would result in a change of at least 5 absolute percentage points in, but not less than 25 percent of, the BIA margin in the preliminary determination for pure magnesium from Ukraine, this error constitutes a significant ministerial error.

The ministerial error has been corrected by applying the percentage value for factory overhead used in the preliminary determination margin calculations (which was the factory overhead rate from the petition because a surrogate value for factory overhead from either Indonesia or Egypt could not be found) to the petition's total cost of