

Memo), which is hereby adopted by this notice.

A list of the issues which parties have raised and to which we have responded, all of which are in the *Decision Memo*, is attached to this notice as an appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the *Decision Memo* can be accessed directly on the Web at <http://ia.ita.doc.gov>. The paper copy and electronic version of the *Decision Memo* are identical in content.

Application of Facts Available

In the *Preliminary Results*, we applied facts available to Iscor/Saldanha and Highveld pursuant to sections 776(a)(1) and (2) of the Act because Iscor/Saldanha's and Highveld's stated decision not to participate in the review constitutes a refusal to provide the information necessary to conduct the Department's antidumping analysis, pursuant to section 776(a)(2)(A) of the Act. Moreover, respondents' non-participation significantly impedes the review process. See section 776(a)(2)(C) of the Act.

Furthermore, we used an adverse inference and applied AFA pursuant to section 776(b) of the Act because we determined that Iscor/Saldanha and Highveld had failed to cooperate to the best of their ability by refusing to respond to the Department's questionnaire, making it impossible for the Department to perform any company-specific analysis or calculate dumping margins, if any, for the period of review (POR). After analyzing the comments received, we continue to find that the use of AFA is warranted for exports of subject merchandise to the United States by Iscor/Saldanha and Highveld in these final results. For a complete discussion, see the *Decision Memo*. As AFA, the Department is assigning the rate of 9.28 percent. This rate was derived from the petition, and was the only rate in the notice of initiation of investigation. See 67 FR 65336. It is also the rate applied in the final determination of the investigation of sales at less-than-fair-value (LTFV) because we found in the investigation

that the parties did not cooperate to the best of their ability and we applied AFA (see *Notice of Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from South Africa*, 66 FR 37002 (July 16, 2001)). It is the rate currently in effect for all exporters. As discussed further below, this rate has been corroborated.

Corroboration of Secondary Information Used as AFA

Section 776(c) of the Act provides that when the Department relies on the facts otherwise available and relies on "secondary information," the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. The SAA clarifies that the petition is "secondary information," and states that "corroborate" means to determine that the information used has probative value. See Statement of Administrative Action, URAA, H.R. Doc. 316, Vol 1, 103d Cong. (1994) (SAA) at 870. To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. We have previously examined the 9.28 percent rate and found it to be reliable. See *Memorandum from Doug Campau to Barbara Tillman, Preliminary Determination of Certain Hot-Rolled Carbon Steel Flat Products From South Africa: Corroboration of Secondary Information*, dated April 23, 2001, and placed on the record of this review on June 30, 2003.

As part of the corroboration process, we have re-examined the information used as facts available in the investigation. For purposes of this administrative review, we have reviewed the petition and the administrative record, and found no reason to believe that the reliability of this information should be called into question.

Further, the Department considers information reasonably at its disposal to determine whether a margin continues to have relevance. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin inappropriate. Where circumstances indicate that the

selected margin is not appropriate as adverse facts available, the Department will disregard the selected margin and determine an appropriate margin. See e.g., *Fresh Cut Flowers from Mexico: Final Results of Antidumping Administrative Review*, 61 FR 6812 (February 22, 1996) (*Flowers from Mexico*). We found the AFA rate from the LTFV investigation in this case to be relevant and reliable, and therefore corroborated for purposes of this administrative review. Accordingly, we determine that the information from the petition remains the most appropriate basis for AFA.

When circumstances warrant, the Department may diverge from its standard practice of selecting as the AFA rate the highest rate in any segment of the proceeding and calculate the AFA rate pursuant to section 776(b) of the Act. For example, in *Flowers from Mexico*, the Department did not use the highest margin in that case as best information available (the predecessor to facts available) because the margin was based on another company's aberrational business expense that resulted in an unusually high margin. See *Flowers from Mexico* at 6814. In other cases, the Department did not apply a margin, because that figure was subsequently discredited, or the facts did not support such a usage. See also *Allegheny Ludlum Corp., et al. v. United States*, Slip Op 03-89 (July 24, 2003 at 22-26, currently on appeal, and *D & L Supply Co. v. United States*, 113 F.3d 1220, 1221 (Fed. Cir. 1997) (the Department will not use a margin that has been judicially invalidated). None of these unusual circumstances are present here. Moreover, the rate selected is the rate currently applicable to all exporters.

Accordingly, we determine that the highest rate from any segment of this administrative proceeding (i.e., the rate of 9.28 percent from the determination of sales at LTFV) is in accord with the requirement of section 776(c) of the Act that secondary information be corroborated (i.e., that it have probative value).

Final Results of Review

As a result of our review, we determine the antidumping margins for Iscor/Saldanha and Highveld, based on total AFA, to be as follows:

| Manufacturer/Exporter | Time Period | Margin (percent) |
|-----------------------|-------------------|------------------|
| Iskor/Saldanha | 05/03/01-08/31/02 | 9.28 |
| Highveld | 05/03/01-08/31/02 | 9.28 |