

local newspapers, including the Daily Interlake based in Kalispell, Montana.

Dated: December 29, 2003.

**Bob Castaneda,**

*Forest Supervisor.*

[FR Doc. 04-185 Filed 1-5-04; 8:45 am]

BILLING CODE 3410-11-M

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Meeting

**AGENCY:** Notice of Resource Advisory Committee, Sundance, Wyoming, USDA, Forest Service.

**ACTION:** Notice of meeting.

**SUMMARY:** Pursuant to the authorities in the Federal Advisory Committee Act (Pub. L. 92-463) and under the Secure Rural Schools and Community Self-Determination Act of 2000 (Pub. L. 106-393) the Black Hills National Forests' Crook County Resource Advisory Committee will meet Tuesday, January 20th, in Sundance, Wyoming for a business meeting. The meeting is open to the public.

**SUPPLEMENTARY INFORMATION:** The business meeting on January 20, begins at 6:30 p.m., at the U.S. Forest Service, Bearlodge Ranger District office, 121 South 21st Street, Sundance, Wyoming. Agenda topics will include: Updates on previously funded projects and a review of proposals still needing action. A public forum will begin at 8:30 p.m. (m.t.).

**FOR FURTHER INFORMATION CONTACT:** Steve Kozel, Bearlodge District Ranger and Designated Federal Officer, at (307) 283-1361.

Dated: December 17, 2003.

**Scott Tangenberg,**

*Bearlodge District Ranger.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-357-812]

#### Honey From Argentina: 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:** On January 22, 2003, the Department of Commerce (the Department) published in the **Federal Register** (68 FR 3009) a notice announcing the initiation of the administrative review of the antidumping duty order on honey from Argentina. The period of review (POR) is May 11, 2001, to November 30, 2002.

We preliminarily determine that sales of honey from Argentina have been made below the normal value (NV) in the cases of Nexco S.A. and Seylinco S.A. If these preliminary results are adopted in our final results of administrative review, we will instruct Customs and Border Protection (CBP) to assess antidumping duties based on the difference between the export price (EP) or constructed export price (CEP) and NV. Interested parties are invited to comment on these preliminary results. Parties who submit argument in these proceedings are requested to submit with the argument: (1) A statement of the issues, (2) a brief summary of the argument, and (3) a table of authorities.

**EFFECTIVE DATE:** January 6, 2004.

#### FOR FURTHER INFORMATION CONTACT:

Phyllis Hall for Nexco S.A. (Nexco), David Cordell for TransHoney S.A. (TransHoney), Brian Sheba for (HoneyMax S.A. (HoneyMax) and Seylinco S.A. (Seylinco)), Angela Strom for (Asociacion de Cooperativas Argentinas (ACA)) or Donna Kinsella, Enforcement Group III, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Room 7866, Washington, DC 20230; telephone (202) 482-1398, (202) 482-0408, (202) 482-0145, (202) 482-2704, (202) 482-0194, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On December 31, 2002, the American Honey Producers Association and the Sioux Honey Association (collectively "petitioners") requested an administrative review of the antidumping duty order (*see Notice of Antidumping Duty Order: Honey from Argentina*, 66 FR 63672 (December 10, 2001)) on honey from Argentina in response to the Department's notice of opportunity to request a review published in the **Federal Register**. Petitioners requested the Department conduct an administrative review of entries of subject merchandise made by 21 Argentine producers/exporters. In addition, the Department received requests for review from 9 Argentine exporters. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in*

*Part*, 68 FR 3009 (January 22, 2003). The Department initiated the review for all companies.

On January 17, 2003, petitioners withdrew their requests for review of 14 of the 21 companies. The Department subsequently rescinded the review with respect to these 14 companies. *See Honey from Argentina: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 13895 (March 21, 2003).

On February 19, 2003, the Department issued sections A, B and C of the antidumping questionnaire to all exporters subject to review. We received responses on May 12 and May 15, 2003 (ACA); March 14 and April 21, 2003 (HoneyMax); March 14 and April 21, 2003 (Nexco); March 21 and April 21, 2003 (Seylinco); April 3, April 21 and May 15, 2003 (CEASA and TransHoney); April 21 and May 15, 2003, (Radix). We received comments from petitioners on April 2 and May 21, 2003 (ACA); May 9, 2003 (Nexco); April 3 and May 12, 2003 (HoneyMax and Seylinco); April 15 and May 12, 2003 (TransHoney); April 14 and May 14, 2003 (CEASA); and April 10 and May 2, 2003 (Radix). The Department issued supplemental questionnaires on June 3, 2003 (ACA); and on May 23, 2003 (HoneyMax, Nexco, Seylinco CEASA, Radix and TransHoney). We received responses on July 1 (ACA); June 12 (HoneyMax); June 18 (Nexco); June 16 (Seylinco); and June 23, 2003 (TransHoney, CEASA and Radix). Petitioners commented on these responses on July 23 (ACA); July 16 (HoneyMax); July 22 (Nexco); July 1 (Seylinco); July 9 (Radix); and July 10, 2003 (TransHoney and CEASA). The Department issued additional supplemental questionnaires on July 29 (TransHoney, CEASA and Radix); July 30 (ACA, HoneyMax and Seylinco); and August 1, 2003 (Nexco). We received responses to these additional supplemental questionnaires on August 19 (ACA); August 11 (HoneyMax); August 20 (Nexco); August 11 (Seylinco); and August 18 (TransHoney).

On July 23, 2003, the Department extended the time limit for issuance of the preliminary results of the administrative review to December 8, 2003. *See Honey from Argentina: Extension of Time Limit for Preliminary Results of Administrative Review*, 68 FR 43491 (July 23, 2003).

On May 12, 2003, the petitioners alleged that CEASA, TransHoney, HoneyMax, Nexco, and Seylinco made sales in the comparison market during the POR at less than the cost of production and requested that the

Department initiate a sales below cost investigation with respect to these companies. On May 21, 2003, Nexco, Seylinco, HoneyMax, CEASA and TransHoney filed comments regarding petitioners' cost allegations. On June 5, 2003, petitioners submitted rebuttal comments. On July 2, 2003, the Department initiated a sales below cost investigation for CEASA and TransHoney. *See Decision Memorandum of Petitioner's Allegation of Sales Below the Cost of Production by Cia Europeo Americana, S.A., HoneyMax, S.A., Nexco, S.A., Seylinco, S.A. and TransHoney, S.A. from The Team to Barbara Tillman*, dated July 2, 2003, and the *Decision Memorandum of Selection of Cost Respondents from The Team to Neal Halper*, dated July 14, 2003. On July 24, 2003, the Department issued Section D questionnaires to suppliers of ACA, TransHoney, CEASA, and Radix.

On August 13, 2003, Radix and CEASA, submitted letters withdrawing their requests for review. On the same date, petitioners also submitted a letter withdrawing their request for review with respect to Radix and CEASA. The Department granted this request and subsequently rescinded the review with respect to these two companies. *See Honey from Argentina: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 52386 (September 3, 2003).

The Department received responses to Section D of the antidumping questionnaire on September 12, 17, 23, and 29 (suppliers of ACA), and on September 26, 2003 (suppliers of TransHoney). We received comments from petitioners on the Cost Responses of ACA and TransHoney beekeepers and middlemen on October 3, 2003. We issued supplemental questionnaires to ACA and TransHoney (suppliers and middlemen) on October 6, 2003. We received responses to these supplemental questionnaires on November 3 (TransHoney) and November 4, 6 and 7, 2003 (ACA). We received comments from petitioners on the supplemental cost responses of ACA and TransHoney beekeepers and middlemen on November 17, 2003.

On August 28, 2003, the Department requested constructed value (CV) information from Seylinco and HoneyMax. Requests for reconsideration were filed by HoneyMax and Seylinco on September 4, 2003. The Department received comments from petitioners on September 16, 2003. On September 29, 2003, the Department initiated a cost investigation for HoneyMax. *See Decision Memorandum of Initiation of a Cost Investigation for HoneyMax S.A.*

(*"HoneyMax"*) and *Rescission of Request for Constructed Value Pursuant to an August 28, 2003, Request from the Department, from the Team to Joseph Spetrini*, dated September 29, 2003. On September 30, 2003, the Department issued section D questionnaires to HoneyMax suppliers.

On November 26, 2003, the Department extended the time limit for preliminary results of the administrative review to December 31, 2003. *See Honey from Argentina; Extension of Time Limit for Preliminary Results of Administrative Review*, 68 FR (66399) (November 26, 2003).

### Scope of the Review

The merchandise under review is honey from Argentina. For purposes of this review, the products covered are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey. The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.

The merchandise under review is currently classifiable under subheadings 0409.00.00, 1702.90.90, and 2106.90.99 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Although the HTSUS subheadings are provided for convenience and CBP purposes, the Department's written description of the merchandise under this order is dispositive.

### Verification

As provided in section 782(i) of the Tariff Act (Act), we verified sales and cost information provided by the companies using standard verification procedures such as the examination of relevant sales and financial records. Our sales verification results are outlined in the public and proprietary versions of sales verification reports, which are on file in the Central Records Unit (CRU) of the Department in room B-099 of the main Commerce building. *See Transhoney's Sales Verification Report* dated October 22, 2003; *Nexco's Sales Verification Report* dated October 30, 2003; *ACA's Sales Verification Report* dated November 12, 2003; *HoneyMax's and Seylinco's Sales Verification Reports* dated November 7, 2003. The cost verification reports will be available on file in the CRU.

### Product Comparison

In accordance with section 771(16) of the Act, we considered all sales of honey covered by the description in the

"Scope of Review" section of this notice, *supra*, which were sold in the third country market during the POR, to be the foreign like product for the purpose of determining appropriate product comparisons to honey sold in the United States. In making the product comparisons, we matched products based on the physical characteristics reported by ACA, HoneyMax, Nexco, Seylinco and TransHoney. Where there were no sales of identical merchandise in the third country market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics and reporting instructions listed in the antidumping duty questionnaire and instructions, or to constructed value (CV), as appropriate.

### Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act, to the extent practicable, we determine NV based on sales in the home market at the same level of trade (LOT) as EP or the CEP. The NV level of trade is that of the starting-price sales in the home market or, when NV is based on CV, that of sales from which we derive selling, general and administrative (SG&A) expenses and profit. For CEP, it is the level of the constructed sale from the exporter to an affiliated importer after the deductions required under section 772(d) of the Act.

To determine whether NV sales are at a different level of trade than CEP, 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. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). *See Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732-33 (November 19, 1997).

ACA reported two levels of trade in the U.S. and third country markets

corresponding to differing channels of distribution: (1) Sales to packers and (2) sales to importers. The Department has determined that differing channels of distribution, alone, do not qualify as separate levels of trade (LOTs) when selling functions performed for each customer class are sufficiently similar. We found that the selling functions ACA provided to its reported channels of distribution in the third country and U.S. markets were virtually the same, varying only by the degree to which warranty services were provided. We do not find the varying degree of warranty services sufficient to determine the existence of different marketing stages. Thus, we have determined there is only one level of trade for ACA's sales to all markets. *See ACA's Analysis Memorandum* dated December 30, 2003.

HoneyMax, Nexco, Seylinco and TransHoney reported a single level of trade for all U.S. and third country sales. Each company claimed that its selling activities in both markets are identical. At verification, we found essentially the same services offered in both markets. Therefore for HoneyMax, Nexco, Seylinco, and TransHoney, we determine that all reported sales are made at the same level of trade, and we have no need to make a level of trade adjustment. *See Analysis Memoranda for HoneyMax, Nexco, Seylinco and TransHoney* dated December 30, 2003.

### Fair Value Comparisons

To determine whether sales of subject merchandise made by ACA, HoneyMax, Nexco, Seylinco, and TransHoney to the United States were made at less than fair value, we compared the EP or CEP, to the NV, as described below. Pursuant to section 777A(d)(2) of the Act, we compared the EP or CEP of individual U.S. transactions to the monthly weight-averaged NV of the foreign like product where there were sales at prices above the cost of production (COP), as discussed in the "Cost of Production Analysis" section below.

### Transactions Investigated

Section 351.401(i) of the Department's regulations states that the Department will normally will use date of invoice, as recorded in the exporter's or producer's records kept in the ordinary course of business, as the date of sale, but may use a date other than the date of invoice if it better reflects the date on which material terms of sale are established. For ACA and HoneyMax (U.S. sales), the Department used the reported shipment date as shipment occurred prior to invoice date. TransHoney reported either shipment date or invoice date, whichever

occurred first. Nexco, Seylinco, and HoneyMax (third country sales) reported the invoice date as date of sale. However, for Nexco the Department used shipment date as date of sale where shipment date occurred prior to invoice date as it is the Department's practice to use the date of shipment as the date of sale where date of shipment precedes invoice date. *See Notice of Final Determinations of Sales at Less than Fair Value: Certain Durum Wheat and Hard Red Spring Wheat from Canada*, 68 FR 52741, (September 5, 2003) and accompanying Decision Memo at Comment 3.<sup>1</sup>

### Export Price and Constructed Export Price

Section 772(a) of the Act defines EP as "the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States. \* \* \*," as adjusted under subsection (c). Section 772(b) of the Act defines CEP as "the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter. \* \* \*," as adjusted under subsections (c) and (d). For purposes of this administrative review, HoneyMax classified all of its U.S. sales as CEP because all of its U.S. sales were made through its wholly-owned U.S. affiliate to non-affiliated purchasers in the United States. ACA, Nexco, Seylinco and TransHoney have classified their U.S. sales as EP because all sales were made to unaffiliated purchasers in the U.S. market. For purposes of these preliminary results, we have accepted these classifications.

### Normal Value

#### 1. Home Market Viability

In accordance with section 773(a)(1)(C) of the Act, to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is

greater than or equal to five percent of the aggregate volume of U.S. sales), we compare each company's aggregate volume of home market sales of the foreign like product to its aggregate volume of U.S. sales of subject merchandise. For HoneyMax, Nexco, Seylinco, and TransHoney, the aggregate volume of sales in the home market of the foreign like product was less than five percent of the aggregate volume of U.S. sales of the subject merchandise. Therefore, we determined for these companies that sales in the home market did not provide a viable basis for calculating NV.

Section 773(a)(1)(C)(iii) provides that Commerce may determine that home market sales are inappropriate as a basis for determining normal value if the particular market situation would not permit a proper comparison. On March 4, 2003, ACA alleged that during the POR a particular market situation existed with respect to sales of honey in Argentina which renders these sales inappropriate for purposes of calculating NV. Petitioners responded on March 26, 2003, alleging that ACA failed to explain why their home market is not appropriate for determining normal value. On April 10, ACA responded deeming the following factors relevant in finding a particular market situation with respect to honey sold in the Argentine market: (1) The industry is export oriented; (2) home market sales are incidental and of inferior quality; (3) sales were at reduced prices; and (4) the marketing and distribution of domestic sales were perfunctory. On April 25, 2003, the Department determined that a particular market situation exists with respect to ACA's sales of honey in Argentina which renders the Argentine market inappropriate for purposes of determining normal value. *See Decision Memorandum of Analysis of Particular Market Place Situation from Angela Strom Through Donna Kinsella and Richard Weible to Barbara Tillman*, dated April 25, 2003.

When sales in the home market are not viable, section 773(a)(1)(B)(ii) of the Act provides that sales to a particular third-country market may be utilized if (I) the prices in such market are representative; (II) the aggregate quantity of the foreign like product sold by the producer or exporter in the third-country market is five percent or more of the aggregate quantity of the subject merchandise sold in or to the United States; and (III) the Department does not determine that a particular market situation in the third-country market prevents a proper comparison with the U.S. price. HoneyMax, Nexco,

<sup>1</sup> See page 16 of the Decision Memorandum, which is available on the Web at <http://ia.ita.doc.gov/frn/summary/canada/03-22661-1.pdf> or in the Import Administration's Central Records Unit located at Room B-099, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, NW., Washington, DC 20230.

TransHoney and Seylinco reported Germany as their largest third country market during the POR in terms of volume of sales (and with five percent or more of sales to the United States). ACA reported the United Kingdom as its largest third country market during the POR in terms of volume of sales (and with five percent or more of sales to the United States). See *Notice of Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination To Revoke the Order in Part, and Partial Rescission of Antidumping Duty Administrative Review: Fresh Atlantic Salmon From Chile*, 67 FR 51186 (August 7, 2002), (selecting the largest third country market as the basis for normal value). The Department preliminarily determines that the prices in Germany and the United Kingdom are representative and no particular market situation exists that would prevent a proper comparison. As a result, for HoneyMax, Nexco, TransHoney, and Seylinco, normal value is based on sales to Germany. For ACA, normal value is based on sales to the United Kingdom.

For all companies under review, therefore, NV is based on third country market sales to unaffiliated purchasers made in the usual commercial quantities and in the ordinary course of trade. For NV, we used the prices at which the foreign like product was first sold for consumption in the usual commercial quantities, in the ordinary course of trade, and, to the extent possible, at the same LOT as the EP or CEP as appropriate. We calculated NV as noted in the "Price-to-CV Comparisons" and "Price-to-Price Comparisons" sections of this notice.

## 2. Cost of Production

### Background

Based on the information contained in a timely cost allegation filed by petitioners on May 12, 2003, the Department found reasonable grounds to believe or suspect that sales of the foreign like product by HoneyMax and TransHoney, in their respective comparison markets, were made at prices below the cost of production, pursuant to section 773(b)(1) of the Act. See *Petitioners' Allegation of Sales Below Cost* dated May 12, 2003. As a result, the Department initiated a sales below-cost investigation for TransHoney and HoneyMax. See *Decision Memorandum of Petitioner's Allegation of Sales Below the Cost of Production by Cia Europeo Americana, S.A., HoneyMax, S.A., Nexco, S.A., Seylinco, S.A. and TransHoney, S.A. from the Team to Barbara Tillman*, dated July 2,

2003; and *Decision Memorandum of Initiation of a Cost Investigation for HoneyMax, S.A. ("HoneyMax"); and Rescission of Request for Constructed Value, Pursuant to an August 28, 2003, Request from the Department; from the Team to Joseph Spetrini*, dated September 29, 2003.

With respect to ACA, because the Department found in the investigation certain sales made to the comparison market at prices below the cost of producing the subject merchandise and excluded such sales from normal value, the Department determined that there are reasonable grounds to believe or suspect that ACA made sales in the comparison market at prices below the cost of producing the merchandise in this review. See *Notice of Final Determination of Sales at Less Than Fair Value; Honey from Argentina*, 66 FR 50611 (October 4, 2001); and section 773(b)(2)(A)(i) of the Act. As a result, the Department initiated a sales below cost investigation with respect to ACA to determine whether ACA made sales to the comparison market during the POR at prices below the respective COP within the meaning of section 773(b) of the Act.

### A. Cost of Production Analysis

As noted above, because the Department disregarded sales below cost in the investigation for ACA, which was the most recently completed segment of the proceeding, we automatically initiated a cost of production (COP) inquiry for this respondent. For both HoneyMax and TransHoney S.A., based on our analysis of allegations made by the petitioners after the initiation of the administrative review, we found that there were reasonable grounds to believe or suspect that sales of honey in the comparison market were made at prices below their COP. Accordingly, pursuant to section 773(b) of the Act, we initiated company-specific sales-below-cost investigations to determine whether sales of honey were made at prices below their COP. Further, as noted above in the case history, on March 14, 18, and 28, 2003, the aforementioned respondents stated in the section A questionnaire responses that they were exporters of the subject merchandise, not producers of subject merchandise, and included a list of their honey suppliers. Because each exporter reported that it had approximately 20 to 300 beekeeper suppliers and 8 to 20 intermediary suppliers, the Department developed a methodology to calculate a representative COP and CV for the merchandise under consideration. The Department's cost respondent methodology resulted in selecting five

beekeepers that supplied the largest quantity of honey to each exporter as reported in the exporters' list of beekeeper suppliers.<sup>2</sup> In addition, the Department selected one intermediary supplier that supplied that largest quantity of honey to each exporter. A simple average of the costs of production for each exporter was then calculated.

### B. Calculation of COP

As noted above, respondents were exporters of the subject merchandise, not producers of subject merchandise. Therefore, consistent with our practice regarding the cost of resales of subject merchandise, we requested COP data from selected beekeeper suppliers for each exporter. See *Selection of Cost of Production Respondents Memorandum*, dated July 14, 2003. In accordance with section 773(b)(3) of the Act, we calculated a COP for each beekeeper supplier based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for general and administrative (G&A) expenses, interest expenses and comparison market packing costs for each exporter's selected beekeeper suppliers. We then added the associated selling expenses that each exporter incurred to calculate the final COP.

As specified below, we determined that the Argentine economy experienced significant inflation during the POR. Therefore, in order to avoid the distortive effect of inflation in our comparison of costs and prices, we requested that the beekeeper suppliers submit the product-specific cost of production (COP) incurred during the cost reporting period which corresponded to a full honey growing and harvesting season. We then calculated an average COP for honey after indexing the reported monthly costs to an equivalent currency level as of November 2002 using the wholesale price index from the Argentine Instituto Nacional de Estadística y Censos to reflect the effects of inflation. After calculating the weighted average COP for each cost respondent, we calculated an average COP for each exporter based on that exporter's selected honey suppliers. We then restated the average COPs for each exporter in the currency value of each respective month.

### Common and Individual Cost Respondent Adjustments

We relied on the COP data submitted by each cost respondent in its cost

<sup>2</sup> See *Selection of Cost of Production Respondents Memorandum to Neal M. Halper from The Team* dated July 14, 2003.

questionnaire response, as discussed below:

(1) Common Cost Respondent Adjustment

We adjusted the reported labor costs for all cost respondents. Virtually all of the labor provided on these farms was performed by the owners or a small number of hired laborers. For reporting purposes, a majority of the cost respondents relied on estimated labor hours and rates for the hired laborers and minimal or zero labor costs for the owners. However, nine of the beekeeper suppliers did not maintain any labor type records and could not provide supporting documentation for the labor costs reported for hired laborers. In addition, none of the beekeeper suppliers were able to provide support for the reported owner's labor costs. As a result, we relied instead on the per hive labor rate from the one beekeeper supplier that maintained and provided supporting documentation for the costs incurred for hired laborers to produce honey. For the owner's labor costs, we used the labor cost from the Argentine Government's Bulletin For Agricultural Workers.<sup>3</sup>

We adjusted the denominator used in the calculation of the general and administrative expenses (G&A) and the financial expense ratios for all beekeepers. We excluded imputed labor from the total cost of manufacturing (COM) of all products in the calculation of the ratio denominator. We then applied the calculated G&A and financial expense ratios to the per-unit COM exclusive of imputed labor.

(2) Individual Cost Respondent Adjustments

See Memoranda from The Team to Neal M. Halper, "Cost of Production and Constructed Value Adjustments for the Preliminary Results," dated December 30, 2003, (COP/CV Adjustments Memoranda).

C. Test of Third Country Prices and Results of the COP Test

In determining whether to disregard third country market sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act: (1) Whether, within an extended period of time, such sales were made in substantial quantities; and (2) whether such sales were made at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade.

Where less than 20 percent of the respondent's home market sales of a given model (*i.e.*, CONNUM) were at prices below the COP, we did not disregard any below-cost sales of that model because we determined that the below-cost sales were not made within an extended period of time and in "substantial quantities." Where 20 percent or more of the respondent's home market sales of a given model were at prices less than COP, we disregarded the below-cost sales because: (1) They 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 our comparison of prices to the weighted-average COPs for the POR, they were at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, for purposes of this administrative review, we disregarded below-cost sales made by TransHoney or ACA where 20 percent or more of the respondent's home market sales of a given model were at prices less than COP, and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

With respect to HoneyMax, because the Department did not receive COP information from HoneyMax suppliers until very late in the proceeding, we were unable to incorporate sales below cost analysis in these preliminary results of the review. Subsequent to these preliminary results and prior to the date for comments with respect to HoneyMax, the Department intends to issue a preliminary analysis memorandum detailing the COP calculation for HoneyMax suppliers and the results of the cost test involving HoneyMax sales. These results, in consideration of all comments submitted, will be included in the Department's final results of the review.

**Price-to-Price Comparisons**

*ACA*

For those product comparisons for which there were sales at prices above the COP, we based NV on the third country market prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses (*i.e.*, inland freight) in accordance with section 773(a)(6)(B) of the Act. We also made adjustments, where applicable, for direct selling expenses, in accordance with section 773(a)(6)(C) of the Act. See *ACA's Analysis Memorandum* dated December 30, 2003.

*HoneyMax*

We based NV on the third country market prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Act. We made circumstance-of-sale adjustments for credit, where appropriate, in accordance with section 773(a)(6)(C). We also made adjustments, where applicable, for other direct selling expenses in accordance with section 773(a)(6)(C) of the Act. See *HoneyMax's Analysis Memorandum* dated December 30, 2003.

*Nexco*

We based NV on the third country prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Act. We made circumstance-of-sale adjustments for credit and other direct selling expenses where appropriate in accordance with section 773(a)(6)(C) of the Act. See *Nexco's Analysis Memorandum* dated December 30, 2003.

*Seylinco*

We based NV on the third country prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Act. We made circumstance-of-sale adjustments for credit where appropriate in accordance with section 773(a)(6)(C) of the Act. We also made adjustments, where applicable, for other direct selling expenses in accordance with section 773(a)(6)(C) of the Act. See *Seylinco's Analysis Memorandum* dated December 30, 2003.

*TransHoney*

For those product comparisons for which there were sales at prices above the COP, we based NV on the third country market prices to unaffiliated purchasers. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Act. We made circumstance-of-sale adjustments for credit and direct selling expenses, where appropriate, in accordance with section 773(a)(6)(C) of the Act. See *TransHoney's Analysis Memorandum* dated December 30, 2003.

**Currency Conversion**

We made currency conversions into U.S. dollars in accordance with section 773A of the Act. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars unless the daily rate involves a

<sup>3</sup> See RESOLUCION C.N.T.A. N° 33/94 issued on December 29, 1994, which is available on the Web at [http://www.trabajo.gov.ar/legislacion/resolucion/files\\_rural/res0033-1994.dot](http://www.trabajo.gov.ar/legislacion/resolucion/files_rural/res0033-1994.dot).

fluctuation. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by 2.25 percent. The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice. *See Policy Bulletin 96.1; see also Preliminary Results of Antidumping Duty Administrative Review; Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide From the Netherlands*, 64 FR 36841, 36843 (July 8, 1999); *Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Canned Pineapple Fruit From Thailand*, 64 FR 30476, 30480 (June 8, 1999).

In adopting its currency conversion policy, the Department recognized that a sudden large decrease in the value of a currency without any significant rebound could meet the technical definition of a fluctuation. To avoid this unintended result, in Policy Bulletin 96.1 the Department explained that we would apply the average benchmark rate in the case of an exchange rate "fluctuation" but also stated that we would use daily rates when "the decline in the value of a foreign currency is so precipitous and large as to reasonably preclude the possibility that it is merely fluctuating." In *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coils and Stainless Steel Sheet and Strip From Korea*, 64 FR 30664 (June 8, 1999) (SSSS from Korea), the Department found that a decline of more than 40 percent within a two-month period was sufficiently large and precipitous that use of daily rates was warranted during this two-month period. In contrast, in *Notice of Final Determination of Sales at Less Than Fair Value: Extruded Rubber Thread from Indonesia*, 64 FR 14690, 14693 (March 26, 1999) (*Extruded Rubber Thread from Indonesia*), the Department found that a decline of some 50 percent spread over five months was not precipitous and large and continued to employ its normal exchange rate methodology. *See* 64 FR 14690, 14693 (March 26, 1999). *See Notice of Final Results of Antidumping Duty Administrative Review: Certain Welded Carbon Steel Pipes and Tubes from Thailand*, 64 FR 56759, 56763 (October 21, 1999) (*Pipe and Tube from Thailand*). *See also, DRAMS from Korea: Final Results of Antidumping Duty Administrative*

*Review*, 64 FR 69694, 69703–04 (December 14, 1999).

Our preliminary analysis of dollar-peso exchange rates shows that the peso declined rapidly in early 2002, losing almost 70 percent of its value over a three month period. Prior to this, the Argentine peso was pegged to the U.S. dollar and it did not fluctuate. Starting in January 2002, however, the peso experienced a large decline against the dollar in short succession, and it did not rebound significantly in a short time. Indeed, the decline in value of the peso was as large and more rapid than the decline in the value of the Korean won in 1997, which we have found to be precipitous and large. *See Notice of Final Determination of Sales at Less than Fair Value of Stainless Steel Sheet and Strip in Coils from the Republic of Korea*, 64 FR 109, 30664, 30670 (June 8, 1999). As such, we preliminary determine that the decline in the peso during January through March 2002 was of such magnitude that the dollar-peso exchange rate cannot reasonably be viewed as having simply fluctuated at that time, *i.e.*, as having experienced only a momentary drop in value relative to the normal benchmark. We find that there was a large, precipitous drop in the value of the peso in relation to the U.S. dollar between January through March 2002, warranting application of daily exchange rates. We recognize that, following a large and precipitous decline in the value of a currency, a period may exist during which exchange rate expectations are revised and thus it is unclear whether further declines are a continuation of the large and precipitous decline or merely fluctuations. Thus, we devised a methodology for identifying the point following a precipitous drop at which it is reasonable to presume the rates were merely fluctuating. Beginning on January 7, 2002, we used only actual daily rates until the daily rates were not more than 2.25 percent below the average of the 20 previous daily rates for five consecutive days. At that point, we determined that the pattern of daily rates no longer reasonably precluded the possibility that they were merely "fluctuating." Using a 20-day average for this purpose provides a reasonable indication that it is no longer necessary to refrain from using the normal methodology, while avoiding the use of daily rates exclusively for an excessive period of time. Accordingly, from the first of these five days, we resumed classifying daily rates as "fluctuating" or "normal" in accordance with our standard practice, except that we began with a 20-day benchmark and on each

succeeding day added a daily rate to the average until the normal 40-day average was restored as the benchmark. *See Pipe and Tube from Thailand*. Applying this methodology in the instant case, we used daily rates from January 7, 2002, through March 31, 2002. We then resumed the use of our normal methodology through the end of the period of review (November 30, 2002), starting with a benchmark based on the average of the 20 reported daily rates beginning on April 1, 2002.

The Department's preferred source for daily exchange rates is the Federal Reserve Bank. *See Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 68 FR 47049 (August 7, 2003). However, the Federal Reserve Bank does not track or publish exchange rates for the Argentine Peso. Therefore, we made currency conversions based on the daily exchange rates from Factiva, a Dow Jones & Reuters Retrieval Service. The exchange rate is expressed as pesos per dollar. Factiva publishes exchange rates for Monday through Friday only. We used the rate of exchange on the most recent Friday for conversion dates involving Saturday through Sunday where necessary.

#### Preliminary Results of Review

As a result of our review we preliminarily determine the following weighted-average dumping margins exist for the period May 11, 2001, through November 30, 2002:

Manufacturer/exporter	Weighted average margin (percentage)
Asociacion de Cooperativas Argentinas	0
HoneyMax S.A .....	0
Nexco S.A .....	0.87
Seylinco S.A .....	0.59
TransHoney S.A .....	0

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). An interested party may request a hearing within thirty days of publication. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date per 19 CFR 351.310(d). Interested parties may submit case briefs or written comments no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments,



may be filed no later than 35 days after the date of publication of this notice. Parties who submit arguments in these proceedings 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, we would appreciate it if parties submitting case briefs, rebuttal briefs, and written comments would provide the Department with an additional copy of the public version of any such argument on diskette. The Department will issue final results of this administrative review, including the results of our analysis of the issues in any such case briefs, rebuttal briefs, and written comments or at a hearing, within 120 days of publication of these preliminary results.

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we calculated importer-specific *ad valorem* assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. The Department will issue appropriate appraisal instructions directly to CBP upon completion of the review.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of honey from Argentina entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act:

(1) The cash deposit rates for all companies reviewed will be the rates established in the final results of review;

(2) For any previously reviewed or investigated company not listed above, the cash deposit rate will continue to be the company-specific rate published in the most recent period;

(3) If the exporter is not a firm covered in this review or the 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 the "all others" rate from the investigation (36.59 percent); *See Notice of Final Determination of Sales at Less*

*Than Fair Value; Honey From Argentina*, 66FR 50611–50613, 40562 (October 4, 2001).

This notice also 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 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.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 30, 2003.

**James J. Jochum,**

*Assistant Secretary for Import Administration.*

[FR Doc. 04–236 Filed 1–5–04; 8:45 am]

BILLING CODE 3510–DS–P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A–588–850]

#### Notice of Rescission of Antidumping Duty Administrative Review: Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From Japan

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

**ACTION:** Notice of rescission of antidumping duty administrative review.

**EFFECTIVE DATE:** January 6, 2004.

**SUMMARY:** On July 29, 2003, the Department of Commerce (the Department) published in the **Federal Register** (68 FR 44524) a notice announcing the initiation of an administrative review of the antidumping duty order on certain large diameter carbon and alloy seamless standard, line, and pressure pipe from Japan covering the period June 1, 2002, through May 31, 2003. This review was requested by United States Steel Corporation (the petitioner). We are now rescinding this review as a result of the petitioner's withdrawal of its request for an administrative review.

**FOR FURTHER INFORMATION CONTACT:**

Constance Handley or Keith Nickerson, at (202) 482–0631 or (202) 482–3813, respectively; AD/CVD Enforcement, Office 5, Group II, Import Administration, International Trade

Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

##### Background

In accordance with 19 CFR 351.213(b), on June 30, 2003, the petitioner requested an administrative review of the antidumping duty order for Kawasaki Steel Corporation, Nippon Steel Corporation, NKK Tubes and Sumitomo Metal Industries, Ltd. (collectively, the respondents) on certain large diameter carbon and alloy seamless standard, line, and pressure pipe from Japan. On July 29, 2003, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of this order for the period June 1, 2002, through May 31, 2003 (68 FR 44524). The petitioner withdrew its request for this review on December 22, 2003.

##### Rescission of Review

The Department's regulations at 19 CFR 351.213(d)(1) provide that the Department will rescind an administrative review if the party that requested the review withdraws its request for review within 90 days of the date of publication of the notice of initiation of the requested review. The regulations further provide that the Secretary "may extend this time limit if the Secretary decides that it is reasonable to do so." The petitioner was the only party to request this review. Although the petitioner's withdrawal request for this review was not within the normal time limit as prescribed in section 351.213(d)(1) of the Department's regulations, we find that, under the circumstances of this review, it is appropriate to accept the withdrawal request and rescind the review. Continuing the review would only require the petitioner, respondents, and the Department expend time and resources on a review in which the only party that requested the review is no longer interested.

The respondents have either claimed no shipments during the period of review or have stated that they will not participate in the review in response to the Department's questionnaire, and, therefore, the Department has neither released supplemental questionnaires nor conducted verification at this point in the proceeding. Accordingly, the Department does not believe the administrative review has proceeded to a point at which it would be "unreasonable" to rescind the review. The Department, therefore, determines that it is reasonable to extend the 90-day time limit and to rescind the