deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. In the instant case, the deadline for the preliminary results of this review was extended from 245 days to 345 days under section 751(a)(3)(A) due to an allegation from petitioners that respondent's sales were made below the cost of production. 62 FR 3661 (1997). The Department has determined that it is not practicable to complete the review within this extended period because the case involves complex analysis and issues associated with the implementation of the new law.

Since it is not practicable to complete this review within the extended period, in accordance with section 751(a)(3)(A) of the Act, the Department is extending the time limit as follows:

Product	Country	Review period	Initiation date	Prelim due date	Final due date*
Gray Portland Cement (A–201–802)	Mexico	08/1/95–07/31/96	9/17/96	9/2/97	12/13/97

*The Department shall issue the final determination 120 days after the publication of the preliminary determination. This final due date is estimated based on publication of the preliminary notice five business days after signature.

Dated: July 28, 1997.

Roland L. MacDonald,

Acting Deputy Assistant Secretary For Enforcement III.

[FR Doc. 97–20933 Filed 8–7–97; 8:45 am]

BILLING CODE 3510–DS–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–802]

Industrial Nitrocellulose From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request by the respondent, China North Industries Guangzhou Corp. (CNIGC), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on industrial nitrocellulose from the People's Republic of China (PRC). The review covers one exporter of the subject merchandise to the United States and the period July 1, 1995 through June 30, 1996. The review indicates the existence of dumping margins during the period of review.

We have preliminarily determined that sales have been made below normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between United States price (U.S. price) and NV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 8, 1997.

FOR FURTHER INFORMATION CONTACT: Rebecca Trainor or Maureen Flannery, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone: (202) 482–4733.

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR Part 353 (1997).

SUPPLEMENTARY INFORMATION:

Background

On July 10, 1990, the Department published in the **Federal Register** (55 FR 28267) the antidumping duty order on industrial nitrocellulose (INC) from the PRC. On July 8, 1996, the Department published in the **Federal Register** (61 FR 35712) a notice of opportunity to request an administrative review of this antidumping duty order. On July 31, 1996, in accordance with 19 CFR 353.22(a), one exporter of the subject merchandise to the United States, CNIGC, requested that the Department conduct an administrative review of its exports of subject merchandise to the United States. We published the notice of initiation of this review on August 15, 1996 (61 FR 42416).

Scope of the Review

Imports covered by this review are shipments of INC from the PRC. INC is a dry, white, amorphous synthetic chemical with a nitrogen content between 10.8 and 12.2 percent, and is produced from the reaction of cellulose with nitric acid. INC is used as a film-former in coatings, lacquers, furniture finishes, and printing inks. The scope of this order does not include explosive grade nitrocellulose, which has a nitrogen content of greater than 12.2 percent.

INC is currently classified under Harmonized Tariff System (HTS) subheading 3912.20.00. While the HTS item number is provided for convenience and Customs purposes, the written description remains dispositive as to the scope of the product coverage.

The review period is July 1, 1995 through June 30, 1996.

Separate Rates

CNIGC claims to be eligible for a separate antidumping rate, as an independent trading company owned by ''all the people.'' As stated in the *Final Determination of Sales at Less than Fair Value: Silicon Carbide from the People's Republic of China* (*Silicon Carbide*), 59 FR 22585, 22586 (May 2, 1994), and *Final Determination of Sales at Less than Fair Value: Furfuryl Alcohol from the People's Republic of China* (*Furfuryl Alcohol*) 60 FR 22544 (May 8, 1995), ownership of a company by all the people does not require the application of a single rate. Therefore, CNIGC is eligible for consideration for a separate rate.

To establish whether a firm is sufficiently independent from government control to be entitled to a separate rate, the Department analyzes each exporting entity under the test originally established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China* (*Sparklers*), 56 FR 20588 (May 6, 1991), and amplified in *Silicon Carbide*. Under this test, the Department assigns separate rates in nonmarket-economy (NME) cases only if an exporter can affirmatively demonstrate the absence of both (1) *de jure* and (2) *de facto* governmental control over export activities. *See Silicon Carbide* and *Furfuryl Alcohol.*

1. De Jure Control

CNIGC has placed on the administrative record documents to demonstrate absence of *de jure* control. CNIGC submitted the ''Law of the People's Republic of China on Industrial Enterprises Owned by the Whole People,'' adopted on April 13, 1988 (the Industrial Enterprises Law), and the 1992 regulations that supplemented it, ''Provisions on Changing the System of Business Operation for State Owned Enterprises'' (Business Operation Provisions). We have analyzed these laws in previous cases and have found them to sufficiently establish an absence of *de jure* control of companies ''owned by the whole people,'' such as CNIGC. (*See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Partial-Extension Steel Drawer Slides with Rollers from the People's Republic of China*, 60 FR 29571, 29573 (June 5, 1995); and *Furfuryl Alcohol*. The Industrial Enterprises Law provides that enterprises owned by ''the whole people'' shall make their own management decisions, be responsible for their own profits and losses, choose their own suppliers, and purchase their own goods and materials. The Business Operation Provisions confer upon state-owned enterprises the responsibility for making investment decisions, the right to dispose of retained capital and assets, and the authority to form joint ventures and to merge with other enterprises. CNIGC states that INC does not appear on any government lists regarding export provisions or export licensing, and that no quotas are imposed on INC.

In sum, in prior cases, the Department has analyzed the Chinese laws on the record in this case, and found that it establishes an absence of *de jure* control. We have no new information in these proceedings which would cause us to reconsider this determination.

2. De Facto Control

The Department typically considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a governmental authority; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses. *See, e.g., Silicon Carbide* and *Furfuryl Alcohol*. These factors are not necessarily exhaustive, and other relevant indicia of government control may be considered.

In the *Final Determinations of Sales at Less Than Fair Value: Brake Drums and Brake Rotors from the People's Republic of China (Brake Drums and Rotors*), 62 FR 9160 (February 28, 1997), we found that this respondent, CNIGC, could not affirmatively demonstrate an absence of *de facto* government control. In *Brake Drums and Rotors* we found that CNIGC remains a branch of China North Industries Corporation (NORINCO), and that NORINCO is controlled by the PRC government. As there are no facts on the record of this administrative review to contradict our findings in *Brake Drums and Rotors*, we have not granted a separate rate to CNIGC in this review. We have placed on the record of this review documents used to reach the separate rates determination in *Brake Drums and Rotors* and which form the basis for our determination not to grant a separate rate to CNIGC in this review. *See* Memorandum to the file from Leah Schwartz dated March 26, 1997, on file in Room B–099 of the Commerce Department.

PRC-Wide Rate

Because we have not granted a separate rate to CNIGC, we are preliminarily applying a single antidumping rate—the PRC-wide rate—to all exporters in the PRC. We have preliminarily based the PRC-wide rate on the information submitted by CNIGC for this review because we have reason to believe that CNIGC was the only exporter of INC from the PRC to the United States during the POR. See the proprietary memorandum to the file from Rebecca Trainor, dated July 23, 1997, on file in Room B–099 of the Commerce Department.

United States Price

The Department used export price (EP), in accordance with section 772(a) of the Act, in calculating U.S. price, because the subject merchandise was sold to unrelated purchasers prior to importation into the United States and the constructed export price methodology was not warranted based on the facts of record. We calculated EP based on the price to unrelated purchasers. We deducted amounts for inland freight from the factory to the port and for brokerage and handling. We valued foreign inland freight using data on Indonesian freight rates. See the proprietary analysis memo dated July 23, 1997, on file in Room B–099, for discussion of our treatment of brokerage and handling expenses. We selected Indonesia as the primary surrogate country for reasons explained in the ''Normal Value'' section below.

Normal Value

For companies located in NME countries, section 773(c)(1) of the Act provides that the Department shall determine NV using a factors of production methodology if (1) the subject merchandise is exported from an NME country, and (2) available information does not permit the calculation of NV using home market prices or third country prices, in accordance with section 773(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. None of the parties to this proceeding has contested such treatment. Accordingly, we calculated NV in accordance with section 773(c) of the Act. We valued the factors of production using prices or costs in one or more surrogate market economy countries. We first determined that India, Pakistan, Egypt, Sri Lanka and Indonesia are each at a level of economic development comparable to the PRC in terms of per capita gross national product, the growth rate in per capita income, and the national distribution of labor. Of these potential surrogate countries, we determined that both Indonesia and India are significant producers of INC. However, price data for one of the major inputs used in the production of INC was unavailable from Indian sources, whereas price data for all of the principal production inputs is available from Indonesian sources. Therefore, we used Indonesia as the primary surrogate country. We valued one of the packing materials, steel drums, using publicly available data from India, because Indonesian data was not available for this factor. *See* Memorandum to Maureen Flannery from David Mueller, dated January 29, 1997, ''Industrial Nitrocellulose from the People's Republic of China: Non-market Economy Status and Surrogate Country Selection,'' and Memorandum to the File dated March 24, 1997: ''Industrial Nitrocellulose from the People's Republic of China: Significant Production in Indonesia and India of Comparable Merchandise,'' which are on file in room B–099 of the Commerce Department.

Petitioner and respondent submitted publicly available information on surrogate values for the Department's consideration. For purposes of

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

To value cotton linters, nitric acid, sulphuric acid, chlorine, caustic soda, rosin, and ethyl alcohol, we used a per kilogram value obtained from the Foreign Trade Statistical Bulletin of Indonesia: Imports (Indonesian Import Statistics). We adjusted these values to reflect inflation through the period of review (POR). We included freight costs incurred between the supplier and CNIGC, valued using the Indonesian freight rates.

For direct labor, we used the unskilled labor rate published by the U.S. Department of Labor, Bureau of International Labor Affairs in its 1992 publication, *Foreign Labor Trends: Indonesia*. This source shows the number of hours worked per week. We adjusted the labor rate to reflect inflation through the POR using the wholesale price index (WPI) published by the International Monetary Fund.

For factory overhead, we used information reported in a December 2, 1994 fax from the U.S. Foreign Commercial Service of the American Embassy in Jakarta, Indonesia. This data was received for the less-than-fair-value (LTFV) investigation of furfuryl alcohol from the PRC, and provides an estimated range of factory overhead in Indonesia. This information was used in the LTFV investigation of disposable pocket lighters from the PRC. From this information, we were able to determine factory overhead as a percentage of materials and labor. The surrogate overhead rate included energy; therefore, we did not include CNIGC's reported energy factors in the margin calculation.

For selling, general and administrative (SG&A) expenses and profit, we used information obtained from a September 1991 cable from the U.S. Embassy in Jakarta. This cable was received for the LTFV investigation of certain carbon steel butt-weld pipe fittings from the PRC, and provides estimated ranges of SG&A expenses and profit margins.

To value plastic bags used in packing, we used the Indonesian Import Statistics. To value steel drums, we used a per kilogram value obtained from the Monthly Statistics of the Foreign Trade of India (Indian Import Statistics), as these values were unavailable for Indonesia. We adjusted these values to reflect inflation through the POR. We also adjusted these values to include freight costs incurred between the suppliers and the INC factory. Because CNIGC did not report the distances between its INC factory and the packing materials suppliers, we relied on the facts otherwise available. We used the average distance between the INC factory and the factory's raw materials suppliers.

To value truck freight, we used the rates reported in a September 1991 cable from the U.S. Embassy in Jakarta, Indonesia. This cable was received for the LTFV investigation of certain carbon steel butt-weld pipe fittings from the PRC. We adjusted the rates to reflect inflation using the WPI published by the IMF.

Currency Conversion

We made currency conversions pursuant to section 773A(a) of the Act and section 353.60 of the Department's regulations based on the rates certified by the Federal Reserve Bank.

Preliminary Results of the Review

As a result of our review, we preliminarily determine that the following margin exists for the period July 1, 1995 through June 30, 1996:

Manufacturer/exporter	Margin (percent)
PRC-Wide Rate	48.91

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. *See* 19 CFR 353.38(d). Parties who submit argument in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between U.S. price and NV may vary from the percentages stated above. The Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of INC from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) for all PRC exporters, the cash deposit rate will be the PRC-wide rate established in the final results of this review; and (2) the cash deposit rates for non-PRC exporters of subject merchandise from the PRC will be the rates applicable to the PRC supplier of that exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification of Interested Parties

This notice serves as a preliminary reminder to importers of their responsibility under section 353.26 of the Department's regulations to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and section 353.22 of the Department's regulations.

Dated: July 31, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–20938 Filed 8–7–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–588–813]

Light-Scattering Instruments and Parts Thereof From Japan; Termination of Antidumping Duty Administrative Review

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

ACTION: Notice of termination of antidumping duty administrative review.

SUMMARY: The Department of Commerce (the Department) is terminating the administrative review of the antidumping duty order on light-scattering instruments and parts thereof